

**Origin Asset Management LLP (“Origin” or the “Firm”)**  
**Shareholders Rights Directive II**  
**Engagement Policy**  
**March 2021**

**Introduction:**

The amended European Shareholder Rights Directive II (“SRD II”) is applicable as of 10 June 2019. SRD II aims to promote effective stewardship and long-term investment decision making. It sets requirements in several areas, including transparency of engagement policies and investment strategies across the institutional investment community. Origin is committed to adhering to SRD II and considers its obligation and stewardship on behalf of its clients. The information below demonstrates our adherence and commitment towards SRD II.

**Integration of engagement in Origin’s investment strategy:**

As a boutique investment manager, Origin focuses solely on the management of Global Equities (and subsets thereof). Since the Firm’s inception in May 2005 it has used quality outsource partners to provide non-core functions. As noted above, the Firm’s overriding focus is its fiduciary responsibility towards its clients. Origin aims to build portfolios with a specific set of investment characteristics, as encapsulated in the four stock selection criteria (capital management, valuation, earnings revisions and share price relative trend). Origin currently incorporates governance in the due diligence process in the form of the accounting score which forms an element of Capital Management or Quality factor that is used in the investment process. Moreover, Origin’s portfolios have a skew towards companies with strong governance and sustainability as the investment process focuses on companies with capital management and reinvestment rates. Origin will hold stocks for as long as they clearly continue to embody the target characteristics in order to retain objectivity and to ensure that stocks are judged using a uniform data set.

In addition, Origin also follows client’s investment structures regarding sustainability and investments. The Firm has worked closely with clients in the UK, Netherlands, Canada and Australia for nearly ten years to address specific requirements in implementing bespoke solutions for ESG integration, and naturally the Firm remains open to discussing any proposed approach a client may have in this regard. In addition, due to the systematic and process driven nature of Origin’s investment approach we are of the opinion that the Firm is capable of incorporating any client’s individual needs in this regard.

Please note, Origin supports the underlying themes of environmentalism, social responsibility and good governance, and the goals behind the promotion and expansion of the incorporation of ESG considerations into the investment management industry. As noted previously, the Firm actively incorporates governance into its investment criteria. Additionally, the team seek to control and to minimise exposure to companies with high rates of carbon emissions as the potential for future financial liability is felt to be high.

**Monitors Investee companies on relevant matters:**

The Firm’s investment process was developed as a result of many years’ experience of markets and of more traditional investment processes. We believe the Firm’s investment policy is clear, repeatable, systematic, evidence based and delivers portfolios containing

quality but undervalued stocks with improving operational and relative share price performance. A bottom-up approach is used to build a portfolio of companies that share a very specific set of characteristics. The companies in which the Firm chooses to invest will be well-managed, undervalued, enjoy improving operating performance and have rising relative share prices.

These criteria are managed objectively using cash flow return on investment data, consensus forecast earnings data and historic price information. All analysis is based on evidence rather than opinion. Company management are never met in order to avoid the trap of "emotional bias", and to ensure that companies are evaluated on a uniform basis.

As noted above, Origin does not engage with company management over governance or any other issues. However, while direct company contact is – intentionally – not part of the Firm's systematic investment approach, Origin is aware of the increasing importance of corporate governance and shareholder activism to clients, and the Firm wishes to provide an active governance and voting solution on the stocks held in clients' portfolios. In order to do this, Origin uses the international governance research and voting specialist Glass Lewis, via the Broadridge ProxyEdge voting platform.

**Asset Managers should establish clear guidelines on when and how they will escalate engagement with investee companies to protect and enhance the value of their client investment:**

Company management are never met in order to avoid the trap of "emotional bias", and to ensure that companies are evaluated on a uniform basis. Whilst Origin's engagement policy does not typically involve communication with stakeholders of companies, Origin is potentially open to monitoring concerns of other key stakeholders including customers.

Instances when Origin may decide to become involved include (but are not limited to) situations when Origin has concerns to the following: Corporate governance issues, takeovers and controversial votes. Origin reserves the right to be engaged and vote in the best interests of clients.

**Asset Managers should consider acting with other investors where appropriate having regard to applicable rules on acting in concert:**

Origin does not currently liaise directly with other stakeholders although we do support the principle of collaborative engagement if it enhances fiduciary responsibility.

**Exercising voting rights and other rights attached to shares:**

Origin will not generally co-operate with other shareholders. However, Origin does exercise rights as shareholders to vote in order to adhere to their fiduciary duty to act in the best interests of clients, the assets they are overseeing and to treat all clients and beneficiaries fairly.

**Usage of Proxy advisors:**

As mentioned above Origin uses the international governance research and voting specialist Glass Lewis, via the Broadridge ProxyEdge voting platform. Origin automatically votes stock on all Global Equity portfolios (whether pooled or segregated) managed for UK clients, in line with the principles set out in Glass Lewis' Proxy Paper Guidelines. The Glass Lewis policy

specifically addresses key governance issues such as board composition, remuneration, the appointment of auditors, dividend distributions and Long-Term Incentive Plans. At least annually Origin evaluates and reviews our proxy voting agent.

**Conflict of interest arising from the exercise of voting rights:**

Origin has well established policies and procedures to manage conflicts of interest. All employees are expected to adhere to Origin's Conflicts of Interest policy and Receive regular training on this. In addition, Origin has a register of conflicts of interests, which is updated regularly. Further, as Origin enhances its capabilities it will consider carefully any associated conflict of interest risks and ensure these are addressed and managed appropriately.

**Asset managers should disclose the implementation and results of their engagement policy:**

Once a year Origin will publicly disclose how the engagement policy has been implemented, including a general description of voting behaviour, an explanation of the most significant votes and information on the use of proxy voting advisors.

**Annual Voting Report:**

Origin has voted in line with the recommendations of our third-party proxy voting provider in all instances for the year ending December 2020 for all accounts on which Origin is responsible for proxy voting.

**Conclusion:**

Origin will review this statement on its website at least on an annual basis and in addition Origin will also provide a report which will include general description of voting behaviour, an explanation of the most significant votes and information on the use of proxy voting advisors.

Please email [compliance@originam.com](mailto:compliance@originam.com) if you have queries regarding this policy document.