



Clarksons Platou  
Securities AS

## MiFID II Best Execution

### Top five venues and Quality of Execution Report 2018

This Report includes the top 5 execution venue reports for executed orders and for orders placed for execution with other entities under Art 65 (6) "Commission Delegated Regulation (EU) 2017/565". In addition, this document contain a summary of analysis and conclusions we draw from our monitoring of the quality of execution obtained on the execution venues where we executed and transmitted client orders in the previous year 2018.



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# 1 RTS28 – Reporting under MiFID II

## 1.1 Introduction

Directive 2014/65/EU on markets in financial instruments (MiFID II) requires investment firms who execute client orders to summarize and make public on an annual basis, for each class of financial instruments, the top five execution venues and the top five brokers, in terms of trading volumes where they executed client orders in the preceding year and information on the quality of execution obtained (art. 27.6).

This report is prepared by Clarksons Platou Securities AS (“CPS”) and should be read in conjunction with CPS’ Best Execution Policy which can be found on our webpage: <https://securities.clarksons.com/Investment-Banking/Compliance> (the “Best Execution Policy”) which sets out the general basis on which we aim to provide “best execution” when executing orders in financial instruments as required by MiFID II.

As a regulated investment firm, CPS is required to take all sufficient steps to obtain the best possible results for our clients on a continuous basis when executing orders or transactions on behalf of clients and when transmitting orders or transactions to other entities for execution. CPS has a policy and processes in place to ensure we meet our Best Execution obligations, taking into account certain factors, criteria and execution venues.

This report summarizes our analysis and conclusions drawn from the monitoring of the quality of execution obtained on the execution venues where orders were executed for the calendar year 2018 (the “Reporting Period”).

As CPS does not distinguish between Professional Clients and Non-Professional Clients for execution purposes, the execution venues are not split between these client groups.

## 1.2 Applicability

Legal Entity:	Clarksons Platou Securities AS
LEI:	5967007LIEEXZA40G44
Reporting Period	01.01.2018-31.12.2018
ESMA Class of Financial Instrument:	All where applicable

## 2 Best Execution

When choosing the method of execution and choice of execution venue, CPS will take into account a range of factors when we place an order for you. These include:

Execution Factor	Description
Price	Price will be determined with reference to the execution venues on which the security is traded
Costs	CPS will seek to execute on a venue with limited transaction costs
Speed	The importance of speed will vary, as other factors like reduce costs will impact the speed.
Likelihood of execution	Always high due to liquidity and settlement procedures
Settlement	Flexible settlement
Size and nature	The size may have significant influence in relation to the liquidity of the security
Other relevant factors	Characteristics of the order, financial instrument or execution venues

CPS will not structure or impose any commission which will discriminate unfairly between execution venues, nor will CPS receive any monetary or non-monetary benefits from a specific execution venue.

A client giving specific orders or instructions may prevent CPS from following all or some of our Best Execution Policy.

In dealings with non-professional investors, the Best Result will be determined based on the total amount the client is to pay in connection with the order execution.

CPS will execute client orders in one of the following ways:

- On a regulated market or MTF
- Outside a regulated market or MTF.

CPS will start to execute the order as soon as the order has been received. This means that CPS will prioritize incoming orders according to the time when they were received unless CPS is of the opinion that Best Result will be achieved by combining the order with other orders. An order received outside the market place's hours of business will be executed once the market place re-opens.

CPS does not distinguish between Professional Clients and Non-Professional Clients for execution purposes.

## 3 Top five execution venues

### 3.1 All financial instruments

The below table shows the top five MiFID regulated trading venues for all instruments traded. Trading venues not regulated and/or outside EU are excluded.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	97.20%	65.54%	
London Stock Exchange	XLON	1.19%	4.60%	
Stockholm Stock Exchange	XSTO	0.49%	7.37%	
Brussels Stock Exchange	XBRU	0.29%	4.41%	
Paris Stock Exchange	XPAR	0.17%	1.41%	

### 3.2 Equities – Shares and Depository Receipts

The below table show the top five venues whereof CPS has traded up to 79 trades per day (liquidity band 1 and 2). Only MiFID regulated trading venues are included.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	93.68%	62.37%	
London Stock Exchange	XLON	4.57%	15.43%	
Stockholm Stock Exchange	XSTO	1.21%	18.48%	
BATS Europe	BATE	0.21%	2.10%	
Oslo Axess	XOAS	0.17%	0.10%	

The below table show the top five venues whereof CPS has traded between 80-1,999 trades per day (liquidity band 3 and 4). Only MiFID regulated trading venues are included.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	96.78%	74.19%	
Brussels Stock Exchange	XBRU	1.05%	8.38%	
Paris Stock Exchange	XPAR	0.52%	0.92%	
Stockholm Stock Exchange	XSTO	0.46%	3.38%	
CHI-X Europe	CHIX	0.35%	1.37%	



The below table show the top five venues whereof CPS has traded from 2,000trades per day (liquidity band 5 and 6). Only MiFID regulated trading venues are included.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	78.42%	51.69%	
London Stock Exchange	XLON	8.80%	6.43%	
Stockholm Stock Exchange	XSTO	4.60%	8.79%	
Paris Stock Exchange	XPAR	1.85%	3.29%	
AEX Stock Exchange (Amst.)	XAMS	1.69%	5.99%	

### 3.3 Debt – Bonds

The below table show the top five venues whereof CPS has traded debt instruments (excluding derivatives). Only MiFID regulated trading venues are included.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	100.00%	100.00%	

### 3.4 Derivatives

CPS has not traded any futures, options, warrants or certificate derivatives on any MiFID regulated trading venue.

### 3.5 Exchange Traded Products

The below table show the top five venues whereof CPS has traded exchange traded products. Only MiFID regulated trading venues are included.

Top 5 execution venues	MIC	Proportion of volume traded (%)	Proportion of orders executed (%)	Direct orders (%)
Oslo Stock Exchange	XOSL	96.76%	94.44%	
BATS Europe	BATE	2.14%	3.78%	
CHI-X Europe	CHIX	0.82%	1.11%	
Stockholm Stock Exchange	XSTO	0.28%	0.67%	

## 4 Our Assessment of the Quality of execution during the Reporting Period

The relative importance of best execution factors is taken into consideration when analysing performance and execution quality - we refer to the Best Execution Policy for a description of execution factors and their relative importance.

### 4.1 Equities – Shares and Depository Receipts

The below are our conclusions following the RTS Article 3.3 for executing shares and depository receipts in 2018:

a) Explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution	Price, likelihood of execution for orders with a size that can be traded at current market levels. Other factors have a higher relative importance when dealing with orders of a higher degree of complexity.
b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders	N/A. CPS has no close links, conflicts of interest or common ownership to execution venues used to execute orders.
c) Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	Execution fees to external venues follow official price schemes.
d) 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	No changes occurred in 2018.
e) 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	The order execution arrangement does not differ with client categorization.
f) 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	Except where specific instructions were received from the client, no other execution factors were given precedence over price and costs for orders from retail clients.
g) Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27	Third party vendors for benchmarking of our execution performance are used.
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 RTS 28	N/A.

## 4.2 Debt – Bonds

The below are our conclusions following the RTS Article 3.3 for executing debt instruments (excluding derivatives) in 2018:

a) Explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution	Price, costs and speed, but the order of importance may differ depending on the characteristics of the specific transaction or instructions from the client.
b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders	N/A. CPS has no close links, conflicts of interest or common ownership to execution venues used to execute orders.
c) Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	Execution fees to external venues follow official price schemes.
d) 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	No changes occurred in 2018.
e) 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	The order execution arrangement does not differ with client categorization.
f) 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	Except where specific instructions were received from the client, no other execution factors were given precedence over price and costs for orders from retail clients.
g) Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27	Third party vendors for benchmarking of our execution performance are used.
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 RTS 28	N/A.

## 4.3 Derivatives

CPS has not traded any futures, options, warrants or certificate derivatives on any MiFID regulated trading venue during 2018.



#### 4.4 Exchange Traded Products

The below are our conclusions following the RTS Article 3.3 for executing exchange traded products in 2018:

a) Explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution	Price, likelihood of execution for orders with a size that can be traded at current market levels. Other factors have a higher relative importance when dealing with orders of a higher degree of complexity.
b) Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders	N/A. CPS has no close links, conflicts of interest or common ownership to execution venues used to execute orders.
c) Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	Execution fees to external venues follow official price schemes.
d) 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	No changes occurred in 2018.
e) 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	The order execution arrangement does not differ with client categorization.
f) 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	Except where specific instructions were received from the client, no other execution factors were given precedence over price and costs for orders from retail clients.
g) Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27	Third party vendors for benchmarking of our execution performance are used.
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 RTS 28	N/A.