

BEST EXECUTION REPORTS 2018

Origin Asset Management LLP (“Origin” or “the Firm”) is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom and is registered as an Alternative Investment Fund Manager focused on managing global equity portfolios for professional clients only.

The FCA’s Conduct of Business sourcebook (“COBS”) requires a regulated firm to publish information on execution quality.

COBS 11.2A (Article 65(6)) - When the firm selects other firms to provide order execution services, it shall summarise and make public, on an annual basis, for each class of financial instruments, the top five trading venues in terms of trading volumes where it transmitted or placed client orders for execution in the preceding year and information on the quality of execution obtained. The information shall be consistent with the information published in accordance with the technical standards developed under Article 27(10) (b) of Directive 2014/65/EU.

Under Mifid II Delegated Regulation (2017/565), Origin selects other firms to provide order execution by passing orders to a broker for execution as detailed in the Trading Venue Summary below. As a result of indirect trade orders being passed to a broker and advising discretionary mandates, passive/aggressive distinction and directed orders are not relevant to Origin.

1. Qualitative Summary 2018

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

Best execution involves Origin taking all sufficient steps to obtain the best possible result for its clients’ transaction(s). This result can be measured by a number of execution factors, comprising of price, costs (including execution venue fees), clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. The following execution factors are taken into account: price; costs; speed; likelihood of execution; settlement; order size; nature; venue and any other relevant consideration, including qualitative factors when assessing the quality of execution.

Origin does not need to obtain the best possible results for its clients on every single occasion; rather it will verify on an ongoing basis that the execution arrangements it has established work well throughout the different stages of the order execution process. Origin will take all appropriate remedial actions if any deficiencies are detected to achieve the best possible results for its clients on an ongoing basis. In the majority of cases, Origin would typically expect that price would be the primary and most significant execution factor to be taken into account.

However, there may be occasions when other factors (liquidity, access to market) will be more important or relevant and, as discretionary managers, Origin may use its judgement and experience to give greater prominence to other execution factors other than price.

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

Origin has prepared a Conflicts of Interest Policy, which identifies the types of conflicts it faces. It also assesses close links and common ownerships. These policies and procedures identify and mitigate potential conflicts. Neither Origin nor its staff have close links, common ownerships or conflicts of interest with the two execution venues listed in the Trading Venue Summary Table below.

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

The Firm updated its Order Execution Policy to be compliant with Mifid II rules, effective from 3 January 2018.

Origin has established a Research Policy to be compliant with MiFID II rules in relation to major changes in relation to inducements requirements and the regulation of research, particularly regarding payment for research and research budgets. The new rules prohibit firms who provide portfolio management services from receiving any inducements in relation to these services to clients, except for minor non-monetary benefits. However, firms are permitted to receive third party research from third parties in a way that does not contravene the inducements rules. Under MiFID II firms can pay for research material/services out of their own resources, or from a separate Research Payment Account ('RPA'). Origin has elected to pay for all eligible third party research using payments from a RPA controlled by Origin. The execution venue will separately identify the research charge and collect this alongside transaction dealing commission. The research charge will be regularly transferred by the execution venue into the Origin's RPA within the 30 calendar day period required by FCA's COBS.

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;

For the year ending 31 December 2018 Origin only used the venues listed in the Trading Venue Summary Table below. Primarily, brokers and venues are selected based on their ability to meet the best execution factors listed above and their service delivery is monitored and managed on an ongoing basis by the Firm. Origin holds quarterly Risk Committee meetings at which on-boarding and reviews and evaluation of its brokerage practices are undertaken and documented, including the quality of execution of its brokers and execution rates, so as to determine whether they are consistent with Origin's obligation to seek best execution for its clients.

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;

Origin provides investment management services to professional clients. Origin's order execution procedure does not differ and execution arrangements are applied consistently across its clients' accounts.

- 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;**

Not applicable as Origin does not provide its services to retail clients.

- 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 Commission Delegated Regulation (EU) to be inserted before publication [RTS 27];**

The Firm undertakes appropriate and regular execution quality monitoring exercises for the class of instruments it trades. Benchmark measurements used include volume-weighted average price, similar trades or comparison with previous close adjusted for market movements.

- 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;**

The Firm does not collect data from a separate consolidated tape provider.

2. Trading Venue Summary 1 January 2018 – 31 December 2018

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

Class of Instrument	Equities – Shares And Depository Receipts		
Type of Client	Institutional		
Notification if < 1 average trade per business day in the previous year	No		
Top Five execution Venues ranked in terms of trading volumes (descending order)	Legal Entity Identifier “LEI”	Proportion of volume traded as a percentage of total executed volume	Proportion of client orders traded as a percentage of total executed orders
Credit Suisse Securities (Europe) Ltd	DL6FFRRLF74S01HE2M14	68%	67%
Goldman Sachs International	W22LROWP2IHZNBB6K528	32%	33%
		100%	100%

For further enquiries, please contact compliance@originam.com