

## SUMMARY

Rowan Dartington & Co Ltd (Rowan Dartington) is an investment firm regulated by the Financial Conduct Authority. When executing orders on your behalf, the firm has an obligation to take all sufficient steps to obtain the best possible result when executing, transmitting and placing orders on behalf of clients on a consistent basis. To ensure this requirement is met, Rowan Dartington has established an Order Execution Policy that sets out the steps that the firm and its employees takes to achieve Best Execution for our clients.

The purpose of this report is to provide Rowan Dartington's existing and prospective clients with enough information to effectively allow for comparison between the quality of execution achieved through Rowan Dartington against other providers. This will allow you to determine whether we are providing an effective order execution service.

For clarity, Rowan Dartington & Co Ltd treats all clients as retail for the purposes of best execution. We will therefore predominantly categorise the total consideration of the deal as the most important factor when executing your orders, however, we will consider other factors where required.

Rowan Dartington's transactions around or below the Exchange Market Size (EMS) for each security will generally be dealt through our Retail Service Providers. Trades that fall outside the EMS will be worked through the market where liquidity and other factors may be an issue. Where appropriate to do so, larger orders are usually aggregated with other clients' and these will be worked through various execution venues to achieve the best possible outcome for clients.

## 2018 ORDER EXECUTION PERFORMANCE SUMMARY

The below provides a summary of the performance figures for all orders executed by Rowan Dartington:

- An average of 81% of equity orders were dealt better than or equal to the benchmark price, defined as being within the normal market spread. Orders dealt outside this spread would include bulk or aggregated orders where it was deemed necessary to deal outside of benchmarks to fill client positions.
- An average of 67% of bond orders were dealt better than or equal to the benchmark price
- Other than with regards to our execution of unit trusts, Rowan Dartington did not place reliance on any individual broker throughout the course of 2018. The highest proportion of equity trades placed through any one venue was for large cap holdings where we placed 22.98% of our deals through one liquidity provider
- All the firm's transactions from 1 January to 31 December 2018 have been monitored to ensure that Best Execution was achieved. Overall, 100% of trades achieved Best Execution in 2018 - our monitoring found no occasion where it was deemed necessary to compensate clients due to execution creating a disadvantage

## EXECUTION VENUES

To ensure that Rowan Dartington has the best possible coverage, and in turn our clients achieved the best possible outcomes, in the asset classes in which we transact our clients' business, Rowan Dartington utilises a large and varying number of execution venues and liquidity providers to obtain the best possible execution for each transaction. A list of the most utilised venues and liquidity providers can be viewed on the Rowan Dartington website along with our current Order Execution Policy Summary.

As described above, Rowan Dartington did not place significant reliance on any liquidity provider to execute orders other than where placing reliance on a single provider to execute most executed deals in unit trusts. There was little overall change to our list of Execution Venues utilised during 2018 – some providers are no longer on the list because they have ceased trading the instruments, others were simply no longer competitive.



## EXECUTION FACTORS AND CRITERIA

When dealing for you we will consider the following:

- Your characteristics;
- The characteristics of the financial instrument concerned and of your order; and
- Where such orders can be carried out (i.e. the ‘execution venues’)

In assessing the most appropriate route to carry out your order we will consider the following criteria which we have ranked in order of importance:

Execution Factor	Asset Classification				
	Equities	Bonds	FX*	Funds	OTC**
Price of the instrument	3	3	3	2	3
Execution Venue / Broker	2	2	1	0	3
Overall cost of the transaction	3	3	3	3	3
Need for timely execution	2	2	2	3	2
Likelihood of execution	2	2	2	2	2
Size and nature of the order	2	2	1	1	2
Speed of execution and settlement	3	3	3	1	1

\* FX – A stand-alone foreign exchange transaction

\*\* OTC – A security which needs to be traded bilaterally with a counterparty, but not conducted over an exchange.

Best Execution Criteria	Rank
Critical	3
Important	2
Not important	1
Not applicable	0

This explains how we would normally behave when placing client orders, but of course, each order will be considered as it arrives and will be processed as market conditions and our experience dictate.

For best execution purposes, Rowan Dartington treats all clients as retail clients and therefore the best possible result will normally be determined in terms of the total consideration. This being the price of the instrument and any costs associated with the execution and settlement of the transaction.

Alternatively, we may have to execute the order over the course of several days to complete it. Likewise, the characteristics of an order may require us to transmit an order to a counterparty to execute on our behalf, rather than dealing directly with that counterparty (for example, orders in securities traded on overseas markets).

When placing execution only or advisory deals which have been discussed with clients, we will be careful to ensure that any quotes given to the client are current considering changing market conditions.



### SPECIFIC RELATIONSHIPS AND ARRANGEMENTS

Rowan Dartington does not have any conflicts, close links or common ownerships with respect to execution venues and it does not receive any rebates, discounts, payments or non-monetary benefits for routing orders to a venue/broker. Rowan Dartington does not have any specific arrangements with brokers or venues.

### MONITORING OF BEST EXECUTION

Rowan Dartington currently uses the TZ Trade Surveillance system from eflow to analyse execution performance. TZ Best Execution provides analysis and reporting for all transactions executed by Rowan Dartington. The system meets the MiFID II best execution standards.

To monitor and measure execution performance, TZ benchmarks all Rowan Dartington's client orders against the leading venues where there was an executable price at the time of trade. TZ adheres to all industry standard benchmarks, allowing firms to review and measure their execution quality and achieve the best execution MiFID II standard. TZ Best Execution benchmarks include best bid/ask, implementation shortfall, consolidated BBO, moving VWAPs and reversion calculations.

Alongside the daily monitoring of transactions, Rowan Dartington also conducts due diligence on its core liquidity providers to ensure each counterparty used is providing us, and in turn you, with the desired level of service and execution.

Any execution venues, market makers and systematic internalisers that the Rowan Dartington deal with are required to publish daily trading data on a quarterly basis. This information will be used to continually assess that the providers we use are meeting both ours and your requirements.

**BONDS**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
WINTERFLOOD GILTS 213800BD519H2YV9R748	26.82%	32.30%	85.27%	8.04%	0
BRIDPORT (GILTS) 2138001S6PWXXBXX9S40	15.54%	4.04%	71.43%	23.21%	0
PEEL HUNT LTD 5493007DWN0R4YBM4C84	13.43%	14.85%	67.48%	4.37%	0
PERSHING SECS. LTD. 549300NC3GURNOAEZU06	12.94%	4.83%	44.78%	11.94%	0
CREDIT SUISSE EQUITY 549300GUAMON5OX20054	11.88%	8.80%	0.00%	0.00%	0

Average less than 1 trade per business day? Yes

**EQUITIES (0-79)**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
NUMIS SECURITIES LTD 213800P3F4RT97WDSX47	15.24%	11.14%	76.83%	23.13%	0
WINTERFLOOD SECS LTD 8BRUP6V1DX3PIG2R0745	14.19%	17.29%	84.03%	15.21%	0
PEEL HUNT LTD 5493007DWN0R4YBM4C84	11.87%	10.24%	79.18%	11.95%	0
CANACCORD ADAMS 213800LJU4K7L7CBFN57	6.72%	5.99%	76.94%	16.97%	0
CENKOS 213800ALVRC52VN3I821	5.90%	4.68%	90.87%	9.13%	0

Average less than 1 trade per business day? No

**EQUITIES (80-1999)**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
WINTERFLOOD SECS LTD 8BRUP6V1DX3PIG2R0745	16.43%	20.64%	81.42%	18.49%	0
PEEL HUNT LTD 5493007DWN0R4YBM4C84	15.73%	12.97%	87.72%	11.27%	0
INVESTEC BANK UK 84SOVF8TSMH0T6D4K848	13.39%	11.32%	81.25%	18.75%	0
NUMIS SECURITIES LTD 213800P3F4RT97WDSX47	11.62%	8.52%	79.52%	20.48%	0
PERSHING SECS. LTD. 549300NC3GURNOAEZU06	8.41%	2.78%	77.18%	22.13%	0

Average less than 1 trade per business day? No

**EQUITIES (2000+)**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
PEEL HUNT LTD 5493007DWNOR4YBM4C84	22.98%	8.99%	79.95%	19.69%	0
INVESTEC BANK UK 84SOVF8TSMHOT6D4K848	14.81%	18.50%	77.75%	22.10%	0
PERSHING SECS. LTD. 549300NC3GURN0AEZU06	14.24%	0.48%	81.05%	18.95%	0
STIFEL NICOLAUS BANK 213800BVEFNZ8UYPKL03	13.43%	0.35%	86.72%	13.28%	0
WINTERFLOOD SECS LTD 8BRUP6V1DX3PIG2R0745	10.98%	17.15%	75.88%	24.09%	0

Average less than 1 trade per business day? No

**UNIT TRUSTS**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
COFUNDS TRADING 213800XRUPSOZUPSF553	77.02%	86.81%	0.00%	0.00%	0
LEGAL & GENERAL U.T. 549300AJXEFOY444EO24	3.16%	3.33%	0.00%	0.00%	0
KAMES CAPITAL 21380023568B65AA8P47	2.42%	1.99%	0.00%	0.00%	0
WINTERFLOOD GILTS 213800BD519H2YV9R748	1.72%	1.13%	0.00%	0.00%	0
FINDLAY PARK UNIT TST 635400K8WAJII51TXD95	1.36%	0.10%	0.00%	0.00%	0

Average less than 1 trade per business day? Yes

**OTHER INSTRUMENTS**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
PERSHING SECS. LTD. 549300NC3GURN0AEZU06	60.72%	4.17%	0.00%	0.00%	0
PEEL HUNT LTD 5493007DWNOR4YBM4C84	12.78%	8.33%	100.00%	0.00%	0
THE SHARE CENTRE LTD 213800QSAMQL5CUAFJ35	11.14%	25.00%	0.00%	0.00%	0
COFUNDS TRADING 213800XRUPSOZUPSF553	2.52%	12.50%	0.00%	0.00%	0
WINTERFLOOD SECS LTD 8BRUP6V1DX3PIG2R0745	1.06%	4.17%	0.00%	0.00%	0

Average less than 1 trade per business day? Yes

**SECURITISED DERIVATIVES**

Venue / Counterparty	% of Value Traded	% of Orders Made	% of Passive Orders	% of Aggressive Orders	% of Direct Orders
SG SECURITIES (L) L. 969500RO00AHWO72CZ84	100.00%	100.00%	0.00%	0.00%	0

Average less than 1 trade per business day? Yes

## GLOSSARY

Instrument classification – the type of instrument as classified by ESMA/FCA.

% of Value Traded – the percentage split of all trades completed in that asset class during the reporting period (2017).

% of Orders Made – the percentage split of all client orders by the total number of orders executed during the period, in the specified asset classed.

% of Passive Orders – where liquidity is provided to the market, i.e. where a bid price is achieved below the offer (purchase) price (within the spread) for a purchase, or an offer above the bid (sale) price for a sale.

% of Aggressive Orders – where liquidity is taken from the market, i.e. where a bid price is achieved above the offer price (outside spread) for a purchase or an offer below the bid price for a sale.

% of Directed Orders – percentage split of orders that were directed to a specific market maker upon request of the client.

## ISSUES

The % figure of directed orders was not recorded (NR) during the period.

Rowan Dartington is part of the St. James's Place Wealth Management Group.

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[www.rowan-dartington.co.uk](http://www.rowan-dartington.co.uk)