

# Global Fixed Income

How Global Fixed Income can deliver capital preservation and diversification in an environment of disinflation and heightened recessionary risk

### Matt Day

September 27, 2023





### Matt Day, FIA

Senior Portfolio Manager, Partner Mondrian Investment Partners Limited

#### London

Mr. Day joined the Mondrian Global Fixed Income & Currency team in 2007. Prior to this, Mr. Day worked in actuarial consulting, specializing in the development of stochastic asset and liability models for UK pension schemes at Buck Consultants. At Mondrian, Mr. Day has a quantitative research focus and is responsible for the continuing development of the company's proprietary inflation and mortgage backed securities models. Mr. Day has a BSc in Economics with Actuarial Studies from the University of Southampton and is a Fellow of the Institute of Actuaries.

# Agenda

- Our Organization 3
- **Recessionary Risks and** 4 Disinflationary Trends
- The Case for Global Bonds 6
- Mondrian Global 11 **Fixed Income**
- Appendix 13

#### Mondrian Investment Partners Limited

Sixty London Wall, Floor 10 London EC2M 5TQ Telephone 020 7477 7000

#### Mondrian Investment Partners (U.S.), Inc.

201 King of Prussia Road, Suite 620 Radnor, PA 19087 Telephone (215) 825-4500

#### www.mondrian.com

Mondrian Investment Partners Limited is authorised and regulated by the Financial Conduct Authority.



## Our Organization

OVER 30 YEARS			GBP -39 BILLION IN ASSETS	OP
A Track Pocord	Employee	Active Value Oriented	Institutional	ESC
of Success	Owned	Defensive Approach	Focus	Integration
Stable, consistent leadership with time-tested investment philosophy and process	Mondrian is employee owned and Independent which directly aligns us with clients	All strategies have consistently utilized an income-oriented value discipline	A stable and diverse global client base consisting of corporations, public and private pension plans,	ESG analysis integrated in the investment process
since 1990	Equity ownership plan designed to attract, retain and motivate highly skilled people	Time-tested investment philosophies, disciplined process, adapted to evolving market dynamics	endowments, foundations and high net worth investors utilizing an array of strategies to meet their investment goals	Signatory of the Principles for Responsible Investment
	Over half of employees are owners	Emphasis on capital preservation in difficult markets		

\*Assets under management and advisement, as at June 30, 2023

## US Recession Looming

January 2023



- US yield curve inversion has been a highly reliable predictor of recession
- It is the collective judgement of diverse traders/investors with skin in the game
- The difference between the 10-year and 3-month yields has worked best
- It has predicted eight out of the last eight recessions (see chart)
- There have been no false positives over this period
- After two months of inversion, recession followed in nine months on average
- The yield curve inverted in October 2022; it is still inverted

Source: Mondrian Investment Partners and JPMorgan. Benchmark: JP Morgan GBI-EM Global Diversified Index

Please carefully review the disclosure and notes concerning performance calculation and GIPS compliance in the appendix.

Past performance is not a guarantee of future results.

## Disinflation in Developed Countries

July 2023



Source: Haver Analytics, Mondrian Note: Global inflation measures are GDP weighted measures of US, UK, Eurozone, Canadian and Japanese CPI and core CPI.

## The Case for Global Bonds

#### **Excellent Diversification Benefits**

	<mark>9/11</mark> Q3, 2001	Enron/ Worldcom Q2, 2002	Lehman Bankruptcy Q4, 2008	Crisis Q2, 2011	China Devaluation Q3, 2015	US/China Trade Dispute Q4, 2018	Coronavirus Pandemic Q1, 2020
<b>UK Equity</b> FTSE All Share (GBP)	-13.5	-11.0	-10.2	1.9	-5.7	-10.3	-25.1
<b>Global Equity</b> MSCI World (GBP)	-18.1	-15.1	-3.0	0.3	-4.9	-11.3	-15.7
<b>UK Bonds</b> FTSE WGBI UK (GBP)	3.9	3.4	10.6	2.5	3.3	2.0	7.5
<b>High Yield</b> BBG High Yield (GBP)	-8.9	-11.8	1.3	1.5	-0.1	-1.2	12.6
<b>Global Bonds</b> FTSE WGBI (GBP)	2.5	4.3	34.9	3.2	5.6	4.2	9.0

Unhedged GBP returns (%).

#### Peer Group Average - All Periods



 Global bonds have usually outperformed during periods of market turmoil

- Can help stabilize performance of portfolios during times of crises
- Market crises are unpredictable and will always occur
- Global bonds can act like an insurance policy – there when you need them most

- Preserving performance at times of financial market stress is critically important for a GFI strategy
- Mondrian's returns versus the benchmark and peers are shown in the chart
- Given its recency and the performance of risk assets at the time, we believe Q1, 2020 is a key period for assessing a GFI strategy
- The yield on the FTSE WGBI was 3.4% at December 31, 2022

Note: The returns presented on this page are presented gross of advistory fees and other expenses associated with managing an investment advisory account.

Actual returns will be reduced by such fees and expenses. Please carefully review the disclosure for more information concerning these gross performance results including an illustration of the negative effect of advisory fees on performance. Past performace is not a guarantee of future results. Supplemental information complements the Mondrian Global Fixed Income Composite. Investments involve the risk of loss.

Data from Unhedged strategies from evestment as of 26/01/2023

The opinions expressed here are Mondrian's views based on proprietary research.

Source: FTSE, eVestment, Mondrian Investment Partners. Note: All peer group chart data in USD terms, as eVestment data expressed solely in USD terms.

## Why Mondrian Fixed Income

- Strong, long-term track records, dating back over 30 years
- Comprehensive ESG integration sovereign and corporate investment process awarded A+ in the 2020 PRI assessment
- Competitive management fees



Financially robust, employee-owned firm - long-term continuity and stability



Stable, well-resourced team within expert knowledge of the asset class



Disciplined process that has been shown to work over a long period



Not reliant on "star managers" with potentially unrepeatable calls



Nimble manageable AUM and focused team means we can continue to rapidly exploit opportunities

Please refer to www.unpri.org for the PRI assessment methodology.

Mondrian's full Assessment Report and Transparency Report may be requested via the PRI Data Portal. PRI = Principles for Responsible Investments. Past performance is not a guarantee of future results.

# Portfolio

Mondrian Global Fixed Income Composite (Expressed in GBP) December 31, 2022



The returns presented on this page are gross of advisory fees and other expenses associated with managing an investment advisory account. Please carefully review the disclosure and notes concerning performance calculation and GIPS compliance in the appendix. These provide more information concerning gross performance results including an illustration of the negative effect of advisory fees on performance.

Where the composite data is expressed in GBP, the composite has been re-based from US dollars into GBP. The method used for this currency calculation involves applying the monthly change in the month end USD/GBP spot rates to the monthly US dollar composite performance. Selection of a base currency for a portfolio may have a material effect on performance, including the effect of currency hedges. The performance shown has not been adjusted to reflect the impact of a different base currency and/or potentially different currency hedges. Past performance is not a guarantee of future results.

## Global Fixed Income and Currency Team

July 4, 2023



### Fixed Income

Investment Philosophy

We have a disciplined investment philosophy that has been in place since we were founded in 1990

The process has consistently produced strong long-term results

### Value Based Approach

#### **Country Allocation**

We invest in markets we believe best compensate for inflation and sovereign credit risks, measured by a market's Prospective Real Yield (PRY)



#### **Currency Allocation**

We use a Purchasing Power Parity (PPP) approach supplemented by our sovereign credit analysis

# Global Fixed Income Unhedged

As of June 30, 2023

The Global Fixed Income and Currency team manage a total AUM of GBP 3.1bn. The team are responsible for security selection, portfolio construction and overall management of the following strategies:

#### **Global Fixed Income**

International Fixed Income Global Inflation-Linked Bonds Global Debt Opportunities Global Aggregate Fixed Income International Aggregate Fixed Income U.S. Core Fixed Income European Aggregate Fixed Income Global Green Bond Emerging Markets Debt Local Currency

Source: Mondrian Investment Partners and FTSE
Where returns presented on this page are labelled 'gross
they are gross of advisory fees and other expenses
associated with managing an investment advisory
account. Actual returns will be reduced by such fees and
expenses. Please carefully review the disclosures and
notes concerning performance calculation and GIPS
compliance in the appendix.
These provide more information concerning gross
performance results including an illustration of the
negative effect of advisory fees on performance.
Past performance is not a augrantee of future results

Characteristics	MIP Rep Account	FTSE WGBI
Yield to Maturity	3.6	3.5
Modified Duration	7.6 years	7.5 years
Average Maturity	9.6 years	9.7 years
Average Credit Rating	AA	AA
Number of Issues	50	1,223
Information Ratio (3yrs)	0.1	-
Global Fixed Income Unhedged AUM (GBP)	499m	

#### **Top Active Positions**

Local Currency Bonds			Currencies	
Duration Weighted Exposure (%)	MIP Rep Allocation 1	Active Weight 2	Currency Exposure (%)	MIP Rep Allocation 1
Overweights			Overweights	
Mexico	5.7	5.2	Japanese yen	28.1
United Kingdom	8.9	3.2	Swiss franc	6.2
New Zealand	3.3	3.1	Korean wan	2.1
Underweights			Underweights	
China	1.0	-2.9	Canadian dollars	0.0
Eurozone	25.5	-3.0	Chinese yuan	2.0
Japan	17.1	-4.0	US dollars	22.3

Annualized Returns (Expressed in GBP %)

-6.0 -61

Quarter



1.8

-0.7 -1.2 -1.3

5 Yrs

1.3 1.3

10 Yrs

6.7 6.2

5.2

SI

 Allocation in representative account. Absent client restrictions, allocations are consistent across all client portfolios with the same mandte type. Bond exposures are calculated in duration weighted terms. Where bond exposure is shown, this represents the portfolio's exposure to bonds issued by each country. Where currency exposure is shown, this represents the portfolio's exposure to bonds, cash and forward positions denominated in that currency.

Active

Weight

15.4

6.2 2.1

-1.8

-3.0

-20.3

2. Active weight exposure (Mondrian weight minus index weight).

Inception date: April 1, 1991 Refer to the Composite Disclosure and Important Information in the Appendix

-6.9

-7.3 \_7.7 -7.4

3 Yrs

-7.5 -7.9

1 Yr

## Important Information

MiFID Disclosure

Term	Disclosure
Composite/Strategy Performance	Performance results marked "Gross" do not reflect deduction of investment advisory fees but are net of transaction costs and withholding tax. Investment returns will be reduced accordingly.
	Performance returns marked "Net" reflect deduction of investment advisory fees and are calculated by deducting a quarterly indicative fee from the quarterly composite return. The indicative fee is defined as being the effective fee rate (or average weighted fee) at the composite's minimum account size. Actual net composite performance would be higher than the indicative net performance shown because some accounts have sliding fee scales and therefore lower effective fee rates.
Confidentiality	For Investment Professionals only. This document is confidential and only for the use of the party named on its cover and its advisers. It may not be redistributed or reproduced, in whole or in part.
Current Views	Views expressed were current as of the date indicated, are subject to change, and may not reflect current views. Views should not be considered a recommendation to buy, hold or sell any security and should not be relied on as research or investment advice.
Forward-Looking Statements	This document may include forward-looking statements. All statements other than statements of historical facts are forward-looking statements (including words such as "believe", "estimate", "anticipate", "may", "will", "should", "expect"). Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those reflected in such forward-looking statements.
Risk of Loss	An investment involves the risk of loss. Past performance is not indicative of future results. The investment return and value of investments will fluctuate, and you may not get back the amount you originally invested.
Informational Purposes	This introductory material is for informational purposes only and is not an offer or solicitation with respect to any securities. Any offer of securities can only be made by written offering materials, which are available solely upon request, on an exclusively private basis and only to qualified financially sophisticated investors. The information set forth herein is a summary only and does not set forth all of the risks associated with the investment strategy described herein. The products and services described in this document are not available to investors in all jurisdictions. Information contain within the document must not be used in a way that would be contrary to local law or legislation.
Firm Information	Mondrian Investment Partners Limited is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 149507). Mondrian Investment Partners Limited is also registered as an Investment Adviser with the Securities and Exchange Commission (registration does not imply any level of skills or training).
Benchmarks	All references to "benchmark" assume the reinvestment of dividends after the deduction of withholding tax and approximate the minimum possible re-investment, unless the benchmark is specifically described as a "Gross" benchmark.
	MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.
Bull Bear Chart	A bull market quarter is defined as one in which the benchmark showed a positive U.S. dollar return, and a bear market quarter one where the benchmark showed a negative U.S. dollar return.



# Appendix

## **Currency** Analysis

A Purchasing Power Parity (PPP) Approach

Currency movements are impossible to forecast consistently so we adopt a PPP valuation approach

This provides a consistent measure of value for all currencies

PPP fair value is the exchange rate at which a basket of goods and services costs the same in two different currencies

Exchange rates tend to fluctuate around their PPP fair value

We overweight the best-value currencies and underweight expensive currencies

The further away a currency is from its PPP fair value the more over or underweight we will be, particularly at extremes

We supplement our PPP approach with our proprietary sovereign credit analysis for each country

![](_page_13_Figure_9.jpeg)

# Inflation Forecasting Methodology

Proprietary quantitative models provide structure and drive process

Additional factors are used to complement information the models are unable to capture

The projection of relative, rather than absolute, inflation forecasts are essential to the success of the process

Research complements factors the models are unable to capture

'Relative' inflation forecasts are a key component of the process

#### **Quantitative Models**

- Demand Pressures
- Cost Pressures
- Scenario Analysis

#### **Other Factors**

- Government Policy e.g. Tax Changes
- Country Research Visits

![](_page_14_Picture_13.jpeg)

![](_page_14_Picture_14.jpeg)

### Mondrian's Inflation Forecast

Some models that rely on past relationships may not be able to quantitatively determine the potential impact of a future change. Mondrian would therefore consider this particular factor outside of our quantitative models

## Sovereign Credit Analysis

Fundamental quantitative factors drive sovereign credit analysis

The result is a numerical sovereign credit adjustment for each country

Conservative value approach, focused on the preservation of capital

![](_page_15_Figure_4.jpeg)

### Mondrian's Sovereign Credit Adjustment

### Broad Based USD Overvaluation

June 30, 2023

#### • US dollar overvaluation is broad based

Base\Object	USD	CAD	AUD	NZD	JPY	EUR	DKK	SEK	CHF	GBP	MXN	PLN	ZAR
USD		-1.71	-2.02	-1.40	-4.83	-1.79	-1.69	-3.73	-1.62	-2.18	0.18	-0.82	-3.29
CAD	1.71		-1.32	-0.71	-3.02	-0.44	-0.36	-4.54	-0.21	-0.80	1.72	0.25	-2.26
AUD	2.02	1.32		1.48	-1.57	1.43	1.69	-0.27	2.07	1.00	2.11	2.02	-0.27
NZD	1.40	0.71	-1.48		-1.78	0.67	0.77	-0.62	0.97	0.42	1.44	1.09	-0.62
JPY	4.83	3.02	1.57	1.78		3.52	3.85	1.59	4.07	2.58	3.22	3.30	1.57
EUR	1.79	0.44	-1.43	-0.67	-3.52		0.03	-4.58	0.07	-0.42	2.03	1.33	-2.07
DKK	1.69	0.36	-1.69	-0.77	-3.85	-0.03		-3.58	0.08	-0.39	1.69	1.08	-2.14
SEK	3.73	4.54	0.27	0.62	-1.59	4.58	3.58		2.05	2.17	3.78	3.49	-0.04
CHF	1.62	0.21	-2.07	-0.97	-4.07	-0.07	-0.08	-2.05		-0.40	1.35	0.56	-1.71
GBP	2.18	0.80	-1.00	-0.42	-2.58	0.42	0.39	-2.17	0.40		2.69	1.05	-1.36
MXN	-0.18	-1.72	-2.11	-1.44	-3.22	-2.03	-1.69	-3.78	-1.35	-2.69		-1.59	-2.70
PLN	0.82	-0.25	-2.02	-1.09	-3.30	-1.33	-1.08	-3.49	-0.56	-1.05	1.59		-2.24
ZAR	3.29	2.26	0.27	0.62	-1.57	2.07	2.14	0.04	1.71	1.36	2.70	2.24	

• But the Japanese yen is the stand-out currency

![](_page_16_Figure_5.jpeg)

Source: Mondrian Investment Partners

## Mondrian Equity Products

June 30, 2023

					Vehicle		
Mondrian Product	Typical Benchmark	Separate Account	Limited Partnership*	Collective Investment Trust*	US Registered Mutual Fund*	UCITS	CAD Fund
International Equity							
International Equity	MSCI EAFE	Soft closed Open to existing investors	Open - Min: USD 5m	Open. Min: USD 3m	Open. Mondrian Int'l Value Equity Fund: MPIEX. Min: USD 50k		
International Equity ESG	MSCI EAFE	Open - Min: USD 50m	Open - Min: USD 2m				
Focused International Equity	MSCI EAFE	Open - Min: USD 50m	Open - Min: USD 5m				
All Countries World ex-US Equity	MSCI ACW ex-US	Soft closed Open to existing investors	Open - Min: USD 5m	Open - Min: USD 5m			
Focused All Countries World ex-US Equity	MSCI ACW ex-US	Open - Min: USD 300m (1) Min: USD 100m (2)					
International Equity (ADR)	MSCI EAFE	Open					
Global Equity							
Global Equity	MSCI World	Open - Min: USD 50m	Open - Min: USD 2m			Open - UCITS MFPGEUS: ID. Min: USD 5m	
Global Equity ESG	MSCI World	Open - Min: USD 50m	Open - Min: USD 2m				
Global All Countries World Equity	MSCI ACW	Open - Min: USD 50m	Open - Min: USD 3m		Open - Mondrian Global Equity Value Fund: MPGVX. Min: USD 50k		Open CAD (Pooled) Fund Min: CAD 1m
U.S. Large Cap Equity	Russell 1000 Value	Open - Min: USD 10m	Open - Min: USD 1m				
Emerging Markets Equity							
Emerging Markets Equity	MSCI EM	Open - Min: USD 50m	Open - Min: USD 1m		Open - Mondrian EM Value Equity Fund: MPEMX. Min: USD 50k		Open CAD (Pooled) Fund, Min: CAD: 1m
Emerging Markets ESG	MSCI EM	Open - Min: USD 50m	Open - Min: USD 1m				
China Equity (China A and All-China)	MSCI China	Open - Min: USD 50m	Open - Min: USD 1m				
Emerging Markets Equity ADR	MSCI EM	Open					
Emerging Markets ex-China Equity	MSCI EM ex-China	Open - Min: USD 50m	Open - Min: USD 1m				
International Small Cap Equity							
International Small Cap Equity	MSCI World ex-US Small Cap	Open - Min: USD 100m	Open - Min: USD 2m				
Emerging Markets Small Cap Equity	MSCI EM Small Cap	Open - Min: USD 50m	Open - Min: USD 2m				

ay, from time to time, reduce and/or increase n accounts listed above. The above is for purposes only and intended solely for the nom it has been delivered. It is not an offer n with respect to the purchase of any ny investment decision in connection with any vehicle should be based on the information its written offering materials.

s only

### Mondrian Fixed Income Products

June 30, 2023

Mondrian Product	Typical Benchmark	Separate Account	Limited Partnership*	UCITS
Global Fixed Income				
Global Fixed Income	FTSE WGBI	Open - Min: USD 25m	Open - Min: USD 1m	Open - UCITS MONGFIE: ID. Min: EUR 5m
International Fixed Income	FTSE WGBI ex-US	Open - Min: USD 25m		
Global Inflation-Linked Bonds	Bloomberg World Gov. Inflation-Linked Bond Index	Open - Min: USD 25m	Open - Min: USD 1m	
Global Debt Opportunities	80% FTSE WGBI/20% JPMorgan GBI-EM Global Diversified	Open - Min: USD 25m	Open - Min: USD 1m	
Global Aggregate Fixed Income				
Global Aggregate Fixed Income	Bloomberg Global Aggregate Bond Index	Open - Min: USD 50m	Open - Min: USD 1m	
International Aggregate Fixed	Bloomberg Global Aggregate ex-USD Bond Index	Open - Min: USD 50m	Open - Min: USD 1m	
U.S. Core Fixed Income	Bloomberg US Aggregate Bond Index	Open - Min: USD 5m		
European Agg. Fixed Income	Bloomberg Euro Aggregate Bond Index	Open - Min: USD 25m		
Global Green Bonds	Bloomberg MSCI Global Green Bond Index	Open - Min: USD 25m		Open - UCITS MOGGBEH: ID. Min: USD 5m
Emerging Markets Debt Local Currency				
Emerging Markets Debt Local Currency	JPMorgan GBI-EM Global Diversified	Open - Min: USD 25m	Open - Min: USD 1m	

Vehicle

Mondrian offers multiple hedged and unhedged share classes in the UCITS vehicles listed above. More nformation is available on request.

Mondrian may, from time to time, reduce and/or increase the minimum accounts listed above. The above is for information purposes only and intended solely for the person to whom it has been delivered. It is not an offer or solicitation with respect to the purchase of any securities. Any investment decision in connection with any investment vehicle should be based on the information contained in its written offering materials.

\* US Investors only

#### Global Fixed Income Unhedged Composite

#### **Annual Performance**

	Total Gross	Total Net	Benchmark	Composite	Benchmark			Total Composite	% of	Total Firm	Total Firm Assets
	USD	of Fees	USD	Standard	Standard	No. of	Composite	Assets	Firm	Assets	and Advisory
Year	Return	USD Return	Return	Deviation	Deviation	Portfolios	Dispersion	(USD m)	Assets	(USD m)	Assets (USD m)
2013	-6.04%	-6.48%	-4.00%	4.99%	4.60%	8	0.11%	882.8	1.25	70,356	75,081
2014	-0.75%	-1.22%	-0.48%	4.37%	4.28%	9	0.11%	1,126.8	1.76	64,102	69,429
2015	-2.74%	-3.20%	-3.57%	4.32%	4.39%	5	N/A	398.6	0.70	56,857	62,158
2016	-0.10%	-0.57%	1.60%	6.08%	5.89%	4	N/A	250.7	0.42	59,033	64,257
2017	10.24%	9.73%	7.49%	6.21%	5.75%	2	N/A	199.2	0.32	62,751	69,504
2018	0.60%	0.13%	-0.84%	6.40%	5.82%	3	N/A	377.2	0.79	47,789	53,740
2019	7.36%	6.85%	5.90%	4.60%	4.20%	3	N/A	359.2	0.66	54,401	61,316
2020	12.08%	11.56%	10.11%	4.92%	4.48%	2	N/A	168.3	0.31	54,894	58,974
2021	-7.05%	-7.48%	-6.97%	5.06%	4.80%	2	N/A	151.1	0.27	56,088	60,479
2022	-16.96%	-17.35%	-18.26%	8.85%	7.53%	2	N/A	129.6	0.30	43,300	47,087
2023 (to Jun 30)	-0.38%	-0.62%	1.66%	9.72%	8.22%	2	N/A	95.8	0.21	45,629	49,761

1 Year	-3.14%	-3.60%	-2.49%
5 Years (Ann.)	-1.45%	-1.91%	-2.04%
10 Years (Ann.)	0.02%	-0.45%	-0.48%
Since Inception (Ann.)	5.69%	5.19%	4.23%

• This composite was created and incepted in April 1991.

• Past performance is not a guarantee of future results.

 A list of composite descriptions, pooled fund descriptions for limited and broad distribution pooled funds and the policies for valuing investment, calculating performance and preparing GIPS reports are available on request.

#### Accompanying Notes Concerning Performance Calculation and GIPS® Compliance

Mondrian Investment Partners Limited ('Mondrian') claims compliance with the Global Investment Performance Standards (GIPS<sup>®</sup>) and has prepared and presented this report in compliance with the GIPS standards. Mondrian has been independently verified for the period 1 January 1993 to 31 December 2022. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS<sup>®</sup> is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The Firm is defined as all discretionary and non-discretionary portfolios managed by Mondrian. Mondrian is a value-oriented defensive manager seeking to achieve high real returns for its clients. Mondrian invests mainly in securities where rigorous dividend discount analysis identifies value in terms of the long-term flows of income. Mondrian's methodology is applied consistently to markets and individual securities, both bonds and equities.

The Global Fixed Income Unhedged Composite includes U.S. dollar based discretionary portfolios, measured against the FTSE World Government Bond Index gross of withholding taxes. The portfolios are invested in global bonds and are allowed no more than 5% in emerging markets debt.

Total Firm Assets are assets for which the firm has investment management responsibility. Composite assets are assets for composite qualifying portfolios for which the firm has investment management responsibility. Firm advisory assets are assets for all strategies within the firm for which Mondrian provides investment recommendations only; trading and implementation of the investment decisions is independent.

Portfolios are valued on a trade date basis using accrual accounting. Returns are calculated using the modified Dietz method and then weighted by using beginning-of-period market values to calculate the monthly composite returns. Portfolio returns are calculated net of irrecoverable withholding tax on dividend income. New portfolios are included in the first full month of investment in the composite's strategy. Terminated portfolios remain in the composite through the last full month of investment.

Composite and benchmark standard deviation are measured as the rolling 3 year annualised standard deviation f gross monthly returns. The dispersion of annual returns of portfolios within the composite (Composite Dispersion), is measured by the standard deviation of the equal-weighted returns of portfolios represented within the composite for the full year. When the composite consists of four or fewer portfolios for the full year, no dispersion measure is presented. Performance results marked "Gross" do not reflect deduction of investment advisory fees. Investment returns will be reduced accordingly. For example, if a 1.00% advisory fee were deducted quarterly (0.25% each quarter) and the three year gross annual returns were 10.00%, 3.00% and -2.00%, giving an annualized return of 3.55% before deduction of advisory fees, then the deduction of advisory fees would result in three year net annual returns of 8.91%, 1.98% and -2.97% giving an annualized net return of 2.52%.

Performance returns marked "Net" reflect deduction of investment advisory fees and are calculated by deducting a monthly indicative fee from the monthly composite return. The indicative fee is defined as being the effective fee rate for a segregated account at the composite's minimum segregated account size as set out below. Actual net composite performance would be higher than the indicative performance shown because some accounts have sliding fee scales and accordingly lower effective fee rates.

Representative fee schedules and expense ratios as at 31st December 2022 for segregated accounts and pooled vehicles are provided below, although it is expected that from time to time the fees charged will differ from the below schedule depending on the country in which the client is located and the nature, circumstances and requirements of individual clients. The fees for segregated accounts will be charged as follows: the first USD50 million at 0.32%; thereafter at 0.28%. Minimum segregated account size is USD25 million. For Limited Partnerships, the following fees will be charged: the first USD25 million at 0.47%, the next USD25 million at 0.32%; thereafter at 0.27%. Minimum Limited Partnership account size is USD1 million. The total expense ratio is 0.53%.

#### Global Fixed Income Hedged (EUR) Composite

#### **Annual Performance**

	Total Gross EUR	Total Net of Fees	Benchmark EUR	Composite Standard	Benchmark Standard	No. of	Composite	Total Composite Assets	% of Firm	Total Firm Assets	Total Firm Assets and Advisory
Year	Return	EUR Return	Return	Deviation	Deviation	Portfolios	Dispersion	(EUR m)	Assets	(EUR m)	Assets (EUR m)
2016	-0.36%	-0.39%	0.03%	N/A	N/A	1	N/A	40.0	0.07	55,969	60,921
2017	0.82%	0.37%	0.25%	N/A	N/A	1	N/A	80.1	0.15	52,258	57,882
2018	0.97%	0.52%	-0.17%	N/A	N/A	1	N/A	80.4	0.19	41,805	47,011
2019	5.16%	4.69%	4.55%	3.05%	2.87%	1	N/A	84.1	0.17	48,464	54,624
2020	6.08%	5.60%	4.83%	3.32%	3.11%	1	N/A	88.7	0.20	44,865	48,198
2021	-3.01%	-3.44%	-3.09%	3.44%	3.54%	1	N/A	76.6	0.16	49,321	53,182
2022	-12.75%	-13.14%	-14.80%	4.91%	4.94%	1	N/A	57.1	0.14	40,572	44,120
2023 (to Jun 30)	1.00%	0.78%	1.71%	5.06%	5.10%	1	N/A	57.5	0.14	41,823	45,610

1 Year	-3.43%	-3.86%	-3.87%
5 Years (Ann.)	-0.71%	-1.16%	-1.58%
Since Inception (Ann.)	-0.50%	-0.95%	-1.24%

• This composite was created and incepted in December 2016.

Past performance is not a guarantee of future results.

 A list of composite descriptions, pooled fund descriptions for limited and broad distribution pooled funds and the policies for valuing investment, calculating performance and preparing GIPS reports are available on request.

#### Accompanying Notes Concerning Performance Calculation and GIPS® Compliance

Mondrian Investment Partners Limited (Mondrian) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mondrian has been independently verified for the period 1 January 1993 to 31 December 2022. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Firm is defined as all discretionary and non-discretionary portfolios managed by Mondrian. Mondrian is a value-oriented defensive manager seeking to achieve high real returns for its clients. Mondrian invests mainly in securities where rigorous dividend discount analysis identifies value in terms of the long-term flows of income. Mondrian's methodology is applied consistently to markets and individual securities, both bonds and equities.

The Global Fixed Income Hedged (EUR) Composite includes Euro based discretionary portfolios, measured against the FTSE World Government Bond Hedged (EUR) Index. The portfolios are invested in global bonds.

Total Firm Assets are assets for which the firm has investment management responsibility. Composite assets are assets for composite qualifying portfolios for which the firm has investment management responsibility. Firm advisory assets are assets for all strategies within the firm for which Mondrian provides investment recommendations only; trading and implementation of the investment decisions is independent.

Portfolios are valued on a trade date basis using accrual accounting. Returns are calculated using the modified Dietz method and then weighted by using beginning-of-period market values to calculate the monthly composite returns. Portfolio returns are calculated net of irrecoverable withholding tax on dividend income. New portfolios are included in the first full month of investment in the composite's strategy. Terminated portfolios remain in the composite through the last full month of investment.

Composite and benchmark standard deviation are measured as the rolling 3 year annualised standard deviation of gross monthly returns. The dispersion of annual returns of portfolios within the composite (Composite Dispersion), is measured by the standard deviation of the equal-weighted returns of portfolios represented within the composite for the full year. When the composite consists of four or fewer portfolios for the full year, no dispersion measure is presented. Performance results marked "Gross" do not reflect deduction of investment advisory fees. Investment returns will be reduced accordingly. For example, if a 1.00% advisory fee were deducted quarterly (0.25% each quarter) and the three year gross annual returns were 10.00%, 3.00% and -2.00%, giving an annualized return of 3.55% before deduction of advisory fees, then the deduction of advisory fees would result in three year net annual returns of 8.91%, 1.98% and -2.97% giving an annualized net return of 2.52%.

Performance returns marked "Net" reflect deduction of investment advisory fees and are calculated by deducting a monthly indicative fee from the monthly composite return. The indicative fee is defined as being the effective fee rate for a segregated account at the composite's minimum segregated account size as set out below. Actual net composite performance would be higher than the indicative performance shown because some accounts have sliding fee scales and accordinally lower effective fee rates.

Representative fee schedules and expense ratios as at 31st December 2022 for segregated accounts and pooled vehicles are provided below, although it is expected that from time to time the fees charged will differ from the below schedule depending on the country in which the client is located and the nature, circumstances and requirements of individual clients. The fees for segregated accounts will be charged as follows: the first EUR45 million at 0.32%, thereafter at 0.28%. Minimum segregated account size is EUR25 million. For UCITS, 0.45% will be charged on all assets. Minimum UCITS account size is EUR5 million. The total expense ratio is 0.60%.

Global Fixed Income Unhedged Composite Expressed in GBP

#### Annual Performance

Year	Total Gross GBP Return	Total Net of Fees GBP Return	Benchmark GBP Return	Composite Standard Deviation	Benchmark Standard Deviation	Number of Portfolios	Composite Dispersion	Total Composite Assets (GBP m)	% of Firm Assets	Total Firm Assets (GBP m)	Total Firm Assets and Advisory Assets (GBP m)
2013	-7.78%	-8.22%	-5.78%	6.84%	6.67%	8	0.11%	533.0	1.25	42,479	45,332
2014	5.42%	4.93%	5.72%	6.18%	5.82%	9	0.11%	722.6	1.76	41,111	44,527
2015	2.89%	2.41%	2.01%	7.18%	6.86%	5	N/A	270.4	0.70	38,576	42,172
2016	19.16%	18.61%	21.19%	10.79%	10.80%	4	N/A	202.9	0.42	47,775	52,003
2017	0.70%	0.23%	-1.82%	11.26%	11.46%	2	N/A	147.3	0.32	46,387	51,379
2018	6.85%	6.35%	5.32%	10.45%	10.71%	3	N/A	296.1	0.79	37,523	42,196
2019	3.21%	2.73%	1.81%	7.54%	7.80%	3	N/A	271.1	0.66	41,065	46,285
2020	8.62%	8.12%	6.71%	7.76%	7.91%	2	N/A	123.1	0.31	40,159	43,143
2021	-6.19%	-6.63%	-6.11%	8.21%	8.45%	2	N/A	111.5	0.27	41,410	44,652
2022	-6.50%	-6.94%	-7.97%	7.02%	6.81%	2	N/A	107.7	0.30	35,997	39,144
2023 (to Jun 30)	-5.75%	-5.97%	-3.81%	6.48%	5.99%	2	N/A	75.3	0.21	35,890	39,140

#### Accompanying Notes Concerning Performance Calculation and GIPS® Compliance

This composite was created and incepted in April 1991.

Past performance is not a guarantee of future results.

 A list of composite descriptions, pooled fund descriptions for limited and broad distribution pooled funds and the policies for valuing investment, calculating performance and preparing GIPS reports are available on request.

Where the composite data is expressed in GBP, the composite has been re-based from US dollars into GBP. The method used for this currency calculation involves applying the monthly change in the month end USD/GBP spot rates to the monthly US dollar composite performance. Selection of a base currency for a portfolio may have a material effect on performance, including the effect of currency hedges. The performance shown has not been adjusted to reflect the impact of a different base currency and/or potentially different currency hedges.

#### Global Green Bond Hedged Composite

#### Annual Performance

	Total Gross	Total Net	Benchmark	Composite	Benchmark			Total Composite	% of	Total Firm	Total Firm Assets
	EUR	of Fees	EUR	Standard	Standard	No. of	Composite	Assets	Firm	Assets	and Advisory
Year	Return	EUR Return	Return	Deviation	Deviation	Portfolios	Dispersion	(EUR m)	Assets	(EUR m)	Assets (EUR m)
2020	1.04%	0.94%	0.53%	N/A	N/A	2	N/A	1.3	0.00	44,865	48,198
2021	-1.23%	-1.63%	-0.85%	N/A	N/A	2	N/A	1.3	0.00	49,321	53,182
2022	-16.93%	-17.26%	-17.64%	N/A	N/A	2	N/A	1.0	0.00	40,572	44,120
2023 (to Jun 30)	-0.69%	-0.89%	1.75%	N/A	N/A	2	N/A	1.0	0.00	41,823	45,610

1 Year	-5.29%	-5.67%	-4.33%
Since Inception (Ann.)	-6.83%	-7.20%	-6.33%

This composite was created and incepted in October 2020.

Past performance is not a guarantee of future results.

 A list of composite descriptions, pooled fund descriptions for limited and broad distribution pooled funds and the policies for valuing investment, calculating performance and preparing GIPS reports are available on request.

#### Accompanying Notes Concerning Performance Calculation and GIPS® Compliance

Mondrian Investment Partners Limited ('Mondrian') claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mondrian has been independently verified for the period 1 January 1993 to 31 December 2022. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

promote this organization, nor does it warrant the accuracy or quality of the contained herein.

The Firm is defined as all discretionary and non-discretionary portfolios managed by Mondrian. Mondrian is a value-oriented defensive manager seeking to achieve high real returns for its clients. Mondrian invests mainly in securities where rigorous dividend discount analysis identifies value in terms of the long-term flows of income. Mondrian's methodology is applied consistently to markets and individual securities, both bonds and equities.

The Global Green Bond Composite includes Euro based discretionary portfolios and share classes of Euro based portfolios, measured against Bloomberg MSCI Global Green Bond Index gross of withholding taxes. The portfolios are invested in global green bonds.

Since inception to date, the Global Green Bond Composite consists only of Mondrian seed capital, which is non fee paying and has no external investors. The portfolio accounting is performed in conjunction with independent third parties.

Total Firm Assets are assets for which the firm has investment management responsibility. Composite assets are assets for composite qualifying portfolios for which the firm has investment management responsibility. Firm advisory assets are assets for all strategies within the firm for which Mondrian provides investment recommendations only; trading and implementation of the investment decisions is independent.

Portfolios are valued on a trade date basis using accrual accounting. Returns are calculated using the modified Dietz method and then weighted by using beginning-of-period market values to calculate the monthly composite returns. Portfolio returns are calculated net of irrecoverable withholding tax on dividend income. New portfolios are included in the first full month of investment in the composite's strategy. Terminated portfolios remain in the composite through the last full month of investment.

Composite and benchmark standard deviation are measured as the rolling 3 year annualised standard deviation of gross monthly returns. The dispersion of annual returns of portfolios within the composite (Composite Dispersion), is measured by the standard deviation of the equal-weighted returns of portfolios represented within the composite for the full year. When the composite consists of four or fewer portfolios for the full year, no dispersion measure is presented. Performance results marked "Gross" do not reflect deduction of investment advisory fees. Investment returns will be reduced accordingly. For example, if a 1.00% advisory fee were deducted quarterly (0.25% each quarter) and the three year gross annual returns were 10.00%, 3.00% and -2.00%, giving an annualized return of 3.55% before deduction of advisory fees, then the deduction of advisory fees would result in three year net annual returns of 8.91%, 1.98% and -2.97% giving an annualized net return of 2.52%.

Performance returns marked "Net" reflect deduction of investment advisory fees and are calculated by deducting a monthly indicative fee from the monthly composite return. The indicative fee is defined as being the effective fee rate for a segregated account at the composite's minimum segregated account size as set out below. Actual net composite performance would be higher than the indicative performance shown because some accounts have sliding fee scales and accordinally lower effective fee rates.

Representative fee schedules and expense ratios as at 31st December 2022 for segregated accounts and pooled vehicles are provided below, although it is expected that from time to time the fees charged will differ from the below schedule depending on the country in which the client is located and the nature, circumstances and requirements of individual clients. The fees for segregated accounts will be charged as follows: the first EUR95 million at 0.40%; thereafter at 0.30%. Minimum segregated account size is EUR25 million. For UCITS, 0.35% will be charged on all assets. Minimum UCITS account size is EUR55 million. The total expense ratio is 0.45%.

Global Green Bond Hedged Composite Expressed in GBP

#### Annual Performance

Year	Total Gross GBP Return	Total Net of Fees GBP Return	Benchmark GBP Return	Composite Standard Deviation	Benchmark Standard Deviation	Number of Portfolios	Composite Dispersion	Total Composite Assets (GBP m)	% of Firm Assets	Total Firm Assets (GBP m)	Total Firm Assets and Advisory Assets (GBP m)
2020	-0.29%	-0.39%	-0.80%	N/A	N/A	2	N/A	1.1	0.00	40,159	43,143
2021	-7.36%	-7.73%	-7.00%	N/A	N/A	2	N/A	1.1	0.00	41,410	44,652
2022	-12.21%	-12.56%	-12.97%	N/A	N/A	2	N/A	0.9	0.00	35,997	39,144
2023 (to Jun 30)	-3.95%	-4.14%	-1.58%	N/A	N/A	2	N/A	0.9	0.00	35,890	39,140

#### Accompanying Notes Concerning Performance Calculation and GIPS® Compliance

• This composite was created and incepted in October 2020.

• Past performance is not a guarantee of future results.

 A list of composite descriptions, pooled fund descriptions for limited and broad distribution pooled funds and the policies for valuing investment, calculating performance and preparing GIPS reports are available on request.

Where the composite data is expressed in GBP, the composite has been re-based from US dollars into GBP. The method used for this currency calculation involves applying the monthly change in the month end EUR/GBP spot rates to the monthly US dollar composite performance. Selection of a base currency for a portfolio may have a material effect on performance, including the effect of currency hedges. The performance shown has not been adjusted to reflect the impact of a different base currency and/or potentially different currency hedges.

![](_page_24_Picture_0.jpeg)

# Mondrian UCITS Funds

![](_page_24_Picture_2.jpeg)

# Global Fixed Income Fund (EUR Hedged)

As of June 30, 2023

The Global Fixed Income and Currency team manage a total of AUM of EUR 3.6bn. The team are responsible for security selection, portfolio constuction and overall management of the following strategies:

#### **Global Fixed Income**

International Fixed Income Global Inflation-Linked Bonds Global Debt Opportunities Global Aggregate Fixed Income International Aggregate Fixed Income U.S. Core Fixed Income European Aggregate Fixed Income Global Green Bond Emerging Markets Debt Local Currency

Source: Mondrian Investment Partners and FTSE. Where returns presented on this page are labelled 'gross', they are gross of advisory fees and other expenses associated with managing an investment advisory account. Actual returns will be reduced by such fees and expenses. Please carefully review the disclosure and notes concerning performance calculation and GIPS compliance in the appendix. These provide more information concerning gross performance results including an illustration of the negative effect of advisory fees on performance. Past performance is not a quarantee of future results.

![](_page_25_Figure_6.jpeg)

1.5 -1.3 <sup>-0.9</sup>	-4.0 -3.4 -3.9	-5.3 -4.7 -5.5	-1.3 -0.7 -1.6	-1.0 -0.5 -1.2
Quarter	1 Yr	3 Yrs	5 Yrs	SI
Performance Incept	ion Date: November 24, 20	16		

#### **Top Active Positions**

#### Local Currency Bonds

Mondrian Allocation	Active Weight
1	Z
4.3	3.8
3.2	3.0
8.2	2.5
0.9	-2.9
17.5	-3.6
24.9	-3.7
Mondrian	Active
Allocation	Weight
1	2
3.7	3.7
1.0	1.0
0.4	0.4
94.6	-5.4
	Mondrian Allocation 1 4.3 3.2 8.2 8.2 9 0.9 17.5 24.9 Mondrian Allocation 1 3.7 1.0 0.4

 Allocation in Fund. Bond exposures are calculated in duration weighted terms. Bond exposures represent the Fund's exposure to bonds issued in each currency. Currency exposure represents the portfolio's exposure to bonds, cash and forward positions denominated in that currency.

2. Active weight exposure (Fund weight minus index weight).

## Global Green Bond Fund

As of June 30, 2023

The Global Fixed Income and Currency team manage a total AUM of GBP 3.1bn. The team are responsible for security selection, portfolio construction and overall management of the following strategies:

Global Fixed Income International Fixed Income Global Inflation-Linked Bonds **Global Debt Opportunities** Global Aggregate Fixed Income International Aggregate Fixed Income U.S. Core Fixed Income European Aggregate Fixed Income **Global Green Bond Emerging Markets Debt Local Currency** 

Source: Mondrian Investment Partners and Bloomberg Where returns presented on this page are labelled 'gross', they are gross of advisory fees and other expenses associated with managing an investment advisory account. Actual returns will be reduced by such fees and expenses. Please carefully review the disclosures and notes concerning performance calculation and GIPS compliance in the appendix. These provide more information concerning gross

performance results including an illustration of the negative effect of advisory fees on performance.

Past performance is not a guarantee of future results. Refer to the Composite Disclosure and Important Information in the Appendix.

Characteristics	MIP Rep Account	BBG MSCI Green Bond
Yield to Maturity	4.6	4.2
Modified Duration	7.1 years	6.9 years
Average Maturity	8.4 years	8.4 years
Average Credit Rating	A+	A+
Number of Issues	39	1,241
Global Green Bond AUM (GBP)	1.8m	

#### Annualized Returns (Expressed GBP %)

 Mondrian Global Green Bond Composite (Gross)
Mondrian Global Green Bond Composite (Net) BBG MSCI Green Bond

![](_page_26_Figure_10.jpeg)

Inception date: October 1, 2020

![](_page_26_Figure_12.jpeg)

The Investment Manager has classified The Mondrian Global Green Bond Fund as an Article 9 Strategy under EU Sustainable Finance

#### **Top Active Positions** Local Currency Bonds

#### MIP Rep Allocation Duration Weighted Exposure (%) Overweights Mexico 3.8 2.2 New Zealand USA 16.5

![](_page_26_Picture_16.jpeg)

	MIP Rep	Active
Duration Weighted Exposure (%)	Anocation 1	2
Active weights		
Corporate	29.2	5.1
Government-Related	32.6	-5.2
Securitized	1.2	-2.0
Treasury	39.7	4.9

Sectors

Currencies

Active

Weight

3.8

1.9

Currencies

Cu

Currency Exposure (%)	MIP Rep Allocation 1	Active Weight 2
Overweights		
Japanese yen	12.4	12.2
Swiss franc	6.1	5.7
Korean wan	2.1	2.1
Underweights		
Euros	64.6	-3.0
Canadian dollars	0.0	-3.1
US dollars	4.0	-14.9

Allocation in representative account. Absent client restrictions, allocations are consistent across all client portfolios with the same mandate type. Bond exposures are calculated in duration weighted terms. Where bond exposure is shown, this represents the portfolio's exposure to bonds issued by each country. Where currency exposure is shown, this represents the portfolio's exposure to bonds, cash and forward positions denominated in that currency.

2. Active weight exposure (Mondrian weight minus index weight).

# **Credit Rating Distribution**

![](_page_26_Figure_23.jpeg)

Average = A+

### **UCITS** Matrix

Fund	Morningstar Rating	SFDR	Share Class	Acc./ Inc.	ISIN	Performance Inception Date	Countries Available for Sale (2)	OCF (3)	Management Fee
Mondrian Global Equity Fund	***	6	Institutional (USD)	Acc.	IE00BSVYGT76	December 30, 2014	IE, IT, UK, ES, CH	0.700%	0.55%
Mondrian Global Fixed Income Fund	***	6	Institutional (EUR, Hedged)	Acc.	IE00BD87QT41	November 24, 2016	IE, IT, UK, ES, CH	0.595%	0.45%
			Institutional (EUR, Unhedged	Acc.	IE00BNGFS502	November 3, 2020	IE, IT, UK, ES, CH	0.550%	0.45%
			Institutional (USD, Unhedged)	Acc.	IE00BNGFS619	November 3, 2020	IE, IT, UK, ES, CH	0.550%	0.45%
			Institutional (CHF, Hedged)	Acc.	IE000MUBDO70	December 12, 2022	СН	0.595%	0.45%
Mondrian Global Green Bond Fund		9	Institutional (EUR, Unhedged)	Acc.	IE00BMHKTP42	September 18, 2020	IE, IT, UK, ES, CH	0.450%	0.35%
			Institutional (EUR, Hedged)	Acc.	IE00BMHKTQ58	September 18, 2020	IE, IT, UK, ES, CH	0.495%	0.35%
			Institutional (USD, Unhedged)	Acc.	IE00BMHKTS72	September 18, 2020	IE, IT, UK, ES, CH	0.450%	0.35%
			Institutional (USD, Hedged)	Acc.	IE00BMHKTR65	September 18, 2020	IE, IT, UK, ES, CH	0.495%	0.35%

Further details, including risks, fees and expenses, are set out in the current Prospectus, Supplements and Key Investor Information Documents (KIIDs) which can be found here: https://www.mondrian.com/ucits-funds, Read carefully before investing.

(1) The Fund has operated as UCITS vehicle since August 1, 2014. Prior to this conversion, the Fund operated as QIF.

(2) Viewers from Switzerland must be Qualified Investors as defined in Art 10 Collective Investment Schemes Act & Art 4 and 5 Financial Services Act. In relation to our Italian registration, the shares have only been registered for the offer to Qualified Investors, as defined by Article 34 -ter, paragraph 1, letter b of CONSOB Resolution no. 11971 of 14 May 1999, as amended from time to time.

(3) The OCF is capped for each Share Class.

Past performance is not a guarantee of future results.

## Key Investment Guidelines

UCITS Global Fixed Income Fund

Regulatory investment restrictions	UCITS investment restrictions apply
Eligible Investments	Government, sovereign, supranational and agency bonds
Fixed, floating rate or inflation-linked permitted?	Yes
Duration band (total portfolio)	75-125% of benchmark
Minimum Credit Rating of Individual Securities*	BBB-
Typical Benchmark	FTSE WGBI

\* Determined at time of purchase. The lower rating of S&P/Moody's is used to determine compliance.

# Important Information

UCITS Disclosure

Term	Disclosure			
Marketing Communication	This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID before making any final investment decision.			
Fund Characteristics	All Fund Characteristics are derived by first calculating the characteristics of each security, and then calculating the weighted average of these values for the Fund. The details of the exact calculations can be provided on request.			
Italian Investors	The shares have only been registered for the offer to Italian Qualified Investors, meaning Professional Investors as described in points (1) – (4) of Section I of Annex II to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (the "Markets in Financial Instruments in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast)			
Swiss Investors	Viewers from Switzerland must be Qualified Investors as defined in Art.10 Collective Investment Schemes Act & Art. 4 and 5 Financial Services Act.			
Confidentiality	For Investment Professionals only. This document is confidential and only for the use of the party named on its cover and its advisers. It may not be redistributed or reproduced, in whole or in part.			
Current Views	Views expressed were current as of the date indicated, are subject to change, and may not reflect current views. Views should not be considered a recommendation to buy, hold or sell any security and should not be relied on as research or investment advice.			
Forward-Looking Statements	This document may include forward-looking statements. All statements other than statements of historical facts are forward-looking statements (including words such as "believe", "estimate", "anticipate", "may", "will", "should", "expect"). Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Various factors could cause actual results or performance to differ materially from those reflected in such forward-looking statements.			
Risk of Loss	An investment involves the risk of loss. Past performance is not indicative of future results. The investment return and value of investments will fluctuate, and you may not get back th amount you originally invested. There can be no assurance that investment objectives of Funds will be achieved.			
Fund Performance	Fund performance figures are calculated in the share class base currency, based on dividend reinvested and are net of fees.			
Firm Information	Mondrian Funds plc is authorised and regulated by the Central Bank of Ireland. Registered in Ireland. Registered number: 490105. Registered office: 3 Dublin Landings, North Wall Quay, Dublin 1, Dublin, Ireland. Phone 44 (0)20 7477 7000 Fax 44 (0)20 7776 8500			

## Risks and Reward Profile

Mondrian UCITS Funds

The risk and reward indicator is based on historical data and may not be a reliable indication for the future. The risk and reward category shown is not guaranteed to remain unchanged and may change over time.

The lowest category does not mean that a share class is risk free and your initial investment is not guaranteed.

The fund category is determined by the range and frequency of price movements of the underlying investments the Fund invests in.

The value of your investment in the Fund may be affected by the following risks:

Lower	Risk		Higher Risk			
Typica <b>ll</b> y	lower rev	vards	Typically higher rewards			
1	2	3	4	5	6	7

GEQ Fund, category: <b>4</b>	GFI Fund, category: <b>3</b>	Green Bonds Fund, category: <b>3</b>		
Emerging markets investments are more volatile	As the Fund launched in November 2016, there is	As the Fund launched in September 2020, there is		
and present higher risk than investments in more	insufficient history to provide a useful indication of	insufficient history to provide a useful indication of		
established markets.	the risk and reward profile for the Fund. As such,	the risk and reward profile for the Fund. As such,		
	where the available Fund data falls short of 5	where the available Fund data falls short of 5		
Such markets carry additional risks such as	years, the indicator shown above uses data from a	years, the indicator shown above uses data from		
political instability, weaker auditing and financial	representative pooled vehicle of the same	the Bloomberg MSCI Green Bond Index		
reporting standards and less government	mandate.	As the Fund invests in debt securities it is subject		
supervision and regulation.	As the Fund invests in debt securities it is subject	to credit risk, liquidity risk and interest rate risk.		
The Fund's investments may be in currencies other	to credit risk, liquidity risk and interest rate risk.			
than US dollars. The impact of this is that as the		The Fund's investments may be in currencies other		
value of a currency rises or falls it can have a	The Fund's investments may be in currencies other	than the Euro/USD. The impact of this is that as		
positive or negative impact on the value of the	than the Euro/USD. The impact of this is that as	the value of a currency rises or falls it can have a		
Fund's investments	the value of a currency rises or falls it can have a	positive or negative impact on the value of the		
	positive or negative impact on the value of the	Fund's investments.		
	Fund's investments.			

For a complete overview of all risks attached to the Funds, refer to the section entitled "Risk Factors" in the Fund's Supplement and the Mondrian Funds plc Prospectus (www.mondrian.com/ucits-funds/).

![](_page_31_Picture_0.jpeg)

### James Arnold, CFA in

Institutional Business Development Officer Mondrian Investment Partners Limited

James.Arnold@mondrian.com Direct: +44 (0) 20 7477 7061

### Mondrian Investment Partners Limited

Sixty London Wall, Floor 10, London EC2M 5TQ United Kingdom Telephone +44 (0) 20 7477 7000

### in

www.mondrian.com

Mondrian Investment Partners Limited is authorised and regulated by the Financial Conduct Authority