



In line with the requirements of MIFID II Article 27 (6) and as prescribed in the Commission Delegated Regulation (EU) 2017/576, Davy is required to summarise and make public on an annual basis, the top five execution venues where Davy executed client orders.

This report comprises information on Davy’s top five execution venues and information on the quality of the execution for trades executed for clients during 2017.

Davy comprises two separate divisions that deal with client orders. Private Clients Division provides wealth management services to a largely retail client base. The Capital Markets Divisions offers brokerage services to Institutional clients, comprising Professional Clients and Eligible Counterparties. Due to the differing nature of the services offered, some of the information has been split out by Business Division.

| | Private Clients | Capital Markets |
|--|---|---|
| Explanation of the relative importance the firm gave to the execution factors | Davy’s Execution policy sets out the relative importance of the various execution factors including but not limited to price, costs, size of the client order, likelihood of execution and settlement, speed of execution, nature of the order. Information on this policy is available here . Total consideration is the highest priority in the execution of orders for retail clients. However depending on the specifics of a particular order, other factors may afford a higher priority to ensure the overall best result for a client for a particular trade. In addition, where a client provides a specific instruction, this may impact the priority of the execution factors. | Davy’s Execution policy sets out the relative importance of the various execution factors including but not limited to price, costs, size of the client order, likelihood of execution and settlement, speed of execution, nature of the order. Information on this policy is available here . In general, total consideration is the highest priority in the execution of orders. However, depending on the specifics of a particular order, other factors may afford a higher priority to ensure the overall best result for a client for a particular trade. In addition, where a client provides a specific instruction, this may impact the priority of the execution factors. |
| Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues | Davy held a 38% stake in the Irish Stock Exchange. This interest was divested as of March 2018. | |
| Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received | N/A | |

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| <p>Explanation of the factors that led to a change in the list of execution venues</p> | <p>Execution venues and brokers included in Davy's execution venues and brokers (here) are subject to ongoing monitoring and oversight.</p> <p>There are no material changes to Private Client venues.</p> | <p>Execution venues and brokers included in Davy's execution venues and brokers (here) are subject to ongoing monitoring and oversight.</p> <p>For Capital Markets, Kepler Cheureaux was added during 2017 as it is a highly rated provider of electronic trading services. Additionally, Davy withdrew as a member of Euronext in February 2017 due to costs and other routes to market are available via third party brokers.</p> |
| <p>Explanation of how order execution differs according to client categorisation</p> | <p>For Private Client orders, in general there is no differentiation between retail and professional client orders and as such, total consideration is the priority execution factor for all orders.</p> | <p>The Capital Markets division does not have direct relationships with retail clients.</p> |
| <p>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</p> | <p>Total consideration is given the highest priority for retail client orders.</p> | <p>The Capital Markets division does not have direct relationships with retail clients.</p> |
| <p>Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published by execution venues</p> | <p>N/A for 2017 data.</p> | |
| <p>Explanation of how the investment firm has used output of a consolidated tape provider</p> | <p>N/A for 2017 data.</p> | |



Notes:

These are the first reports published under the MIFID II requirements; the Regulatory Authorities recognise that some granularity of information may be unavailable for 2017 data as MiFID II came into force in January 2018. In particular, information on passive, aggressive and directed orders is not available for 2017. As well as this, equities have been reported under a single report, rather than breaking the reports down by tick sizes.

All Private Client orders has been assumed to be for to be for Retail Clients; Professional Client data shows information for the Capital Markets division only.

Information on Collective Investment Schemes has not been included. Such instruments usually have a single execution venue, such as the transfer agent or administrator and the Net Asset Value ('NAV') is the only price available for such instruments.

Where there was less than one trade per month on average for a class of financial instrument, information was not considered to be meaningful for clients and reports for such asset classes have not been published.