

Lombard Odier Asset Management (Europe) Limited

Top Five Execution Venues Report

Scope and Approval	Details
Reporting Period	January 1 st 2019 to December 31 st 2019
Approval authority	LOIM Best Execution Committee
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Definitions

Term	Definition
Best Execution	Duty of the Firm to take all sufficient steps to execute orders on terms most favourable to the client taking into consideration price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant consideration.
Clients	Discretionary clients for which LOIM is executing orders on an agency basis with external brokers / counterparties.
Firm	Lombard Odier Asset Management (Europe) Limited
LOAME	Lombard Odier Asset Management (Europe) Limited
LOC	Bank Lombard Odier & Co Ltd , an affiliated company of the Firm
LOIM	Lombard Odier Asset Management (Europe) Limited, Lombard Odier Asset Management (Switzerland) SA Lombard Odier Funds (Europe) SA and Lombard Odier Asset Management (USA) Corp
LOIM Trading Desk	The LOIM Trading Desk consists of traders based in New York, London, Geneva and Hong Kong who shall execute orders received from Portfolio Managers
Portfolio Managers	Investment professionals in charge of the day-to-day portfolio management activities within the Firm

1. Purpose of the report

The top five execution venues of Lombard Odier Asset management (Europe) Limited are reported below as required by the Regulatory Technical Standards 28 (RTS 28) of the MiFID II Regulations and Article 65(5) of the MiFID II Delegated Regulation.

Investment firms shall publish on an annual basis the top five execution venues in terms of trading volumes for all executed client orders per class of financial instruments.

Investment firms shall also publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year.

2. Top five execution venues

Class of Instrument	Equities — Shares & Depositary Receipts / Tick size liquidity band 1 and 2(from 0 to 79 trades per day)					
Notification if less than 1 trade per business day in the previous year	N					
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders	
Execution Venue						
Liquidnet Europe Equities - 213800ZIRB79BE5XQM68	87.59%	82.88%	N/A	N/A	0.00%	
BlockMatch - 213800MXAKR2LA1VBM44	6.55%	4.79%	N/A	N/A	0.00%	
Cboe Europe Equities MTF - Cboe Large in Scale Service - 254900ERRPSKE7UZH711	3.07%	8.90%	N/A	N/A	0.00%	
Investment Technology Group Ltd (POSIT) - 213800EEC95PRUCEUP63	2.79%	3.42%	N/A	N/A	0.00%	
Entity (Broker)						
Goldman Sachs International - W22LROWP2IHZNBB6K528	27.11%	8.17%	N/A	N/A	0.00%	
RBC Capital Markets, LLC - 549300LCO2FLSSVFFR64	10.79%	3.01%	N/A	N/A	0.00%	
Morgan Stanley & Co. LLC - 9R7GPTSO7KV3UQJZQ078	8.56%	2.38%	N/A	N/A	0.00%	
Morgan Stanley & Co. International PLC - 4PQUHN3JPF GFNF3BB653	4.56%	1.10%	N/A	N/A	0.00%	
NPLUS1 SINGER CAPITAL MARKETS LIMITED - 213800ITO7QMNQ9SFG53	3.71%	3.92%	N/A	N/A	0.00%	

Class of Instrument	Equities — Shares & Depositary Receipts / Tick size liquidity bands 3 and 4 (from 80 to 1 999 trades per day)				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Liquidnet Europe Equities - 213800ZIRB79BE5XQM68	78.48%	71.51%	N/A	N/A	0.00%
Cboe Europe Equities MTF - Cboe Large in Scale Service - 254900ERRPSKE7UZH711	18.93%	26.82%	N/A	N/A	0.00%
Bloomberg Multilateral Trading Facility - 549300ROEJDDAXM6LU05	2.58%	1.68%	N/A	N/A	0.00%
Entity (Broker)					
Goldman Sachs International - W22LROWP2IHZNBB6K528	21.31%	9.70%	N/A	N/A	0.00%
UBS Limited - REYPIEJN7XZHSUI0N355	8.48%	5.75%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	7.14%	3.15%	N/A	N/A	0.00%
Mccall, Aitken, Mckenzie & Co Limited - 254900DMAIBPKIRH3O57	6.22%	36.14%	N/A	N/A	0.00%
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	5.99%	2.45%	N/A	N/A	0.00%

Class of Instrument	Equities — Shares & Depositary Receipts / Tick size liquidity bands 5 and 6 (from 2 000 trades per day)				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Liquidnet Europe Equities - 213800ZIRB79BE5XQM68	91.96%	91.73%	N/A	N/A	0.00%
Investment Technology Group Ltd (POSIT) - 213800EEC95PRUCEUP63	3.00%	3.33%	N/A	N/A	0.00%
Cboe Europe Equities MTF - Cboe Large in Scale Service - 254900ERRPSKE7UZH711	2.21%	2.92%	N/A	N/A	0.00%
Thomson Reuters REDI - 549300NXJY4OU385R675	1.93%	1.21%	N/A	N/A	0.00%
BlockMatch - 213800MXAKR2LA1VBM44	0.90%	0.81%	N/A	N/A	0.00%
Entity (Broker)					
Goldman Sachs International - W22LROWP2IHZNBB6K528	41.90%	40.26%	N/A	N/A	0.00%
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	13.38%	11.90%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	6.92%	7.37%	N/A	N/A	0.00%
Morgan Stanley & Co. International PLC - 4PQUHN3JPF GFNF3BB653	6.22%	6.70%	N/A	N/A	0.00%
RBC Capital Markets, LLC - 549300LCO2FLSSVFFR64	4.06%	3.57%	N/A	N/A	0.00%

Class of Instrument	Debt instruments / Bonds				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
MarketAxess Europe MTF - 549300TTHIODYMGND828	60.31%	74.44%	N/A	N/A	0.00%
Bloomberg Multilateral Trading Facility - 549300ROEJDDAXM6LU05	39.55%	25.08%	N/A	N/A	0.00%
SIX Swiss Exchange - 529900HQ12A6FGDMWA17	0.13%	0.47%	N/A	N/A	0.00%
Tradeweb Europe Limited MTF - 2138001WXZQOPMPA3D50	0.00%	0.01%	N/A	N/A	0.00%
Entity (Broker)					
Jefferies International Limited - S5THZMDUJCTQZBTRVI98	12.58%	8.91%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	11.00%	10.81%	N/A	N/A	0.00%
Oddo et Cie - 9695002I9DJHZ3449O66	7.00%	6.02%	N/A	N/A	0.00%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	6.64%	6.12%	N/A	N/A	0.00%
BNP Paribas - R0MUWSFPU8MPRO8K5P83	5.29%	5.68%	N/A	N/A	0.00%

Class of Instrument	Interest rates derivatives / Futures and options admitted to trading on a trading venue				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	50.35%	51.42%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	29.98%	27.97%	N/A	N/A	12.48%
Nomura International PLC - DGQCSV2PHVF7I2743539	17.06%	17.10%	N/A	N/A	0.00%
Banque Lombard Odier & Cie SA - 4BY1ZWG5DYMF1HP5KL86	2.60%	3.49%	N/A	N/A	0.00%
Caceis Bank - 96950023SCR9X9F3L662	0.01%	0.02%	N/A	N/A	0.00%

Class of Instrument	Interest rates derivatives / Swaps, forwards, and other interest rates derivatives				
Notification if less than 1 trade per business day in the previous year	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
UBS AG - BFM8T61CT2L1QCCEMIK50	30.00%	30.00%	N/A	N/A	0.00%
Credit Suisse International - E58DKGMJYYYYJLN8C3868	30.00%	30.00%	N/A	N/A	0.00%
BNP Paribas - R0MUWSFPU8MPRO8K5P83	30.00%	30.00%	N/A	N/A	0.00%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	10.00%	10.00%	N/A	N/A	0.00%

Class of Instrument	Credit derivatives / Futures and options admitted to trading on a trading venue				
Notification if less than 1 trade per business day in the previous year	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	66.56%	47.79%	N/A	N/A	0.00%
Barclays Bank PLC - G5GSEF7VJP5I7OUK5573	26.47%	41.59%	N/A	N/A	0.00%
Credit Suisse International - E58DKGMJYYYYJLN8C3868	5.54%	3.54%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L104IQL9C32	0.81%	3.54%	N/A	N/A	0.00%
Goldman Sachs International - W22LROWP2IHZNBB6K528	0.62%	3.54%	N/A	N/A	0.00%

Class of Instrument	Credit derivatives / Other credit derivatives				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Bloomberg Multilateral Trading Facility - 549300ROEJDDAXM6LU05	100.00%	100.00%	N/A	N/A	0.00%
Entity (Broker)					
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	43.86%	22.94%	N/A	N/A	0.00%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	31.79%	29.41%	N/A	N/A	0.00%
BNP Paribas - R0MUWSFPU8MPRO8K5P83	11.89%	8.24%	N/A	N/A	0.00%
Barclays Bank PLC - G5GSEF7VJP5I7OUK5573	6.89%	9.41%	N/A	N/A	0.00%
Goldman Sachs International - W22LROWP2IHZNBB6K528	2.21%	12.35%	N/A	N/A	0.00%

Class of Instrument	Currency derivatives / Futures and options admitted to trading on a trading venue				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	55.55%	50.60%	N/A	N/A	0.00%
Nomura International PLC - DGQCSV2PHVF7I2743539	28.03%	28.28%	N/A	N/A	0.00%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	16.42%	21.12%	N/A	N/A	0.00%

Class of Instrument	Currency derivatives / Swaps, forwards, and other currency derivatives				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Reuters Transaction Services Limited â€“ FXall RFQ - 549300SDDJE84DDJNB30	99.99%	99.32%	N/A	N/A	0.00%
EBS MTF - EBS Institutional - 2138002GI1GKI3V4UG48	0.01%	0.68%	N/A	N/A	0.00%
Entity (Broker)					
Banque Lombard Odier & Cie SA - 4BY1ZWG5DYMF1HP5KL86	57.39%	61.28%	N/A	N/A	75.69%
Goldman Sachs International - W22LROWP2IHZNBB6K528	13.10%	3.38%	N/A	N/A	0.00%
Standard Chartered Bank - RILFO74KP1CM8P6PCT96	8.02%	0.36%	N/A	N/A	0.00%
Canadian Imperial Bank of Commerce - 2IGI19DL77OX0HC3ZE78	7.83%	0.03%	N/A	N/A	0.00%
Credit Suisse AG - ANGGYXNX0JLX3X63JN86	3.45%	17.31%	N/A	N/A	76.00%

Class of Instrument	Structured finance instruments				
Notification if less than 1 trade per business day in the previous year	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
National Australia Bank Limited - F8SB4JFBSYQFRQEH3Z21	53.82%	20.00%	N/A	N/A	0.00%
Jefferies International Limited - S5THZMDUJCTQZBTRVI98	34.63%	60.00%	N/A	N/A	0.00%
Barclays Bank PLC - G5GSEF7VJP5I7OUK5573	5.57%	6.67%	N/A	N/A	0.00%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	4.88%	6.67%	N/A	N/A	0.00%
Wells Fargo Securities International Limited - BWS7DNS2Z4NPKPNYKL75	1.09%	6.67%	N/A	N/A	0.00%

Class of Instrument	Equity Derivatives / Options and Futures admitted to trading on a trading venue				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
J.P. Morgan Securities PLC - K6Q0W1PS1L104IQL9C32	42.96%	41.36%	N/A	N/A	16.85%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	42.23%	37.82%	N/A	N/A	0.00%
Nomura International PLC - DGQCSV2PHVF7I2743539	13.80%	15.42%	N/A	N/A	0.00%
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	0.67%	2.89%	N/A	N/A	0.00%
Banque Lombard Odier & Cie SA - 4BY1ZWG5DYMF1HP5KL86	0.34%	2.51%	N/A	N/A	95.88%

Class of Instrument	Equity Derivatives / Swaps and other equity derivatives				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
Goldman Sachs International - W22LROWP2IHZNBB6K528	77.79%	65.50%	N/A	N/A	0.00%
Morgan Stanley & Co. International PLC - 4PQUHN3JPF GFNF3BB653	13.24%	15.46%	N/A	N/A	0.00%
Morgan Stanley & Co. LLC - 9R7GPTSO7KV3UQJZQ078	5.43%	7.16%	N/A	N/A	0.00%
BNP Paribas - R0MUWSFPU8MPRO8K5P83	3.08%	7.92%	N/A	N/A	0.00%
Société Générale SA - O2RNE8IBXP4R0TD8PU41	0.46%	3.77%	N/A	N/A	0.00%

Class of Instrument	Contracts for difference				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Liquidnet Europe Equities - 213800ZIRB79BE5XQM68	70.85%	61.02%	N/A	N/A	0.00%
BlockMatch - 213800MXAKR2LA1VBM44	22.09%	23.73%	N/A	N/A	0.00%
Cboe Europe Equities MTF - Cboe Large in Scale Service - 254900ERRPSKE7UZH711	7.07%	15.25%	N/A	N/A	0.00%
Entity (Broker)					
Mccall, Aitken, Mckenzie & Co Limited - 254900DMAIBPKIRH3O57	26.77%	58.02%	N/A	N/A	0.00%
Barclays Capital Securities Limited - K9WDOH4D2PYBSLSOB484	26.28%	2.56%	N/A	N/A	0.00%
LIQUIDNET EUROPE LIMITED - 213800ZIRB79BE5XQM68	7.69%	9.91%	N/A	N/A	0.00%
Investment Technology Group Limited - 213800EEC95PRUCEUP63	7.40%	10.10%	N/A	N/A	0.00%
Jefferies International Limited - S5THZMDUJCTQZBTRVI98	4.45%	2.08%	N/A	N/A	0.00%

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)				
Notification if less than 1 trade per business day in the previous year	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Execution Venue					
Bloomberg Multilateral Trading Facility - 549300ROEJDDAXM6LU05	95.64%	77.78%	N/A	N/A	0.00%
Liquidnet Europe Equities - 213800ZIRB79BE5XQM68	4.36%	22.22%	N/A	N/A	0.00%
Entity (Broker)					
Banque Lombard Odier & Cie SA - 4BY1ZWG5DYMF1HP5KL86	44.19%	27.23%	N/A	N/A	70.11%
Goldman Sachs International - W22LROWP2IHZNBB6K528	20.58%	12.52%	N/A	N/A	0.00%
NUMIS SECURITIES LIMITED - 213800P3F4RT97WDSX47	6.62%	1.10%	N/A	N/A	0.00%
LIBERUM CAPITAL LIMITED - 213800U6KUF87S1KCC03	6.34%	2.03%	N/A	N/A	0.00%
ITG Inc. - 549300S41SMIODVIT266	5.92%	8.92%	N/A	N/A	0.00%

Class of Instrument	Commodities derivatives and emission allowances Derivatives / Options and Futures admitted to trading on a trading venue				
Notification if less than 1 trade per business day in the previous year	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
UBS AG - BFM8T61CT2L1QCCEMIK50	100.00%	100.00%	N/A	N/A	0.00%

Class of Instrument	Securitized Derivatives / Warrants and Certificate Derivatives				
Notification if less than 1 trade per business day in the previous year	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded in percentage of total in that class	Proportion of orders executed as percentage of total in that asset class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Entity (Broker)					
Jefferies International Limited - S5THZMDUJCTQZBTRVI98	58.26%	41.18%	N/A	N/A	0.00%
Goldman Sachs International - W22LROWP2IHZNBB6K528	32.22%	11.76%	N/A	N/A	0.00%
UniCredit Bank AG - 2ZCNRR8UK83OBTEK2170	5.26%	5.88%	N/A	N/A	0.00%
Oddo et Cie - 9695002I9DJHZ3449O66	4.26%	23.53%	N/A	N/A	0.00%
Saffron Energy PLC - 2138004JXMD9YXLMKS49	0.00%	17.65%	N/A	N/A	0.00%

The data above is based on execution data in the period from 1st January 2019 to 31st December 2019 inclusive.

3. Analysis & Conclusions

3.1. Relative importance of execution factors

In selecting its execution venues for the reporting period, the Firm considered price, cost of executing, liquidity available for the instruments being traded, the speed of execution, reliability, likelihood of execution and settlement, continuity of trading, creditworthiness of the venue and quality of any related clearing and settlement facilities.

For the year ending 2019, Lombard Odier Asset Management (Europe) Limited can confirm it considers it has met its obligation to achieve the best possible result for its clients on a consistent basis.

3.1.1. Equity

While price was generally the most important factor, for larger orders for example, other factors such as execution certainty, market impact reduction and execution speed may have had greater importance. When LOIM Trading Desk transmitted the order to brokers for execution, it selected brokers which had a track record of achieving the best result for orders of a similar nature.

Asset Class	Liquid Market	Less Liquid Market	Other
Equities and equity-like listed derivatives	<p>1&2. Price & Cost Due to the high availability of liquidity across a number of different venues, the firm generally placed the highest importance on price.</p> <p>3. Speed Relevance of speed as an execution factor depended on the investment strategy. It was generally of second importance.</p> <p>4. Size</p> <p>5. Likelihood of execution</p> <p>6. Other considerations Other factors were less relevant when trading very liquid, listed instruments</p>	<p>1&2. Size & Likelihood of execution In illiquid markets, size was a key consideration. Capacity to execute large orders was generally prioritised over price.</p> <p>3. Price</p> <p>4. Speed</p> <p>5. Cost</p> <p>6. Other consideration Other factors were less relevant in illiquid markets</p>	Portfolio's strategy and Portfolio Managers' instructions (e.g. price limit orders, end of day order or FX fixing series orders) also had a significant influence on order handling and execution.

3.1.2. Fixed Income (including Convertible Bonds)

Consistent liquidity and price were normally the most important factors in deciding where and how to execute. Next in order of preference were: competitiveness of spreads, promptness of execution, and past history in executing orders.

When trading listed derivatives, particular consideration was given to: costs, speed and likelihood of execution. Where relevant, brokers were selected on their pricing, liquidity capability, clearance and settlement capabilities, quality of service, access to markets, credit worthiness and financial stability.

Asset Class	Liquid Market	Less Liquid Market
Fixed income including convertible bonds	<p>1&2. Price & Cost Price was the key consideration. Cost was important and varied depending on trades.</p> <p>3. Speed Importance of speed varied according to the instrument (e.g. for volatile products speed was more important)</p> <p>4. Likelihood of execution</p> <p>5. Size</p> <p>6. Other considerations Other factors were less relevant when trading very liquid instruments</p>	<p>1. Price In less liquid markets, price remained the main factor taken into consideration</p> <p>2. Size & Likelihood of execution In illiquid markets, the capacity to execute large orders was a key consideration which came second in line after the price.</p> <p>4. Speed</p> <p>5. Cost</p> <p>6. Other considerations Other factors were less relevant when trading less liquid instruments</p>

3.1.3. Money Market Instruments

Due to the specific nature of settlement in money markets instruments, particular importance was placed on the effectiveness of settlement and clearing when selecting a venue. However, as with the other assets; price, costs, speed of execution, likelihood of execution, speed of settlement, likelihood of settlement, size of order and nature of order were also factors when considering how and where to execute.

Asset Class	Liquid Market	Less Liquid Market
Money market instruments	<p>1&2. Price & Cost Price was the key consideration. Cost was important and varied depending on trades.</p> <p>3. Speed Importance of speed varied according to the instrument (e.g. for volatile products speed was more important)</p> <p>4. Likelihood of execution</p> <p>5. Size</p> <p>6. Other considerations Other factors were less relevant when trading very liquid instruments</p>	<p>1. Price In less liquid markets, price remained the main factor taken into consideration</p> <p>2. Size & Likelihood of execution In illiquid markets, the capacity to execute large orders was a key consideration which came second in line after the price.</p> <p>4. Speed</p> <p>5. Cost</p> <p>6. Other considerations Other factors were less relevant when trading less liquid instruments</p>

3.1.4. Foreign Exchange

Depending on the size of an order, LOIM Trading Desk generally obtained several simultaneous quotations from multiple counterparties, with the predominant factor being best price at the time of execution. For very large orders, a single counterparty may have been approached dependent on the execution strategy at the time of the order. In such a case, venue selection took into consideration factors such as previous execution performance, clearance and settlement capability, credit worthiness and financial stability, timely trading and ability to trade in large volumes. For both spot and forward FX transactions, the predominant factor was best price at the time of execution.

Asset Class	Liquid Market	Less Liquid Market
FX	<p>1&2. Price & Cost Price was the key consideration. Cost was important and varied depending on trades.</p> <p>3. Speed Importance of speed varied according to the instrument (e.g. for volatile products speed was important)</p> <p>4. Size</p> <p>5. Likelihood of execution</p> <p>6. Other considerations Other factors were less relevant when trading very liquid instruments</p>	<p>1. Price In less liquid markets, price remained the main factor taken into consideration</p> <p>2. Likelihood of execution In illiquid markets, the capacity to execute an order was a key consideration which came second after the price</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Speed</p> <p>6. Other considerations</p>

3.1.5. OTC Derivatives

Dealing in OTC derivatives was limited to pre-authorised counterparties with whom ISDA agreements are in place and in such cases the perceived operational efficiency of such counterparties was relevant. The selection of execution venues depended on, amongst others, the size of transaction, liquidity, counterparty risk, credit risk and perceived settlement capabilities.

Asset Class	Liquid Market	Less Liquid Market
OTC derivatives	<p>1. Price Price was the key consideration.</p> <p>2. Likelihood of execution For equivalent price, the capacity to execute an order was a key consideration.</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Likelihood of settlement</p> <p>6. Other considerations</p>	<p>1. Likelihood of execution In illiquid markets the capacity to execute the order was generally prioritised over price</p> <p>2. Price In less liquid markets price remained a key consideration</p> <p>3. Cost</p> <p>4. Size</p> <p>5. Likelihood of settlement</p> <p>6. Other considerations</p>

3.2. Close links, conflicts of interests, and common ownerships with respect to execution venues used

Bank Lombard Odier & Co Ltd, wholly owned by Compagnie Lombard Odier SCmA (“LOC”), is an affiliate of Lombard Odier Asset Management (Europe) Limited (“LOAME”). As an authorised broker, LOC can execute orders on behalf of their clients, including funds and mandates managed by LOAME.

LOAME also utilizes the Direct Market Access provided by LOC in order to access the SIX exchange directly.

For information, in 2019 trading with LOC represented:

- Equity (Including ETFs): <5% of the total volume traded (largely as a result of directed orders)
- Fixed Income: <1% of the total volume traded
- Foreign Exchange: 16.52% of the total volume traded (largely as a result of directed orders)

Primary Bid Limited, an FCA regulated entity, is a close link of LOAME by way of less than 10% of control and voting rights, held by certain funds managed or advised by LOAME. PrimaryBid Limited is a broker that uses its technology platform to reach private and institutional investors who wish to participate in placings.

For information, in 2019 trading with Primary Bid Limited represented:

- Equity: <1% of the total volume traded

LOAME regularly monitors the arrangements described above to ensure potential conflicts of interest are appropriately managed and mitigated. When executing orders on behalf of LOAME, Bank Lombard Odier & Co Ltd & PrimaryBid Ltd must do so under the same principles of best execution applied to other external brokers.

3.3. Specific arrangements with any execution venues

There are no specific arrangements concerning rebates or non-monetary benefits with any current execution venues.

3.4. Factors that led to a change in the list of execution venues listed in the firm's execution policy

LOIM continuously assesses and manages its very close relationships with brokers and platforms alike. LOIM is regularly consulted on future developments of multi-asset trading technology and direction of service from brokers, keeping the firm at the forefront of disruptive technology in this space.

Over the course of 2019, several changes primarily driven by the MiFID II regulations have influenced the firm's best execution capabilities.

In January 2018, MiFID II formalized the end of Broker Crossing Network activity and put constraints on dark pool trading with double volume caps. As a result, the number of liquidity pools has increased across European markets in 2018 continuing into 2019, as new venue types and market mechanisms emerged. The firm, for example, observed the increase of periodic auction in the new liquidity landscape, which have served as a good liquidity source for stocks that have otherwise been suspended from sub-LIS dark activity under the double volume cap mechanism.

Also noticeable has been the proliferation in 2018 & 2019 of the Systematic Internaliser (SI) regime, which was otherwise negligible prior to the regulatory change. Systematic Internalisers allow investors to interact with principal liquidity providers that provide price improvement and reduced market impact.

The full list of execution venues and approved counterparty is published on the firm's website:

<https://www.lombardodier.com/home/asset-management-regulatory-disc.html>

3.5. *Order execution according to client categorisation*

Our execution policy does not treat different categories of clients differently. All execution decisions are made by our trading desk according to a single Best Execution policy.

3.6. *Executing retail client orders*

Lombard Odier Asset Management (Europe) Limited does not have any Retail Clients.

3.7. *Data or tools relating to the quality of execution used by the investment firm*

Multiple parties including Traders, Portfolio Managers, Risk Managers and Compliance all participate in a process designed to monitor execution quality. A range of data is used to monitor execution quality on an ongoing basis and regular reporting is provided to competent committees including the Trading Oversight Committee and the Best Execution Committee that meet on a quarterly basis.

To measure and analyze its quality of execution, the firm primarily utilizes Bloomberg Transaction Cost Analysis (TCA) to monitor trade execution versus a number of different benchmarks allowing it to monitor both performance and best execution outliers. Additionally, the firm leverages the tool to help identify execution and timing trends in order to help with both benchmark and timing optimization in an effort to reduce costs.

MiFID II requires trading venues to provide reports on execution quality, as defined in RTS 27. Reports must be published on a quarterly basis and include data for each trading day. The publication must take place no later than three months after the end of each quarter. The firm observed that the data published to date has not proven useful for the purpose of its own best execution analysis but it will continue to monitor and review reports published in the coming quarters.

For additional details on the firm's execution arrangements and policy, please refer to the Best Execution Policy on the firm's website at <https://www.lombardodier.com/home/asset-management-regulatory-disc.html>

Important Information

For professional investor use only.

This document is issued by Lombard Odier Asset Management (Europe) Limited, authorised and regulated by the Financial Conduct Authority (the "FCA"), and entered on the FCA register with registration number 515393

Lombard Odier Investment Managers ("LOIM") is a trade name.

Please note that information for the Reporting Period has been collated based on the regulatory obligations that applied to LOAME, its affiliates, brokers and execution venues during that time. In respect of LOAME and other financial institutions to whom MiFID II applies, those regulatory obligations were different to those that apply to them now and pursuant to which this report has been prepared. Consequently, there are certain sections in this report for which information required under MiFID II for the Reporting Period (i) was not available; (ii) was only available partly; or (iii) was available in a different format. As a result, the information herein may not accurately reflect the trading activities undertaken by LOAME during 2019.

The information set out in this report covers LOAME's past trading activities and is not necessarily reflective of LOAME's current or future trading activities and should not be relied on as such.

Views and opinions expressed are for informational purposes only and do not constitute a recommendation by LOIM to buy, sell or hold any security. Views and opinions are current as of the date of this publication and may be subject to change. They should not be construed as investment advice.

This document does not contain personalized recommendations or advice and is not intended to substitute any professional advice on investment in financial products. Before entering into any transaction, an investor should consider carefully the suitability of a transaction to his/her particular circumstances and, where necessary, obtain independent professional advice in respect of risks, as well as any legal, regulatory, credit, tax, and accounting consequences.

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