
Longview Partners LLP

Annual Best Execution Disclosure 2017

April 2018



LONGVIEW
PARTNERS

Longview Partners LLP Annual Best Execution Disclosure 2017

Disclosure and Process

On an annual basis Longview Partners LLP is required to provide additional disclosures around the execution venues utilised for each asset class and information on the quality of execution in line with the requirement of Regulatory Technical Standard 28 of the MiFID II regulation.

Longview Partners LLP executes orders with approved brokers. These brokers' firms are maintained on our list of execution venues subject to authorisation and ongoing monitoring processes. Amendments to the approved broker list are made taking into account a number of factors, including each broker's financial stability and their execution capabilities. Longview Partners does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangement. In addition, Longview Partners LLP does not trade with any affiliates.

Longview Partners LLP only has regulatory authority to provide investment management services to Professional Clients and therefore does not trade retail client orders. All of Longview's clients are treated equally.

Longview's best execution process is overseen by the Best Execution Committee (BEC) which consists of the CIO, the Head of Compliance and the Head of Trading. The BEC meets on a quarterly basis and may be joined by members from teams including Trading, Risk and Portfolio Analysis and Operations.

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Equities

Notification if <1 average trade per business day in previous year

No

Top five execution venues and their LEIs, 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
Liquidnet Europe Limited 213800ZIRB79BE5XQM68	19.0%	8.2%	N/A	N/A	0.00%
Credit Suisse Securities (Europe) Limited DL6FFRRLF74S01HE2M14	17.2%	37.7%	N/A	N/A	0.00%
Goldman Sachs International W22LROWP2IHZNBB6K528	14.9%	18.8%	N/A	N/A	0.00%
Sanford C Bernstein & Co., LLC 549300I7JYZHT7D5CO04	14.2%	14.2%	N/A	N/A	0.00%
J.P. Morgan Securities PLC K6Q0W1PS1L1O4IQL9C32	9.4%	2.9%	N/A	N/A	0.00%

Execution Factors

Longview's goal when executing equity orders is to always achieve the best possible result which focuses on minimising market impact whilst also minimising the time it takes to complete the order. Price, implicit costs, size and type of order will typically be the most important factors.

Compliance monitors all equity trades daily to ensure that best execution has been achieved. The Risk and Portfolio Analysis team prepares a best execution report for the BEC quarterly that contains an analysis of all trades and brokers using a mix of internally developed Trading Cost Analysis (TCA), Bloomberg TCA, and broker TCA reports.

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FX Forwards

Notification if <1 average trade per business day in previous year

No

Top five execution venues and their LEIs, 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
Banque de Luxembourg PSZXLEV07O5MHRRFCW56	43.9%	26.7%	N/A	N/A	0.00%
The Northern Trust Company 6PTKHJDJ8HDUF78PFWH30	24.0%	27.2%	N/A	N/A	0.00%
State Street Bank and Trust Company 571474TGEMMWANRLN572	17.8%	19.6%	N/A	N/A	0.00%
The Bank of New York Mellon HPFHU0OQ28E4N0NFVK49	13.7%	17.3%	N/A	N/A	0.00%
Pictet & Cie (Europe) S.A 549300GSSPQ1QSKI1376	0.6%	9.1%	N/A	N/A	0.00%

Execution Factors

Longview will only trade forwards for clients who have requested that the currency exposure in their portfolio is hedged back to the portfolio's base currency. Operational risk, likelihood of settlement and price are the most important execution factors.

Compliance monitors counterparty ratings where available and reviews the impact of any change to these ratings on a daily basis. In addition, Longview also monitors Credit Default Swap (CDS) spreads and Bloomberg Default Risk ratings daily against internal tolerance levels. The Risk and Portfolio Analysis team prepares a quarterly best execution report for the BEC that contains an analysis of all trades and brokers, comparing the executed price of each trade to the applicable market price.

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