MiFID II Annual RTS 28 Report 2023 – Machina Capital

Regulatory Scope

As a management company, Machina Capital is required to comply with the Regulatory Technical Standards (RTS) among which the "RTS 28" requires the publication each year of a report on the identity of the execution venues and/or the financial intermediaries as well as the quality of order execution on his activity.

Top 5 Brokers by Financial Instruments

Entity	Machina Capital SAS
Class of instrument	Equity
Notification if <1 average trade per business day in the previous year	No

Top 5 execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class
Morgan Stanley	93.7%	92.6%
Goldman Sachs	5.0%	6.9%
Avalon Capital Partners	1.2%	0.4%
UBS AG	0.1%	0.1%
Louis Capital	0.0%	0.0%

Entity	Machina Capital SAS
Class of instrument	Index Futures
Notification if <1 average trade per business day in the previous year	No

Top 5 execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class
Morgan Stanley	100%	100%

Analysis of the quality of execution

Factor for assessing the quality of orders execution obtained by financial intermediaries.

In determining best possible result Machina Capital places a high importance on the price achieved as well as the timeliness of the execution. Depending on criteria such as the nature of the order and the financial instrument involved, Machina Capital may place greater importance on the following execution factors:

- Slippage vs. arrival price
- Likelihood of execution
- Size of the order
- Confirmations: the accuracy and timeliness in the delivery of confirmations.
- Likelihood of settlement: the performance of brokers in achieving timely settlement of transactions.

Factors that may lead to the modification of the list of selected financial intermediaries.

The Best Selection and Execution committee will review the list of approved brokers on an annual basis and decide whether to add or remove new brokers. The analysis is based on quantitative and qualitative criteria conducted by the management company.
Between two review periods, at the request of the portfolio manager and on an ad hoc basis, a new broker may be authorized, subject to onboarding procedures and KYC approval, before receiving formal validation from the next committee.

Sources of conflicts of interest with financial intermediaries

Machina Capital is an independent company. As such there no capital link between Machina Capital and its intermediaries.

Lack of specific agreements with execution venues or financial intermediaries relating benefits or retrocessions

No agreement has been concluded between Machina Capital and execution venues or financial intermediaries within the framework of which the management company would be required to collect or pay benefits or retrocessions.