

MiFID II Annual RTS 28 Report 2019 - Comgest*

Class of Instrument	Equities - Shares and Depositary Receipts				
Notification if < 1 average trade per business day in the previous year	N				
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
CLSA (UK) LEI: 213800VZMAGVIU2IJA72	9.287299000000001	6.357155	79.386436	20.613564	99.968359000000001
CLSA Europe BV 213800DPWK1AXSAJZM30	8.98635	1.246681	65.724307	34.275693	4.531743
Credit Suisse Securities Sociedad de Valores Sociedad Anonima LEI: 959800TMGPWX7NYM4R72	6.431531	3.620491	0	100	97.545775000000001
Morgan Stanley & Company International LEI: 4PQUHN3JPFGFNF3BB653	5.206895	2.645622	0	100	64.378037000000001
JP Morgan Securities plc LEI: K6Q0W1PS1L1O4IQL9C32	4.077012	3.680398	0	100	99.931089

Class of Instrument	Equities - Shares and Depositary Receipts: Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)				
Notification if < 1 average trade per business day in the previous year	N				
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
Morgan Stanley Europe SE LEI: 54930056FHWP7GIWYY08	12.943315	8.364512	4.1809	95.81910000000001	83.34075900000001
Sanford C Bernstein & Co. LLC LEI: 54930017JYZHT7D5CO04	9.445577	14.481261	5.134401	94.865599	88.257077
CLSA (UK) LEI: 213800VZMAGVIU2IJA72	9.086601	4.371502	56.368114	43.631886	99.99526400000001
RBC Europe Ltd LEI: TXDSU46SXBWIGJ8G8E98	8.695410000000001	11.999114	6.201684	93.798316	76.106088
Daiwa Capital Markets Deutschland GMBH LEI: 549300NEBDPH0ZXIF850	7.991774	3.526106	0	100	91.38579

Class of Instrument	Equities - Shares and Depository Receipts: Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)				
Notification if < 1 average trade per business day in the previous year	N				
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
UBS Europe SE LEI: 5299007QVIQ7IO64NX37	17.673972	19.035467	0.010156	99.98984400000001	80.784075
RBC Europe Ltd LEI: TXDSU46SXBWIGJ8G8E98	13.719742	11.668552	28.788004	71.211996	66.12542500000001
Virtu ITG Europe Ltd LEI: 213800EEC95PRUCEUP63	7.559509	5.487728	56.33257	43.66743	96.177559
Barclays Capital Securities Ltd LEI: K9WDOH4D2PYBSLSOB484	7.1688	8.176976	72.904599	27.095401	99.952713
Morgan Stanley Europe SE LEI: 54930056FHWP7GIWYY08	5.201738	5.008265	80.331982	19.668018	79.463424

Class of Instrument	Equities - Shares and Depository Receipts: Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
Notification if < 1 average trade per business day in the previous year	N				
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
UBS Europe SE LEI: 5299007QVIQ7IO64NX37	14.81805	10.317366	2.068765	97.931235	87.703963
RBC Europe Ltd LEI: TXDSU46SXBWIGJ8G8E98	11.153313	15.099225	52.549753	47.450247	88.889466
Sanford C Bernstein Ltd LEI: 54930049G8WQ50OUSD19	8.673152999999999	10.551852	69.270408	30.729592	84.93868500000001
Barclays Capital Securities Ltd LEI: K9WDOH4D2PYBSLSOB484	5.971519	6.828445	67.18029199999999	32.819708	99.996172
Citigroup Global Markets Europe AG LEI: 6TJCK1B7E7UTXP528Y04	5.328312	7.656464	57.354297	42.645703	93.902148

Class of Instrument	Equity Derivatives: Futures and Options Admitted to Trading on a Trading Venue				
Notification if < 1 average trade per business day in the previous year	N				
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
Société Générale International Limited LEI: 0IKLU6X1B10WK7X42C15	45.977831	54.015438	0.736311	99.263689	73.242819
UBS Europe SE LEI: 5299007QVIQ7IO64NX37	27.595754	24.864509	0	100	85.453307
Morgan Stanley Europe SE LEI: 54930056FHWP7GIWYY08	14.29193	10.658565	0	100	89.368259

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	N				
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
Credit Suisse Securities (Europe) Ltd LEI: DL6FFRRLF74S01HE2M14	100	100	0	100	100

Class of Instrument	Currency Derivatives: Swaps, Forwards and other Currency Derivatives				
Notification if < 1 average trade per business day in the previous year	N				
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
Reuters Transaction Services Limited FXALL RFQ MIC Code: TRAL	84.67187300000001	83.82643	0	100	100
Financial & Risk Transaction Services Ireland Limited FXALL / Refinitiv RFQ MIC Code: RMTF	15.328127	16.17357	0	100	100

Class of Instrument	Other Instruments - Market Access Products				
Notification if < 1 average trade per business day in the previous year	Y				
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
JP Morgan Securities Plc LEI: K6Q0W1PS1L1O4IQL9C32	57.95544894	51.02739726	-	100	-
UBS Limited LEI: REYPIEJN7XZHSUI0N355	37.57255073	41.78082192	-	100	-
CLSA (UK) LEI: 213800VZMAGVIU2IJA72	3.487685247	3.424657534	-	100	-
Macquarie Bank Limited LEI: 4ZHCHI4KYZG2WVRT8631	0.984315078	3.767123288	-	100	-

Class of Instrument	Other Instruments - Non EEA Tradable Instruments				
Notification if < 1 average trade per business day in the previous year	N				
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
Banco Santander SA LEI: 5493006QMFDDMYWIAM13	23.584693	20.934836	0	100	63.709091
Morgan Stanley Europe SE LEI: 54930056FHWP7GIWYY08	21.740179	23.249086	0	100	93.680419
Citigroup Global Markets Inc. LEI: MBNUM2BPBDO7JBLYG310	13.912365	10.58922	0	100	74.55068300000001
Sanford C Bernstein & Co. LLC LEI: 549300I7JYZHT7D5CO04	8.258139	6.699147	10.681818	89.31818199999999	100
Citigroup Global Markets Ltd LEI: XKZZ2JZF41MRHTR1V493	7.368701	7.460414	0	100	100

SUMMARY OF ANALYSIS AND CONCLUSIONS

* The data provided in this report relates to transactions (i) transmitted to brokers or counterparties and (ii) executed on a trading venue for Comgest Asset Management International Limited and Comgest S.A. in 2019, collectively hereafter referred to as 'Comgest'.

Comgest transmits all orders to brokers or counterparties for execution, except for FX contracts which Comgest executes directly on a trading venue.

(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

Equities, Exchange Traded Funds, American Depository Receipts (ADR) and Global Depository Receipts (GDR):

In determining best possible result Comgest places a high importance on the price achieved as well as the timeliness of the execution. Depending on criteria such as the nature of the order and the financial instrument involved, Comgest may place greater importance on the following execution factors:

- Likelihood of execution
- Size of the order

Comgest may select certain brokers due to their expertise in executing transactions in specific stocks or certain markets. This may happen, for example, in the case of emerging market securities where the price received may not be the lowest price available but where there is an increased likelihood of execution of the entire order.

While not weighted as heavily as price and execution, Comgest considers the following factors to be of high importance in selecting and assessing its brokers:

- Confirmations: the accuracy and timeliness in the delivery of confirmations.
- Likelihood of settlement: the performance of brokers in achieving timely settlement of transactions.

In addition, Comgest assesses and monitors the credit quality of the depository bank which issues the ADR or GDR prior to transacting and while a position is held.

Market Access Products:

In determining best possible result for Market Access Products Comgest places a high importance on price, the credit quality of the counterparty and the size of the order. Comgest ensures best execution by comparing the price quoted by the counterparty with the price of the underlying equity security. Comgest assesses and monitors the credit quality of Market Access Product counterparties prior to transacting and in which a position is held

Exchange Traded Equity Index Futures:

In determining best possible result Comgest places a high importance on the price achieved as well as the timeliness of the execution.

FX Contracts:

In order to achieve best execution for FX contracts Comgest places a high importance on price, the credit quality of the counterparty and the size of the order. Comgest aims to ensure best execution by comparing offers from counterparties of similar quality.

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

There are no close links, conflicts of interest or common ownership interests with respect to any brokers or counterparties used by Comgest to execute client orders.

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

There are no specific arrangements, discounts or rebates provided to or received from any brokers. Commissions charged by brokers on trades are as per pre-agreed terms and are disclosed in client reporting on a trade by trade basis. Minor non-monetary benefits provided by brokers in the form of gifts and entertainment are accepted only in accordance with Comgest's Code of Ethics.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

Comgest's selection of brokers and counterparties is intended to enhance the overall quality of execution. Comgest maintains a list of internally approved brokers and counterparties. In order to ensure that we act in our clients' best interests in selecting third party brokers/ counterparties for execution, Comgest follows a broker and counterparty selection policy. The policy includes a review of approved brokers and counterparties on a semi-annual basis.

Aside from internal changes made by brokers in advance of Brexit coming into force, no material changes were made to Comgest's Approved Broker and Counterparty list in 2019.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Order execution arrangements do not differ for any categories of Comgest's clients.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

N/A - Comgest has Professional Clients only.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;

Comgest uses a market standard transaction cost analysis tool for assessing the quality of execution obtained.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

N/A – Comgest has not used data from consolidated tape providers during the period.

Comgest was reliant on its Transaction Cost Analysis provider for production of most of the data contained in this report.

Comgest Asset Management International Limited is regulated by the Central Bank of Ireland.

Comgest S.A. is Regulated by the Autorité des Marchés Financiers - GP 90023.