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# TwentyFour ICAV

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Annual Report and Audited Financial Statements

For the financial year ended 29 February 2024

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Management and Administration**

**Directors**

Aogán Foley (Irish)\*  
Helen Howell (British)\*\*  
Charlene Hogg (Dutch)\*\* (alternate director) (resigned 31 May 2023)  
Bronwyn Wright (Irish)\*

**Investment Manager**

TwentyFour Asset Management LLP  
8th Floor  
The Monument Building  
11 Monument Street  
London  
EC3R 8AF  
United Kingdom

**Administrator, Registrar and Transfer Agent**

Northern Trust International Fund Administration Services (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
D02 R156  
Ireland

**Independent Auditor**

Grant Thornton  
Chartered Accountants and Statutory Audit Firm  
13-18 City Quay  
Dublin 2  
D02 ED70  
Ireland

**Alternative Investment Fund Manager ("AIFM")**

Waystone Management Company (IE) Limited (previously KBA Consulting Management Limited)\*\*\*  
35 Shelbourne Road  
Ballsbridge  
Dublin 4  
D04 A4E0  
Ireland

**Legal Advisers**

Maples and Calder (Ireland) LLP  
75 St. Stephen's Green  
Dublin 2  
D02 PR50  
Ireland

**Registered Office of the ICAV**

32 Molesworth Street  
Dublin 2  
D02 Y512  
Ireland

**ICAV Secretary**

MFD Secretaries Limited  
32 Molesworth Street  
Dublin 2  
D02 Y512  
Ireland

**Depositary**

Northern Trust Fiduciary Services (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
D02 R156  
Ireland

\* Non-executive independent director

\*\* Non-executive director

\*\*\* See Note 17 for further details

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## Report of the Directors

The Directors present their Annual Report and Audited Financial Statements for the financial year ended 29 February 2024.

## Background of the ICAV

The TwentyFour ICAV (the "ICAV") is an umbrella Irish collective asset-management vehicle with segregated liability between Sub-Funds under the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the "ICAV Act") and is authorised by the Central Bank of Ireland (the "Central Bank") as a Qualifying Investor Alternative Investment Fund ("QIAIF"). The ICAV has appointed Waystone Management Company (IE) Limited as its Alternative Investment Fund Manager ("AIFM") and Northern Trust Fiduciary Services (Ireland) Limited as its depositary (the "Depositary"). As the ICAV has been established as an umbrella fund, different Sub-Funds (each a "Sub-Fund") may be created from time to time by the Directors with the prior approval of the Central Bank. Each Sub-Fund will be represented by one or more different classes of shares and will be invested in accordance with the investment objective and policies applicable to each Sub-Fund.

The ICAV was registered in Ireland on 15 May 2020 under the ICAV Act with registration number C430450.

The ICAV commenced operations on 20 August 2020.

As of 29 February 2024, the ICAV has one active Sub-Fund, namely TwentyFour Sustainable Enhanced Income ABS Fund (the "Sub-Fund"). The Sub-Fund had eight share classes on offer at year end, four of which were in issue.

The ICAV also has one Sub-Fund which has not launched yet, namely TwentyFour Sustainable Multi Sector Credit Fund which was approved by the Central Bank on 19 March 2021.

## Investment Objective & Policy

The investment objective of the Sub-Fund is to seek and to achieve income and long-term capital growth.

In pursuit of its investment objective, the Sub-Fund will seek to achieve a return for Shareholders through investment in a portfolio of debt and debt related securities. The portfolio will predominantly consist of UK and European asset backed securities ("ABS"), including but not limited to, mortgage backed securities ("MBS") and collateralised loan obligations ("CLOs"). Up to 20% of the portfolio may be allocated to ABS securities outside of the UK and EU.

ABS are debt securities where the payment of interest and principal depends on the cash flow generated by a collection of assets. These assets are generally secured debt obligations and include residential mortgages, commercial real estate mortgages, secured small business loans and other types. Unsecured debt obligations like credit card receivables and consumer loans can also form the collateral pool for ABS deals. ABS are normally issued in a number of different classes with different characteristics such as credit quality and term. The ABS will be unleveraged and will not embed a derivative element.

A portion of the Sub-Fund may be held in cash or cash equivalents, such as treasury bills and government bonds, in order to further enhance the Sub-Fund's liquidity. From time to time, it is possible that a significant portion of the portfolio may be invested in securities from a particular geographical region.

Debt and debt related securities may be fixed, floating or variable rate and may be issued or guaranteed by any sovereign government or their agencies, local authority, supranational or public international bodies, banks, corporates or other commercial issuers.

The Sub-Fund's assets will be primarily held as a combination of cash or cash equivalents together with investment grade quality debt or debt related securities. The Investment Manager considers investment grade quality securities to be those that have a credit rating of at least BBB- at the date of purchase as rated by a recognised rating agency such as Standard and Poor's or, if unrated, deemed to be of equivalent quality in the opinion of the Investment Manager. The Sub-Fund may also allocate up to 30% of the Net Asset Value of the Sub-Fund to non-investment grade assets.

The Sub-Fund may also invest in private placement funding trades which entail the acquisition of unrated debt securities issued by financial institutions and/or special purpose vehicles, which are not publicly traded and are less liquid. The securities will always be collateralised by a portfolio of assets, including but not limited to mortgage loans. While not rated by rating agencies, the securities will be deemed to be of equivalent quality as the debt securities detailed above in the opinion of the Investment Manager.

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**Report of the Directors** (continued)

**Investment Objective & Policy** (continued)

These types of securities and obligations may be denominated in any currency (although they will predominantly be denominated in Sterling, Euros or US Dollars) and may, or may not, be listed on recognised exchanges and markets.

**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The ICAV Act requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the Sub-Fund at the end of the year and of the profit or loss of the Sub-Fund for the year end. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the ICAV and which enable them to ensure that the financial statements are prepared in accordance with IFRS and comply with the ICAV Act and the Central Bank's Alternative Investment Fund ("AIF") Rulebook.

The measures taken to secure compliance with the ICAV's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. Northern Trust International Fund Administration Services (Ireland) Limited (the "Administrator") has been appointed as administrator of the ICAV with responsibility for, inter alia, maintaining the accounting records of the ICAV.

The Administrator is authorised and regulated by the Central Bank.

The ICAV has procedures in place to ensure all relevant accounting records are properly maintained and are readily available, including production of annual financial statements. The annual financial statements of the ICAV are required to be approved by the Directors of the ICAV and filed with the Central Bank. The statutory financial statements are required to be audited by independent auditors who report annually to the Directors on their findings.

The Directors of the ICAV evaluate and discuss significant accounting and reporting issues as the need arises.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Sub-Fund. In this regard they have entrusted the assets of the Sub-Fund to the Depository for safe keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

**Results**

The results of operations for the year are set out in the Statement of Comprehensive Income on page 15. The Statement of Comprehensive Income also includes distributions declared in relation to the year, further details of which are set out in Note 12 to the financial statements.

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**Report of the Directors** (continued)

**Risk Management Objectives and Policies**

The major risks to which the Sub-Fund is exposed are the investment risks associated with holding a portfolio of securities and derivatives and the operational risks associated with the management of the Sub-Fund.

The securities and instruments in which the ICAV invests are subject to normal market fluctuations and other risks inherent in investing in such investments, and there can be no assurance that any appreciation in value will occur. There can be no assurance that the Sub-Fund will achieve its investment objective. The value of shares may rise or fall, as the capital value of the securities or instruments in which the Sub-Fund invests may fluctuate. The investment income of the ICAV is based on the income earned on the securities or instruments it holds, less expenses incurred. Therefore, the ICAV's investment income may be expected to fluctuate in response to changes in such expenses or income.

A number of these risks are disclosed in the ICAV's prospectus. The discussion of risk required for financial reporting purposes by IFRS is set out in Note 3 to the Financial Statements.

**Relevant Audit Information**

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the ICAV's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the ICAV's statutory auditors are unaware.

**Transactions Involving Directors**

Other than as disclosed in Note 5 to the Financial Statements, there were no contracts or agreements of any significance in relation to the business of the Sub-Fund in which the Directors had any interest, as defined in the ICAV Act, at any time during the year.

**Transactions with Connected Parties**

The Central Bank's AIF Rulebook section on "Dealings by management company, general partner, Depositary, AIFM, investment manager or by delegates or group entities of these" ("Connected Parties") states that any transaction entered into by the ICAV and its Sub-Fund with Connected Parties must be negotiated at arm's length and in the best interests of the Shareholders.

The Board of Directors of the ICAV are satisfied that there are arrangements in place, evidenced by written procedures, to ensure that this requirement is applied to all transactions with connected parties, and that all transactions with connected parties during the year complied with the requirement.

**Corporate Governance Statement**

The ICAV has adopted the Irish Funds Corporate Governance Code for Collective Investment Schemes and Management Companies (the "IF Code"). The aim of the IF Code is to provide a framework for the organisation and operation of funds to ensure that a fund operates efficiently and in the interests of its Shareholders. The ICAV and its Sub-Fund operate in accordance with the requirements of the IF Code. The ICAV and its Sub-Fund have been in compliance with the IF Code for the financial year ended 29 February 2024.

**Internal Control and Risk Management Systems in Relation to Financial Reporting**

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the ICAV's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

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**Report of the Directors** (continued)

**Significant Events During the Year**

Events arising in Ukraine, as a result of military action being undertaken by Russia in 2022, may impact on securities directly or indirectly related to companies domiciled in Russia and/or listed on exchanges located in Russia (“Russian Securities”). As at 29 February 2024, the ICAV and its Sub-Fund does not have any direct exposure to Russian Securities.

In early October 2023, the situation in Israel and Gaza escalated significantly with the Hamas attacks and resulting Israeli military action in Gaza, and subsequent global government reactions dominated news flow. As at 29 February 2024, the ICAV and its Sub-Fund does not have any direct exposure to securities in either region. The Directors are monitoring developments related to this military action, including current and potential future interventions of foreign governments and economic sanctions.

Charlene Hogg resigned as Alternative Director on 31 May 2023.

The Supplement for TwentyFour Sustainable Enhanced Income ABS Fund was updated on 8 June 2023 to provide for offering Class A Income CHF, Class A Accumulation EUR, Class A Income EUR, Class A Accumulation USD and Class A Income USD shares. The Class A Accumulation EUR share class launched on 5 December 2023.

On 29 September 2023, KBA Consulting Management Limited, the AIFM of the ICAV, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the ICAV's AIFM is WMC from this date.

The Prospectus and Supplement for TwentyFour Sustainable Enhanced Income ABS Fund were updated on 17 October 2023 to: increase the maximum directors' fee per Director from €25,000 to €30,000 per annum; update the specific pre-contractual disclosures that are required under the Sustainable Finance Disclosure Regulation and Taxonomy Regulation; and change the dealing frequency of the Sub-Fund from monthly to weekly.

There have been no other events during the year which require disclosure in these financial statements.

**Subsequent Events**

Distributions to shareholders of distributing shares were paid on 28 March 2024 and ex-date 29 February 2024 for a total of GBP 663,026 and

Distributions to shareholders of distributing shares were paid on 28 June 2024 and ex-date 31 May 2024 for a total of GBP 770,545.

There have been no other significant events affecting the ICAV since 29 February 2024.

**Auditors**

The Auditors Grant Thornton, Chartered Accountants and Statutory Audit Firm, have indicated their willingness to continue in office.

**On behalf of the Board**

DocuSigned by:  
  
45FDB5026B3342C...  
Aogán Foley

DocuSigned by:  
  
B60E9F8E39EC4D2...  
Bronwyn Wright

22 July 2024

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## Investment Manager's Report

### Market Commentary

During the year, the macroeconomic picture began to stabilise after the turbulence experienced globally during the COVID-19 epidemic. Characterised best by the rapid climb and then descent of inflation across all major economies, this understandably challenged most markets but fixed income markets more so given the rise in interest rates as central banks moved to cut off a damaging spiral. US CPI dropped from 6% to 3.2% during the period, with Eurozone numbers following a similar path to 2.7%. With inflation still above target, central bank forecasts see a normalisation to the 2% long-term objective during 2024 and at target in 2025 though it is rare historically that such a neat glide path can be achieved or sustained.

Geopolitics remained a feature of the year, the conflict in Ukraine saw both western and Russian financial resolve being tested, whilst several areas of unrest in the middle east have not impacted markets materially, but have the propensity to feed into commodity prices with the resulting impact on inflation. There are also several signs that cracks in the Chinese economy following excessive debt accumulation may create a slowdown with defaults in the property sector noteworthy given the importance of the sector to the economy. Other idiosyncratic events like the hurried takeover of Credit Suisse by rival UBS and the US regional bank crisis gave investors plenty of reason to exercise caution in the early part of the year.

One area of stability across the G7 has been labour markets, where job availability after Covid-19 has remained a feature and led to strong, potentially excessive wage growth that has to a certain extent countered the impacts of inflation on households. Unemployment in the UK stands at 3.9% whilst the Eurozone remains at lows of 6.53%. Consumer confidence began to rise in 2023 from a fragile base, with consumers beginning to engage in the property market as mortgage rates came off peaks, and car sales showed tentative growth. Corporate earnings have been generally healthy and default rates have remained low. Commercial real estate was the obvious outlier with concerns around where exposure sits as the focus absent of material defaults to date.

ABS performance remained strong, with ratings, underlying asset performance showing robustness and generally well within investor tolerance levels. Germany was a surprise laggard as consumers have felt more dislocation from slowing trade, with some deals weakening to arrears levels worse than comparable Spanish or Italian deals, for example. Far from a concern it also exemplified how strong those other countries have remained on a relative basis, another example being UK auto ABS performance now outperforming German high-quality issuers like VW and Mercedes, though it must be framed by saying the boundaries are indeed anchored at overall low levels.

With markets reacting to a stronger than expected macroeconomic backdrop, risk sentiment has improved and a positive technical demand has supported credit spread tightening across fixed income, including ABS. Liquidity conditions have also been strong with healthy primary issuance, growing amounts of high yield and loan refinancings having taken place, which has reduced concerns around debt maturities. Rates however, have remained volatile, as investors reconsidered on several occasions when the US Federal Reserve ("Fed") would cut rates, with as many seven 25bp cuts priced in at the height, to around three currently. But with growing uncertainty about when the Fed, the Bank of England ("BoE") and the European Central Bank ("ECB") will need to cut, higher for longer rates have benefitted floating rate investments like ABS throughout the year.

ESG disclosures in ABS have continued to improve over the past 12 months, with the implementation of regulations such as the EU Sustainable Finance Disclosure Regulation ("SFDR") and TCFD ("Task Force on Climate-related Financial Disclosures") being the main drivers in improved disclosures as investors require data such as emissions or ESG indicators to comply with the reporting requirements.

The Portfolio Managers ("PMs") have continued to engage with lenders on Scope 3 financed emissions in RMBS and ABS deals. Over the past 12 months the market has experienced a surge in Green RMBS issuance although volumes are still far from the 2021 record high, whilst the PMs have supported green transactions and expect to see higher volumes for the remainder of 2024.

Within CLOs, investor demand for ESG integration has increased significantly over the past year resulting in most CLO managers increasing exclusions at portfolio level and within disclosures. The PMs have also worked on several initiatives on the CLO side through the European Leveraged Finance Association ("ELFA"). The latest initiative was a paper outlining guidance for CLO managers on carbon and climate disclosures.

At portfolio level the team have focused on CLO deals with positive and negative screening managed by managers with strong ESG credentials.

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**Investment Manager's Report** (continued)

**Portfolio Commentary**

European ABS performance in the last 12 months has been very strong across the board. Spreads started the year relatively wide as the market was still recovering from the UK LDI crisis and as the market was generally expecting an economic slowdown. While the BoE continued to increase base rates, ABS investors benefited from increasing coupon levels, drawing new income-seeking investors to the ABS market. Fundamental performance has remained better than expected as borrowers are coping well with the higher rate environment, helped by solid wage growth and a strong labour market. While we expected house prices to drop by 5-10% in the UK and mainland Europe, the shortage of housing and levels of migration have left house prices relatively unchanged. Spreads remained relatively range bound during the first half of 2023, but risk sentiment improved consistently from the summer as investors became more comfortable with a soft-landing as a base case for European and UK economies. Mezzanine RMBS and especially CLOs were the main beneficiaries of spread tightening, resulting in very strong performance for the year. BB CLOs tightened by around 200bps to Euribor + 6.7% making Mezzanine CLOs the best performing asset class for the Sub-Fund. AAA Prime RMBS generally lagged the rally as a result of increased supply from the banks that increasingly use RMBS as a funding tool, but UK and Dutch AAAs generally tightened by 10-15bps. The one asset class that lagged spread performance has been the CMBS market as uncertainty remains around CRE valuations.

The Sub-Fund returned 12.40% (Class A Acc GBP) during this period with a relatively low volatility of 1.99%.

**Market Outlook**

Spreads products have performed very well in February and without further escalation of geopolitical risks we expect this strong demand/supply technical to persist in the medium term. The Portfolio Management team see the best value in primary AAA CLOs and short dated BBB and BB rated RMBS & CLOs. We expect the pace of European CLO issuance to persist and envisage a healthy ABS pipeline for the remainder of 2024. With more older CLOs reaching the end of their reinvestment periods and a healthy leveraged loan market we expect to see an increased amount of older CLOs getting called as well as a further pick up in refinancings of the 2022 and 2023 vintages. This increasing amount of amortisations is expected to be reinvested in primary supply.

We expect resistance to short term spreads tightening from here, however we do see a scenario where the excess demand, particularly in ABS markets, outweighs this effect. Primary supply has been met with very strong demand so far in 2024 and although total volumes are strong, the team had expected to see more RMBS deals come to market, but recognise that specialist mortgage lending volumes have likely been suppressed in the last 12 months. The PMs expect the current strong supply-demand technical to remain in place as a driver of medium term performance. In the longer term we continue to see geopolitical risk as the key risk for market volatility and while the PMs don't see a catalyst for short term volatility, they value flexibility in positioning, therefore expect to keep elevated levels of liquidity, especially as European ABS continues to benefit from higher rates for longer.

TwentyFour Asset Management LLP  
July 2024

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**Report of the Depositary to the Shareholders**

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to TwentyFour ICAV (the “ICAV”) provide this report solely in favour of the Shareholders of the ICAV for the year ended 29 February 2024 (“Annual Accounting Period”). This report is provided in accordance with current Depositary obligation under the Central Bank of Ireland AIF Rule Book, Chapter 5 (iii). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation under the AIF Rulebook, we have enquired into the conduct of Alternative Investment Fund Manager (the “AIFM”) for this Annual Accounting Period and we hereby report thereon to the Shareholders of the ICAV as follows;

We are of the opinion that the ICAV has been managed by the AIFM during the Annual Accounting Period, in all material respects:

- i. in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional document and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and
- ii. otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.



For and on behalf of:  
Northern Trust Fiduciary Services (Ireland) Limited  
Georges Court,  
54-62 Townsend Street  
Dublin 2  
D02 R156  
Ireland

22 July 2024

# Independent auditor's report to the Shareholders of TwentyFour ICAV

## Opinion

We have audited the financial statements of TwentyFour ICAV ("the ICAV") which comprise the Statement of Financial Position and Schedule of Investments as at 29 February 2024 and the Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, and Statement of Cash Flows for the financial year then ended, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, TwentyFour ICAV's financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and financial position of the ICAV as at 29 February 2024 of financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the "ICAV Act").

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the ICAV. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ICAV's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the Shareholders of TwentyFour ICAV

## Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, including the Director's Report, Investment Manager's Report, Report of the Depositary to the Shareholders, and unaudited reporting requirements including Supplemental Information and Sustainable Finance Disclosure Regulation ("SFDR"). The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Matters on which we are required to report by the ICAV Act 2015

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the ICAV were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the ICAV Act 2015.

## Matters on which we are required to report by exception

Under the ICAV Act we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 117 of the ICAV Act have not been made. We have no exceptions to report arising from this responsibility.

## Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Statement of Directors' Responsibilities section of Directors' Report, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# Independent auditor's report to the Shareholders of TwentyFour ICAV

## Responsibilities of management and those charged with governance for the financial statements (continued)

In preparing the financial statements, management is responsible for assessing the ICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ICAV or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the ICAV's financial reporting process.

## Responsibilities of the auditor for the audit of the financial statements

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ICAV's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the ICAV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

# Independent auditor's report to the Shareholders of TwentyFour ICAV

## Responsibilities of the auditor for the audit of the financial statements (continued)

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

## The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the ICAV's shareholders, as a body, in accordance with section 120 of the Irish Collective Asset-management Vehicles Act 2015 (as amended). Our audit work has been undertaken so that we might state to the ICAV's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



Julieanne Nolan  
For and on behalf of  
Grant Thornton  
Chartered Accountants & Statutory Audit Firm  
Dublin 2  
Ireland

22 July 2024

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Financial Position  
As at 29 February 2024**

	Notes	TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP	TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP
<b>Assets</b>			
Financial assets at fair value through profit or loss:			
- Transferable securities	1, 3	214,669,616	259,592,890
- Financial derivative instruments	1, 3	215,232	1,204,790
Cash and cash equivalents	1	5,387,493	6,170,221
Interest receivable	1	1,581,223	1,633,196
Receivable for securities sold	1	182	-
Other assets	1	86,940	110,891
<b>Total assets</b>		<b>221,940,686</b>	<b>268,711,988</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss:			
- Financial derivative instruments	1, 3	(2,118)	(177,305)
Investment manager's fees payable	2, 5	(205,142)	(424,978)
Administrator fees payable	2	(16,102)	(8,771)
Director's fees payable	5	(6,397)	(9,557)
Depositary fees payable	2	(10,756)	(16,094)
AIFM fees payable	2, 5	(18,377)	(83,137)
Audit fees payable	1	(18,833)	(24,902)
Legal fees payable		(1,944)	(145)
Distribution payable	12	(663,026)	(2,074,006)
Payable for securities purchased	1	(1,280,000)	-
Other accrued expenses	1	(111,624)	(67,133)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(2,334,319)</b>	<b>(2,886,028)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>219,606,367</b>	<b>265,825,960</b>

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Financial Position (continued)**  
**As at 29 February 2024**

	Notes	TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP	TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP
<b>Number of redeemable participating shares outstanding:</b>	6		
<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>			
GBP Class A Acc		1,087,112	1,046,242
GBP Class A Inc		349,445	1,368,348
CHF Class A Acc		218,343	176,187
EUR Class A Acc*		341,380	-
<b>Net asset value per redeemable participating share:</b>	7		
<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>			
GBP Class A Acc	GBP £	120.68	107.37
GBP Class A Inc	GBP £	105.57	100.81
CHF Class A Acc	CHF	108.27	100.07
EUR Class A Acc*	EUR	103.73	-

\* The EUR Class A Accumulation launched on 5 December 2023.

The accompanying notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors of TwentyFour ICAV on 22 July 2024 and signed on its behalf by:

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Aogan Foley

22 July 2024

DocuSigned by:  
  
B60E9F8E39FC4D2...  
Bronwyn Wright

22 July 2024

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Comprehensive Income**  
**For the financial year ended 29 February 2024**

	Notes	TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP	TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP
<b>Income</b>			
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss and foreign currencies	4	9,633,314	(31,470,645)
Bank interest income	1	502,400	642,425
Income from financial assets and liabilities at fair value through profit or loss	1	16,754,238	21,328,775
<b>Net investment income/(expense)</b>		<u>26,889,952</u>	<u>(9,499,445)</u>
<b>Expenses</b>			
Investment manager's fees	2, 5	(1,011,699)	(2,369,734)
Administrator fees	2	(63,157)	(127,274)
Depositary fees	2	(110,565)	(141,906)
Transfer Agent fees		(926)	(923)
AIFM fees	2, 5	(13,083)	(135,840)
Directors' fees	5	(35,881)	(40,564)
Audit fees		(13,606)	(28,467)
Legal fees		(75,001)	(46,411)
Corporate secretarial fees		(28,667)	(24,406)
Other expenses		(141,729)	(124,544)
<b>Total operating expenses</b>		<u>(1,494,314)</u>	<u>(3,040,069)</u>
<b>Net profit/(loss) before finance costs</b>		<u>25,395,638</u>	<u>(12,539,514)</u>
<b>Finance costs</b>			
Bank interest expense	1	(74,959)	(7,348)
Income equalisation	1	(434,992)	(1,162,069)
Distributions to holders of redeemable participating shares	12	(2,571,203)	(11,192,840)
<b>Total finance costs</b>		<u>(3,081,154)</u>	<u>(12,362,257)</u>
<b>Tax</b>			
Withholding tax on investment income	1, 8	(3,137)	(31,714)
<b>Total tax</b>		<u>(3,137)</u>	<u>(31,714)</u>
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<u><u>22,311,347</u></u>	<u><u>(24,933,485)</u></u>

Gains and losses arose from continuing operations. There are no recognised gains and losses other than those shown in the Statement of Comprehensive Income.  
The accompanying notes form an integral part of these financial statements.

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares  
For the financial year ended 29 February 2024**

	<b>TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP</b>	<b>TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP</b>
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the year</b>	265,825,960	524,393,955
<b>Redeemable participating share transactions</b>		
Issue of redeemable participating shares during the year	115,518,480	272,714,746
Redemption of redeemable participating shares during the year	<u>(184,049,420)</u>	<u>(506,349,256)</u>
Net decrease in net assets from redeemable participating share transactions	<b><u>(68,530,940)</u></b>	<b><u>(233,634,510)</u></b>
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>	22,311,347	(24,933,485)
<b>Net assets attributable to holders of redeemable participating shares at the end of the year</b>	<b><u><u>219,606,367</u></u></b>	<b><u><u>265,825,960</u></u></b>

The accompanying notes form an integral part of these financial statements.

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Cash Flows**  
**For the financial year ended 29 February 2024**

	Notes	TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP	TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP
<b>Cash flows from operating activities</b>			
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations		22,311,347	(24,933,485)
<i>Adjustment for:</i>			
Net (gain)/loss on financial assets and liabilities at fair value through profit or loss and foreign currencies	4	(9,633,314)	31,470,645
Gain/(loss) on forward foreign currency contracts and currencies	1	4,072,141	(7,825,079)
Amortisation of premium or discount investments	1	(277,197)	(557,174)
Decrease in receivables	1	75,924	4,361,815
Decrease in payables	2, 5	(1,656,522)	(410,967)
Income equalisation	1	434,992	1,162,069
Exchange loss/(gain) on cash and cash equivalents		43,662	(6,651,050)
Payment on purchase of investments		(92,811,824)	(225,630,036)
Proceeds from sale of investments		145,667,657	454,393,117
<b>Net cash inflow from operating activities</b>		<b>68,226,866</b>	<b>225,379,855</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of redeemable participating shares		115,518,480	272,714,746
Payments for redemption of redeemable participating shares		(184,049,420)	(506,349,256)
Income equalisation	1	(434,992)	(1,162,069)
<b>Net cash outflow from financing activities</b>		<b>(68,965,932)</b>	<b>(234,796,579)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(739,066)</b>	<b>(9,416,724)</b>
Cash and cash equivalents at the beginning of the year		6,170,221	8,935,895
Exchange (loss)/gain on cash and cash equivalents		(43,662)	6,651,050
<b>Cash and cash equivalents at the end of the year</b>		<b>5,387,493</b>	<b>6,170,221</b>

TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

**Statement of Cash Flows (continued)**  
**For the financial year ended 29 February 2024**

	<b>TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP</b>	<b>TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP</b>
<b>Supplementary cash flow information</b>		
<b>Cash flows from operating activities include:</b>		
Cash received during the year for interest income	16,979,441	21,414,026
Cash paid during the year for interest expense	(74,959)	(7,348)
Cash paid during the year for distributions	(3,982,183)	(11,660,034)
	<b>12,922,299</b>	<b>9,746,644</b>

The accompanying notes form an integral part of these financial statements.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements  
For the financial year ended 29 February 2024**

**1. Principal Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are set out below.

**Basis of preparation**

The financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as adopted by the European Union (“EU”). TwentyFour ICAV (the “ICAV”) is an umbrella Irish collective asset-management vehicle with segregated liability between Sub-Funds under the Irish Collective Asset-management Vehicles Act 2015 (as amended) (the “ICAV Act”) and is authorised by the Central Bank of Ireland (the “Central Bank”) as a Qualifying Investor Alternative Investment Fund (“QIAIF”).

These financial statements are prepared on a going concern basis as the Directors have made an assessment of the ICAV and its Sub-Fund's ability to continue as a going concern and are satisfied that the Sub-Fund has the resources to continue for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the ICAV and its Sub-Fund's ability to continue as a going concern.

**Standards and amendments to existing standards effective 1 March 2023**

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 March 2023 that have a material effect on the financial statements of the ICAV.

**New standards, amendments and interpretations effective after 1 March 2023 and have not been early adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 March 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the ICAV.

The ICAV has not adopted any new standards or interpretations that are not mandatory.

**Critical accounting estimates and judgments**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about fair values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

There were no critical judgements or estimates during the year to disclose.

**Functional currency and foreign currency translation**

These financial statements are prepared in Pound Sterling (“GBP”), which is the ICAV’s functional and presentation currency.

Assets and liabilities expressed in foreign currencies will be converted into the functional currency of the Sub-Fund using the exchange rates prevailing as at the Statement of Financial Position date. Transactions in foreign currencies are translated into GBP at the exchange rates at dates of transactions.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements (continued)**  
**For the financial year ended 29 February 2024**

**1. Principal Accounting Policies (continued)**

**Financial assets and liabilities**

*Classification*

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset or financial liability in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The ICAV classifies all its investment securities as financial assets and financial liabilities at fair value through profit or loss. Within this category, all securities are also classified as held for trading.

Financial assets that are classified as measured at amortised cost include cash and cash equivalents, interest receivables, receivables for securities sold and other assets.

*Recognition & derecognition*

The ICAV recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. Investment transactions are accounted for on a trade date basis initially at fair value.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Sub-Fund has transferred substantially all risks and rewards of ownership.

*Impairment*

The ICAV recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the ICAV considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the ICAV's historical experience and informed credit assessment and including forward-looking information.

The ICAV assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the ICAV expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

At 29 February 2024 and 28 February 2023, Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

*Measurement*

Financial assets and liabilities at fair value through profit or loss are valued at fair value at the Statement of Financial Position date. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'Financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net gain/(loss) on financial assets and liabilities at fair value through profit or loss' and foreign currencies in the year in which they arise. Fair value is the expected price that would be received to sell the asset or transfer the liability in an orderly transaction between market participants.

In determining fair value, securities which are quoted, listed or traded on a recognised exchange are valued at the closing mid-market price. Where a security is listed or dealt in on more than one recognised exchange the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the AIFM determine provides the fairest criteria in determining a value for the relevant investment.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements** (continued)  
**For the financial year ended 29 February 2024**

**1. Principal Accounting Policies** (continued)

**Financial assets and liabilities** (continued)

*Measurement (continued)*

Derivative contracts traded on a regulated market are valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the AIFM or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the AIFM and approved for the purpose by Northern Trust Fiduciary Services (Ireland) Limited (the “Depositary”).

Over-the-counter (“OTC”) derivative contracts are valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is selected by the AIFM and approved for the purpose by the Depositary and who is independent of the counterparty (the “Counterparty Valuation”); or (ii) using an alternative valuation provided by a competent person (including the Investment Manager) appointed by the AIFM and approved for the purpose by the Depositary (the “Alternative Valuation”).

**Asset-backed securities (“ABS”)**

ABS are debt securities where the payment of interest and principal depends on the cash flow generated by a collection of assets. These assets are generally secured debt obligations and include residential mortgages, commercial real estate mortgages, secured small business loans and other types. Unsecured debt obligations like credit card receivables and consumer loans can also form the collateral pool for ABS deals. ABS are normally issued in a number of different classes with different characteristics such as credit quality and term. The ABS will be unleveraged and will not embed a derivative element.

Asset-backed securities are valued at fair value based on their closing mid-market price at the Statement of Financial Position date.

**Forward foreign exchange contracts**

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time the contract is made. Forward foreign exchange contracts will be valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date.

The unrealised gain or loss on open forward currency contracts calculated as the difference between the contract rate and this forward price is recognised in the Statement of Comprehensive Income. Where a forward contract is purchased to hedge the foreign exchange risk of a specific class which is issued in a currency other than the measurement currency of the ICAV, all gains or losses on that contract are allocated to that class. There is no master netting agreement in place therefore the forward currency contracts cannot be offset.

**Bonds**

Bonds are fixed or floating rate income securities for which periodic income is received at regular intervals at reasonably predictable levels. In an issue of bonds the indebted entity (issuer) issues a bond that states the interest rate (coupon) that will be paid and when the loaned funds (principal) are to be returned (maturity date). The amount of the bond premium or discount is amortised to income from financial assets at fair value through profit or loss over the life of the bond using the effective interest method.

**Bank interest income**

Bank interest is recognised on a time-proportionate basis using the effective interest method. Bank interest income includes interest from cash and cash equivalents.

**Income from financial assets at fair value through profit or loss**

Income on financial assets at fair value through profit or loss is recognised in the Statement of Comprehensive Income when the right of the Sub-Fund to receive payments is established.

**Bank interest expense**

Bank interest expense is the cost incurred by an entity for borrowed funds. Interest expense is a non-operating expense shown on the Statement of Comprehensive Income. It represents interest payable on any cash.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements** (continued)  
**For the financial year ended 29 February 2024**

**1. Principal Accounting Policies** (continued)

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, monies held in Transfer Agent Investor Money Regulation ("IMR") accounts of the Sub-Fund and other short term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in liabilities in the Statement of Financial Position.

All of the cash assets are held with The Northern Trust Company ("TNTC").

**Redeemable shares**

The ICAV has four classes of redeemable participating shares in issue. These shares are redeemable at the holder's option and do not have identical features. Such shares are classified as financial liabilities. Redeemable participating shares can be put back to the Sub-Fund at any dealing date for cash equal to a proportionate share of the Sub-Fund's Net Asset Value attributable to the share class.

The redeemable participating shares are carried at the redemption amount that is payable at the Statement of Financial Position date if the holder exercises the right to put the shares back into the Sub-Fund. Redeemable participating shares are issued and redeemed at the holder's option at prices based on the Sub-Fund's Net Asset Value per share at the time of issue or redemption. The Sub-Fund's Net Asset Value per share is calculated by dividing the net assets attributable to the holders of each class of redeemable participating shares with the total number of outstanding redeemable participating shares for each respective class.

**Securities Purchased Payable**

Securities purchased payable are investments which are held on the portfolio at the year end date which the ICAV has not yet made a payment for.

**Transaction costs**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised on the Statement of Comprehensive Income as an expense.

**Distributions**

Shares will be offered as accumulation Shares ("Accumulation Shares") and income Shares ("Income Shares").

The Board intend to distribute an amount approximately equal to the value of the Sub-Fund's net income arising each quarter in respect of Income Shares to the holders of Income Shares.

Holders of Accumulation Shares do not receive payment of income. Any income arising in respect of an Accumulation Share is automatically accumulated and added to the assets of the Sub-Fund and is reflected in the price of each Accumulation Share.

In the absence of unforeseen circumstances, distributions to Shareholders of Income Shares will be payable quarterly by electronic transfer to the account in the name of the Shareholder. It is anticipated that any such dividends will ordinarily be calculated for the period ending on the last Business Day in May, August, November and February for the preceding financial period and, in such circumstances, are expected to be paid by telegraphic transfer on the last Business Day of the month following the month in which such dividends were calculated at the risk and expense of the holders of the Income Shares.

The Directors, at such times as they think fit, may declare dividends on any class of Shares out of the capital of the Sub-Fund attributable to such Shares. Where dividends are paid out of the capital of the Sub-Fund, investors may not receive back the full amount invested.

**Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition origination. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements** (continued)  
**For the financial year ended 29 February 2024**

**1. Principal Accounting Policies** (continued)

**Payables**

Payables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method. The difference between the proceeds and the amounts payable are recognised over the period of the payable using the effective interest method.

**Taxation**

The ICAV may incur withholding tax imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. The ICAV incurred withholding tax for the financial year ended 29 February 2024 of GBP 3,137 (28 February 2023: GBP 31,714) of which GBP Nil (28 February 2023: GBP Nil) remained payable at year end.

**Income equalisation**

Net income equalisation is accrued net income included in the price of shares purchased and redeemed during the accounting period. The subscription price of redeemable participating shares is deemed to include an equalisation payment calculated by reference to the accrued net income of the Sub-Fund, and the first distribution in respect of any share will include a payment of capital usually equal to the amount of such equalisation payment. The redemption price of each redeemable participating share will also include an equalisation payment in respect of the accrued net income of the Sub-Fund up to the date of redemption. Income equalisation is detailed on the Statement of Comprehensive Income.

**2. Fees and expenses**

The Investment Manager shall be entitled to an annual Investment Management fee equal to 0.45% of the Net Asset Value of Class A Accumulation GBP, Class A Income GBP, Class A Accumulation CHF and Class A Accumulation EUR (launched on 5 December 2023). Such fees shall be calculated and accrued at each Valuation Point and be payable monthly in arrears. Investment Management fees for the financial year ended 29 February 2024 were GBP 1,011,699 (28 February 2023: GBP 2,369,734) of which GBP 205,142 (28 February 2023: GBP 424,978) remained payable at the year end.

The Investment Manager may from time to time, at its sole discretion and out of its own resources, decide to rebate Shareholders part or all of the Investment Management Fee. Any such rebates may be applied by issuing additional Shares to Shareholders or by paying cash.

Subject to a minimum annual fee of EUR 50,000, the AIFM shall be entitled to receive out of the assets of the Sub-Fund an annual fee that shall not exceed 0.0175% of the Net Asset Value of the Sub-Fund. The AIFM fee shall be calculated and accrued monthly and payable monthly in arrears. The AIFM shall also be entitled to be repaid out of the assets of the Sub-Fund for all of its reasonable out-of-pocket expenses incurred on behalf of the Sub-Fund. The AIFM fees for the financial year ended 29 February 2024 were GBP 13,083 (28 February 2023: GBP 135,840), and GBP 18,377 (28 February 2023: GBP 83,137) remained payable at the year end.

The Administrator shall be entitled to receive a fee out of the assets of the Sub-Fund which shall be calculated and accrue at each Valuation Point and payable monthly in arrears. The fee shall not exceed 0.03% of the Net Asset Value of the Sub-Fund. Administrator fees for the financial year ended 29 February 2024 were GBP 63,157 (28 February 2023: GBP 127,274), of which GBP 16,102 (28 February 2023: GBP 8,771) remained payable at the year end.

The Depositary shall be entitled to receive a fee out of the assets of the Sub-Fund which shall be calculated and accrue at each Valuation Point and payable monthly in arrears. The fee shall not exceed 0.02% of the Net Asset Value of the Sub-Fund subject to a minimum annual fee of EUR 40,000. Depositary fees for the financial year ended 29 February 2024 were GBP 110,565 (28 February 2023: GBP 141,906), of which GBP 10,756 (28 February 2023: GBP 16,094) remained payable at the year end.

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TwentyFour ICAV  
Annual Report and Audited Financial Statements  
For the financial year ended 29 February 2024

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**Notes to the Financial Statements** (continued)  
**For the financial year ended 29 February 2024**

**2. Fees and expenses** (continued)

In accordance with the Prospectus, all fees and expenses relating to the establishment, organisation and authorisation of the ICAV and the initial Sub-Fund are being amortised over the first five years of the ICAV. Amortisation of such expenses is a divergence from IFRS which requires set-up costs to be expensed as incurred. The Directors believe the effect of this is immaterial and have therefore opted to amortise these expenses in the financial statements in line with the Prospectus.

No performance fee will be payable to the Investment Manager (28 February 2023: None).

**Transaction costs**

The Sub-Fund's transaction costs for the financial year ended 29 February 2024 and 28 February 2023 are included in the net gain/(loss) on financial assets and liabilities at fair value through profit or loss under the Statement of Comprehensive Income. These transaction costs are not separately identifiable.

**Auditors' remuneration**

The remuneration for all work carried out by the statutory auditors in respect of the financial year is as follows:

	29 February 2024	28 February 2023
	EUR	EUR
Statutory audit fee (including expenses)*	19,100	17,950
	<u>19,100</u>	<u>17,950</u>

The above fees exclude VAT.

\* There were no fees charged or paid in respect to other assurance services and other non-audit services.

**3. Financial risk management**

The ICAV's activities expose it to a variety of financial risks in pursuing its stated investment objectives and policies. These risks include, but are not limited to, market risk (including foreign exchange risk, interest rate risk and issuer credit risk), and liquidity risk. The ICAV's overall risk management process seeks to maximise the returns derived for the level of risk to which the ICAV is exposed and seeks to minimise potential adverse effects on the ICAV's financial performance. The ICAV's policy allows it to use financial derivative instruments to both moderate and create certain risk exposures.

**Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as foreign exchange rates and equity prices.

*Market price risk*

IFRS 7 'Financial Instruments: Disclosures', defines market price risk as the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market price risk reflects interest rate risk, foreign exchange risk and other price risks.

The assets of the Sub-Fund are subject to market price risk. The Sub-Fund is therefore at risk that market events may affect performance. While the Sub-Fund intends to hold a diversified portfolio of assets, any of the factors set out in IFRS 7 including specific market events may be materially detrimental to the performance of the Sub-Fund's security and derivative investments.

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Market risk (continued)**

*Market price risk (continued)*

The market price risk of the ICAV is monitored by the Investment Manager. The Sub-Fund's maximum exposure to loss from security investments is equal to their total fair value. Once the Sub-Fund has disposed of its holding in any of these securities, the Sub-Fund ceases to be exposed to any risk from that security.

*Foreign exchange risk*

Foreign exchange risk is defined in IFRS 7 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Sub-Fund is exposed to currency risk as the assets and liabilities of the Sub-Fund are denominated in a currency other than the functional currency of the ICAV, which is Pound Sterling (GBP). However, the Sub-Fund operates a foreign exchange hedging process that aims to ensure that the Sub-Fund's exposure to non-GBP currencies remains below certain low thresholds.

Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The ICAV's currency exposure at 29 February 2024 and 28 February 2023 are outlined in the tables below:

**TwentyFour Sustainable Enhanced Income ABS Fund**

29 February 2024	Monetary exposure	Non-Monetary exposure	Open FX trades	Total exposure
	GBP	GBP	GBP	GBP
Australian Dollar	1,544,371	1,863	(1,544,836)	1,398
Euro	118,603,411	874,553	(89,583,009)	29,894,955
Swiss Franc	1	-	21,164,929	21,164,930
US Dollar	31,703	-	-	31,703
	<b>120,179,486</b>	<b>876,416</b>	<b>(69,962,916)</b>	<b>51,092,986</b>

**TwentyFour Sustainable Enhanced Income ABS Fund**

28 February 2023	Monetary exposure	Non-Monetary exposure	Open FX trades	Total exposure
	GBP	GBP	GBP	GBP
Euro	132,365,809	861,219	(132,269,661)	957,367
Swiss Franc	1	-	15,523,732	15,523,733
US Dollar	32,401	-	-	32,401
	<b>132,398,211</b>	<b>861,219</b>	<b>(116,745,929)</b>	<b>16,513,501</b>

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Market risk (continued)**

**Sensitivity analysis**

The table below summarises the sensitivity of the Sub-Fund's monetary and non-monetary assets and liabilities denominated in other currencies to changes in foreign exchange movements at the year end. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by the percentage disclosed in the table below, with all other variables held constant.

**TwentyFour Sustainable Enhanced Income ABS Fund**  
**29 February 2024**

	% movement	Effect on Net Assets attributable to holders of Redeemable Participating Shares GBP
Australian Dollar	10%	140
Euro	10%	2,989,496
Swiss Franc	10%	2,116,493
US Dollar	10%	3,170

**TwentyFour Sustainable Enhanced Income ABS Fund**  
**28 February 2023**

	% movement	Effect on Net Assets attributable to holders of Redeemable Participating Shares GBP
Euro	10%	95,737
Swiss Franc	10%	1,552,373
US Dollar	10%	3,240

*Interest Rate Risk*

Interest rate risk is defined in IFRS 7 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

All fixed income securities held by the portfolio are subject to varying levels of interest rate risk. The Investment Manager employs duration as a measure of the sensitivity of a bond price to interest rates.

Duration is a measure of the sensitivity of a debt security's price to interest rates. The percentage change in the price is equal to the change in interest rates multiplied by the modified duration. The monetary impact detailed in the following table shows the possible change in Net Asset Value resulting from a 1% change in interest rates.

**TwentyFour Sustainable Enhanced Income ABS Fund**  
**As at 29 February 2024**

Average duration	Monetary impact on NAV GBP
0.11	241,567

**TwentyFour Sustainable Enhanced Income ABS Fund**  
**As at 28 February 2023**

Average duration	Monetary impact on NAV GBP
0.09	239,243

*Issuer Credit Risk*

Issuer credit risk arises when the issuer of a settled security held in the portfolio experiences financing difficulties or defaults on its payment obligations resulting in an impact to the security market price.

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**Notes to the Financial Statements** (continued)  
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**3. Financial risk management** (continued)

**Market risk** (continued)

*Issuer Credit Risk* (continued)

The Sub-Fund is exposed to issuer credit risk, primarily through its holdings in corporate bonds. The Investment Manager employs credit spread duration which measures the sensitivity of a bond price to changes in credit spreads (or the bond's credit worthiness). The Investment Manager also monitors agency credit ratings and other factors which might impact issuer creditworthiness.

**Counterparty credit risk**

Credit risk is defined in IFRS 7 as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-Fund will be exposed to credit risk on parties with whom it trades, which will include trading counterparties and may also bear the contingent market risk of trade settlement failure. Direct counterparty exposure may be assumed whenever the Sub-Fund enters into a bilateral OTC derivative transaction, although this risk is mitigated through the use of Central Clearing and the exchange of margin.

The counterparty of OTC derivatives held at year end is Northern Trust which had a long term credit rating from Standard & Poor's of A+ (28 February 2023: A+).

**Credit risk statement**

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the ICAV, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at year end date 29 February 2024, NTC had a long term credit rating from Standard & Poor's of A+ (28 February 2023: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland, Canada, Belgium, France, Germany, Netherlands and Saudi Arabia. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Sub-Fund's ownership of Other Assets, (as defined under Other Assets, Art 21 (8)(b) of Directive 2011/61/EU), by assessing whether the Sub-Fund holds the ownership based on information or documents provided by the Sub-Fund or where available, on external evidence.

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Sub-Fund, clearly identifiable as belonging to the Sub-Fund, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Sub-Fund on deposit. Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Sub-Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Sub-Fund's rights with respect to its assets to be delayed.

The Investment Manager manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

The Depositary is under a duty to take into deposit and to hold the property of each Sub-Fund of the ICAV on behalf of its shareholders. The Central Bank requires the Depositary to hold legally separate the non-cash assets of each Sub-Fund and to maintain sufficient records to clearly identify the nature and amount of all assets that it holds, the ownership of each asset and where the documents of title to such assets are physically located. When the Depositary employs a sub-custodian the Depositary retains responsibility for the assets of the Sub-Fund.

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Credit risk statement (continued)**

There can be no assurance that issuers of the securities or other instruments in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments (as well as any appreciation of sums invested in such securities). There were no such defaults on the portfolio of the Sub-Fund during the year.

Northern Trust continually reviews its sub-custodian network to ensure clients have access to the most efficient, creditworthy and cost-effective provider in each market.

However, it should be noted that not all jurisdictions have the same rules and regulations as Ireland regarding the deposit of assets and the recognition of the interests of a beneficial owner such as a Sub-Fund. Therefore, in such jurisdictions, there is a risk that if a sub-custodian becomes bankrupt or insolvent, the Sub-Fund's beneficial ownership of the assets held by such sub-custodian may not be recognised and consequently the creditors of the sub-custodian may seek to have recourse to the assets of the Sub-Fund. In those jurisdictions where the Sub-Fund's beneficial ownership of its assets is ultimately recognised, the Sub-Fund may suffer delay and cost in recovering those assets. The Sub-Fund may invest in markets where depositary and/or settlement systems are not fully developed. The assets of the Sub-Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the Depositary will have no liability.

As at 29 February 2024 and 28 February 2023 the Sub-Fund's financial assets exposed to credit risk amounted to:

<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>	<b>29 February 2024</b>	<b>28 February 2023</b>
	<b>GBP</b>	<b>GBP</b>
Transferable securities	214,669,616	259,592,890
Financial derivative instruments	215,232	1,204,790
Cash and cash equivalents	5,387,493	6,170,221
Interest receivable	1,581,223	1,633,196
Receivable for securities sold	182	-
Other assets	86,940	110,891
	<b>221,940,686</b>	<b>268,711,988</b>

As at 29 February 2024 and 28 February 2023, the Sub-Fund's portfolio of debt securities was as follows:

<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>	<b>29 February 2024</b>	<b>28 February 2023</b>
<b>Rating</b>		
Investment grade	80.41%	76.27%
Non investment grade	19.59%	23.73%
Non rated	0.00%	0.00%
	<b>100.00%</b>	<b>100.00%</b>

The ratings in the above table is an average of ratings agencies.

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Liquidity risk**

IFRS 7 defines liquidity risk as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The liquidity of securities held by the Sub-Fund will vary. The accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Sub-Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

The Sub-Fund invests primarily in securities which are readily realisable. As a result, the Sub-Fund is likely to be able to quickly liquidate its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements.

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of the Sub-Fund and the subscription, repurchase and exchange of Shares and the payment of Repurchase Proceeds. There was no NAV suspension during the year.

An Anti-Dilution Levy may be imposed by the AIFM or its delegates in the case of large net subscriptions and/or net repurchases to reflect the impact of dealing costs relating to the acquisition or disposal of assets and to preserve the value of the underlying assets of the Sub-Fund, where they consider such a provision to be in the best interests of the Sub-Fund.

The table below analyses the Sub-Fund's financial liabilities within the relevant maturity groups. The amounts in the tables are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

**TwentyFour Sustainable Enhanced Income ABS Fund**

As at 29 February 2024	Less than 1	1 - 3 Months	Over 3 Months	Total
	Month			
	GBP	GBP	GBP	GBP
Financial liabilities at fair value through profit or loss	2,118	-	-	2,118
Creditors	2,332,201	-	-	2,332,201
Net assets attributable to holders of redeemable participating shares	219,606,367	-	-	219,606,367
<b>Total financial liabilities</b>	<b>221,940,686</b>	<b>-</b>	<b>-</b>	<b>221,940,686</b>

**TwentyFour Sustainable Enhanced Income ABS Fund**

As at 28 February 2023	Less than 1	1 - 3 Months	Over 3 Months	Total
	Month			
	GBP	GBP	GBP	GBP
Financial liabilities at fair value through profit or loss	-	177,305	-	177,305
Creditors	2,708,723	-	-	2,708,723
Net assets attributable to holders of redeemable participating shares	265,825,960	-	-	265,825,960
<b>Total financial liabilities</b>	<b>268,534,683</b>	<b>177,305</b>	<b>-</b>	<b>268,711,988</b>

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**Notes to the Financial Statements** (continued)  
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**3. Financial risk management** (continued)

**Fair value hierarchy**

IFRS 13 ‘Fair Value Measurement’ requires the ICAV to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the ICAV. The ICAV considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the ICAV’s financial assets and liabilities (by level) measured at fair value at 29 February 2024 and 28 February 2023:

**As at 29 February 2024**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Financial assets at fair value through profit and loss:</b>				
Asset-backed securities	-	208,838,589	5,831,027	214,669,616
Unrealised gain on forward currency contracts	-	215,232	-	215,232
<b>Financial liabilities at fair value through profit and loss:</b>				
Unrealised loss on forward currency contracts	-	(2,118)	-	(2,118)
<b>Total</b>	<b>-</b>	<b>209,051,703</b>	<b>5,831,027</b>	<b>214,882,730</b>

Financial instruments that trade in markets that are not considered to be active but are valued based on mid-market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include Asset Backed securities and Forward Currency Contracts.

The Level 3 securities that amount to GBP 5,831,027 for the financial year end 29 February 2024 (28 February 2023: GBP 5,619,644) consist of asset backed securities. The ICAV uses the valuation provided by Natwest, the valuing agent for these deals. Natwest’s valuation model also considers other risk factors such as changes in the percentage recovery rate and changes in time to recovery. The ICAV also considers other risk factors such as changes in the percentage recovery rate and changes in time to recovery, and adjusts the valuation as deemed necessary.

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Fair value hierarchy (continued)**

The following table represents a summary of the Level 3 investments and the details of the unobservable inputs used for the financial year ended 29 February 2024.

**As at 29 February 2024**

Financial Instrument	Fair Value GBP	Valuation Technique	Unobservable inputs	Input range	Possible shift in unobservable inputs	Effect on Valuation GBP
Asset-backed securities	5,831,027	Mid-market price	Single broker quote	Not applicable	5%	291,551

The Directors have considered the impact of fluctuations in the fair value of level 3 unobservable inputs by 5%, based on an approach where all other variables would be held constant.

The following table represents a summary of the Level 3 investments held at year end:

	TwentyFour Sustainable Enhanced Income ABS Fund 29 February 2024 GBP Level 3
Opening balance	5,619,644
Unrealised gain recognised in Statement of Comprehensive Income	211,383
<b>Closing balance</b>	<b>5,831,027</b>

**As at 28 February 2023**

	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
<b>Financial assets at fair value through profit and loss:</b>				
Asset-backed securities	-	253,973,246	5,619,644	259,592,890
Unrealised gain on forward currency contracts	-	1,204,790	-	1,204,790
<b>Financial liabilities at fair value through profit and loss:</b>				
Unrealised loss on forward currency contracts	-	(177,305)	-	(177,305)
<b>Total</b>	<b>-</b>	<b>255,000,731</b>	<b>5,619,644</b>	<b>260,620,375</b>

The following table represents a summary of the Level 3 investments and the details of the unobservable inputs used for the financial year ended 28 February 2023.

**TwentyFour Sustainable Enhanced Income ABS Fund**

**As at 28 February 2023**

Financial Instrument	Fair Value GBP	Valuation Technique	Unobservable inputs	Input range	Possible shift in unobservable inputs	Effect on Valuation GBP
Asset-backed securities	5,619,644	Mid-market price	Single broker quote	Not applicable	5%	280,982

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**Notes to the Financial Statements (continued)**  
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**3. Financial risk management (continued)**

**Fair value hierarchy (continued)**

The following table represents a summary of the Level 3 investments held at 28 February 2023 year end:

	TwentyFour Sustainable Enhanced Income ABS Fund 28 February 2023 GBP Level 3
Opening balance	-
Transfer to Level 3	-
Purchases	9,220,000
Sales	(2,868,613)
Realised loss recognised in Statement of Comprehensive Income	(381,386)
Unrealised loss recognised in Statement of Comprehensive Income	(350,357)
<b>Closing balance</b>	<b><u><u>5,619,644</u></u></b>

There were no transfers between levels of the fair value hierarchy for financial assets and financial liabilities which are recorded at fair value during the year (28 February 2023: None).

For assets and liabilities carried at amortised cost, their carrying values are a reasonable approximation of fair value.

**4. Net gain/(loss) on financial assets and liabilities at fair value through profit or loss and foreign currencies**

	GBP	GBP
Realised loss on sale of investments	(2,001,466)	(23,383,353)
Realised gain/(loss) on forward currency contracts	4,097,643	(6,808,347)
Net currency loss	(51,355)	(970,777)
Change in unrealised appreciation on investments	11,349,505	15,029,155
Change in unrealised depreciation on investments	(2,962,997)	(13,644,595)
Net change in unrealised depreciation on forward foreign currency contracts	(798,016)	(1,692,728)
	<b><u><u>9,633,314</u></u></b>	<b><u><u>(31,470,645)</u></u></b>

**5. Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Sub-Fund is managed by TwentyFour Asset Management LLP, the Investment Manager. Under the terms of the Investment Management Agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Sub-Fund in accordance with the investment objective and policies of the Sub-Fund. The Investment Manager is entitled to receive Investment Management fees and may elect to pay rebates as disclosed in Note 2 Fees and Expenses.

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**Notes to the Financial Statements (continued)**  
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**5. Related party transactions (continued)**

The prospectus authorises the Directors to charge a fee for their services at a rate determined by the Directors. Each Director shall receive a fee for their services up to a maximum of EUR 30,000 per annum. Directors' fees for the year (excluding expenses) amounted to GBP 35,881 (28 February 2023: GBP 40,564) of which GBP 6,397 (28 February 2023: GBP 9,557) remained payable at the year end. Director insurance paid for the year amounted to GBP 14,998 (28 February 2023: GBP 19,744).

During the financial year, KBA Consulting Management Limited, the AIFM of the ICAV merged into Waystone Management Company (IE) Limited ("WMC"), and the surviving entity is now WMC. WMC, as AIFM is considered a related party as it is considered to have significant influence in its role as AIFM. Clifton Fund Consulting, trading as Waystone, which is part of the same economic group as WMC, provides ancillary services to the ICAV. Total Clifton Fund Consulting, trading as Waystone and WMC fees for the year amounted to GBP 8,807 and GBP 13,083 (28 February 2023: GBP 9,097 to KB Associates and GBP 135,840 to KBA Consulting Management Limited) of which GBP 18,377 (28 February 2023: GBP Nil to KB Associates and GBP 83,137 to KBA Consulting Management Limited) remained payable at year end.

None of the Directors had shareholdings in the Sub-Fund as at 29 February 2024 (28 February 2023: Nil).

Staff and partners of TwentyFour Asset Management LLP held Nil shares in the Sub-Fund of the ICAV as at 29 February 2024 (28 February 2023: Nil).

**Significant shareholdings**

No shareholder has beneficial interest greater than 20% of the shares in issue as at 29 February 2024 (28 February 2023: Mitchells & Butlers Common Investment Fund).

**6. Share capital**

The authorised share capital of the ICAV is two redeemable non-participating Shares of no par value and 500,000,000,000 participating Shares of no par value. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the consideration paid therefor but do not otherwise entitle them to participate in the assets of the ICAV.

The Directors have the power to allot shares in the capital of the ICAV on such terms and in such manner as they may think fit.

The share capital may be divided into different Classes of Shares with any preferential, deferred or special rights or privileges attached thereto, and from time to time may be varied so far as may be necessary to give effect to any such preference restriction or other term.

During the financial year ended 29 February 2024 the numbers of shares issued, redeemed and outstanding were as follows:

**TwentyFour Sustainable Enhanced Income**

**ABS Fund**

<b>29 February 2024</b>	<b>Class A Acc GBP</b>	<b>Class A Inc GBP</b>	<b>Class A Acc CHF</b>	<b>Class A Acc EUR*</b>
Shares in issue at start of year	1,046,242	1,368,348	176,187	-
Shares subscribed	701,943	49,701	42,156	341,380
Shares redeemed	(661,073)	(1,068,604)	-	-
Shares in issue at end of year	<b>1,087,112</b>	<b>349,445</b>	<b>218,343</b>	<b>341,380</b>
	<b>Total</b>			
Shares in issue at start of year	2,590,777			
Shares subscribed	1,135,180			
Shares redeemed	(1,729,677)			
Shares in issue at end of year	<b>1,996,280</b>			

\* The EUR Class A Accumulation launched on 5 December 2023.

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**6. Share capital (continued)**

During the financial year ended 28 February 2023 the numbers of shares issued, redeemed and outstanding were as follows:

**TwentyFour Sustainable Enhanced Income**

**ABS Fund**

<b>28 February 2023</b>	<b>Class A Acc GBP</b>	<b>Class A Inc GBP</b>	<b>Class A Acc CHF</b>	<b>Total</b>
Shares in issue at start of year	639,910	4,335,539	176,187	5,151,636
Shares subscribed	1,680,244	998,226	-	2,678,470
Shares redeemed	(1,273,912)	(3,965,417)	-	(5,239,329)
Shares in issue at end of year	<b>1,046,242</b>	<b>1,368,348</b>	<b>176,187</b>	<b>2,590,777</b>

**7. Net asset value**

**TwentyFour Sustainable Enhanced Income ABS Fund**

<b>29 February 2024</b>	<b>Class A Acc GBP</b>	<b>Class A Inc GBP</b>	<b>Class A Acc CHF</b>
Net assets attributable to holders of redeemable participating shares	131,196,125	36,892,190	23,640,356
Net asset value per redeemable participating share	120.68	105.57	108.27

**Class A Acc EUR\***

Net assets attributable to holders of redeemable participating shares	35,411,454
Net asset value per redeemable participating share	103.73

**TwentyFour Sustainable Enhanced Income ABS Fund**

<b>28 February 2023</b>	<b>Class A Acc GBP</b>	<b>Class A Inc GBP</b>	<b>Class A Acc CHF</b>
Net assets attributable to holders of redeemable participating shares	112,339,482	137,948,228	17,630,969
Net asset value per redeemable participating share	107.37	100.81	100.07

**TwentyFour Sustainable Enhanced Income ABS Fund**

<b>28 February 2022</b>	<b>Class A Acc GBP</b>	<b>Class A Inc GBP</b>	<b>Class A Acc CHF</b>
Net assets attributable to holders of redeemable participating shares	66,959,211	443,143,530	17,592,321
Net asset value per redeemable participating share	104.64	102.21	99.85

\* The EUR Class A Accumulation launched on 5 December 2023.

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**Notes to the Financial Statements (continued)**  
**For the financial year ended 29 February 2024**

## **8. Taxation**

The ICAV is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. The ICAV will not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution or any encashment, redemption, repurchase, cancellation, or transfer of shares or on the ending of a “Relevant Period”. A “Relevant Period” is an eight-year period beginning with the acquisition of the shares by the Shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

No Irish tax will arise in respect of chargeable events in respect of:

- (i) Transactions by a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event provided the necessary signed statutory declarations are held by the Sub-Fund; or
- (ii) Transactions by certain exempted Irish resident investors who have provided the Sub-Fund with the necessary signed statutory declaration; or
- (iii) Any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (iv) An arm’s length exchange of shares in the ICAV for other shares in the ICAV; or
- (v) An arm’s length exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another ICAV; or
- (vi) Certain exchanges of shares between spouses/civil partners or former spouses/civil partners.

In the absence of an appropriate declaration or where the ICAV is in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct and the ICAV has not been authorised by Irish Revenue to make gross payments in absence of appropriate declarations, the Sub-Fund will be liable to Irish tax on the occurrence of a chargeable event. There were no chargeable events during the year under review. Capital gains, dividends, and interest received by the Sub-Fund may be subject to taxes imposed by the country of origin and such taxes may not be recoverable by the Sub-Fund or its Shareholders.

## **9. Efficient portfolio management & use of financial derivative instruments**

The ICAV may engage in transactions in financial derivative instruments for the purposes of efficient portfolio management and/or to protect against exchange risks, within the conditions and limits laid down by the Central Bank. Such instruments include currency swaps, futures and forward currency contracts. The Sub-Fund may use any such financial derivative instrument in order to hedge or gain certain exposures including exposures to currencies, interest rates, instruments, markets, reference rates or financial indices, provided that the Sub-Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

During the financial year ended 29 February 2024 and year ended 28 February 2023, the Sub-Fund used forward currency contracts to hedge against currency risk that has resulted from assets held by the Sub-Fund that are not in the base currency.

The Investment Manager uses the commitment approach to calculate the exposure of the Sub-Fund to financial derivative instruments. Derivatives exposure will not exceed 200% of the Net Asset Value of the Sub-Fund on a permanent basis. The Sub-Fund may not be leveraged in excess of 200% of the Net Asset Value as a result of its investment in financial derivative instruments.

## **10. Soft commissions**

No soft commission arrangements will be entered into by the Investment Manager.

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**Notes to the Financial Statements (continued)**  
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**11. Exchange rates**

The exchange rates used to translate foreign currency balances and foreign currency-denominated assets and liabilities to GBP at 29 February 2024 and 28 February 2023 were as follows:

<b>Exchange rate to GBP</b>	<b>29 February 2024</b>	<b>28 February 2023</b>
Australian Dollar	1.9426	-
Euro	1.1689	1.1416
US Dollar	1.2650	1.2107
Swiss Franc	1.1139	1.1347

**12. Distributions**

**TwentyFour Sustainable Enhanced Income ABS Fund**

The following distributions were declared in respect of the GBP share classes:

**29 February 2024**

<b>Share class</b>	<b>Currency</b>	<b>Record Date</b>	<b>Ex-dividend date</b>	<b>Pay date</b>	<b>Distribution per share</b>	<b>Income available for Distribution</b>
GBP Class A Inc	GBP	30 May 2023	31 May 2023	30 June 2023	1.719122	600,739
GBP Class A Inc	GBP	30 August 2023	31 August 2023	29 September 2023	1.834661	641,113
GBP Class A Inc	GBP	29 November 2023	30 November 2023	29 December 2023	1.906808	666,325
GBP Class A Inc	GBP	28 February 2024	29 February 2024	28 March 2024	1.897369	663,026
<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>						<b><u>2,571,203</u></b>

**28 February 2023**

<b>Share class</b>	<b>Currency</b>	<b>Record Date</b>	<b>Ex-dividend date</b>	<b>Pay date</b>	<b>Distribution per share</b>	<b>Income available for Distribution</b>
GBP Class A Inc	GBP	27 May 2022	30 June 2022	30 June 2022	0.593368	3,040,205
GBP Class A Inc	GBP	30 August 2022	31 August 2022	14 October 2022	0.794556	3,305,191
GBP Class A Inc	GBP	29 November 2022	30 November 2022	30 December 2022	1.037261	2,773,438
GBP Class A Inc	GBP	24 February 2023	28 February 2023	31 March 2023	1.515701	2,074,006
<b>TwentyFour Sustainable Enhanced Income ABS Fund</b>						<b><u>11,192,840</u></b>

The distributions amount payable at year end was GBP 663,026 (28 February 2023: GBP 2,074,006).

**13. Reporting fund status**

The ICAV has been approved as a Reporting Fund for the purpose of the Offshore Funds (Tax) Regulations 2009 for the financial year ended 29 February 2024.

**14. Contingent liabilities**

There are no contingent liabilities as at 29 February 2024 (28 February 2023: Nil).

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**Notes to the Financial Statements (continued)**  
**For the financial year ended 29 February 2024**

**15. Leverage**

The average leverage employed by the Sub-Fund, calculated in accordance with the gross and commitment methods, during the year ended 29 February 2024 and 28 February 2023 was as follows:

Sub Fund	29 February 2024		28 February 2023	
	Commitment	Gross	Commitment	Gross
TwentyFour Sustainable Enhanced Income ABS Fund	99.83%	152.64%	99.94%	154.25%

**16. Directors' remuneration**

Unless and until otherwise determined from time to time by the ICAV in a general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an Executive Director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any class of shares of the ICAV or otherwise in connection with the discharge of their duties. For further detail please refer to Note 5 related party transactions.

**17. Significant events during the year**

Events arising in Ukraine, as a result of military action being undertaken by Russia in 2022, may impact on securities directly or indirectly related to companies domiciled in Russia and/or listed on exchanges located in Russia ("Russian Securities"). As at 29 February 2024, the ICAV and its Sub-Fund does not have any direct exposure to Russian Securities.

In early October 2023, the situation in Israel and Gaza escalated significantly with the Hamas attacks and resulting Israeli military action in Gaza, and subsequent global government reactions dominated news flow. As at 29 February 2024, the ICAV and its Sub-Fund does not have any direct exposure to securities in either region. The Directors are monitoring developments related to this military action, including current and potential future interventions of foreign governments and economic sanctions.

Charlene Hogg resigned as Alternative Director on 31 May 2023.

The Supplement for TwentyFour Sustainable Enhanced Income ABS Fund was updated on 8 June 2023 to provide for offering Class A Income CHF, Class A Accumulation EUR, Class A Income EUR, Class A Accumulation USD and Class A Income USD shares. The Class A Accumulation EUR share class launched on 5 December 2023.

On 29 September 2023, KBA Consulting Management Limited, the AIFM of the ICAV, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the ICAV's AIFM is WMC from this date.

The Prospectus and Supplement for TwentyFour Sustainable Enhanced Income ABS Fund were updated on 17 October 2023 to: increase the maximum directors' fee per Director from €25,000 to €30,000 per annum; update the specific pre-contractual disclosures that are required under the Sustainable Finance Disclosure Regulation and Taxonomy Regulation; and change the dealing frequency of the Sub-Fund from monthly to weekly.

There have been no other events during the year which require disclosure in these financial statements.

**18. Subsequent events**

Distributions to shareholders of distributing shares were paid on 28 March 2024 and ex-date 29 February 2024 for a total of GBP 663,026.

Distributions to shareholders of distributing shares were paid on 28 June 2024 and ex-date 31 May 2024 for a total of GBP 770,545.

There have been no other subsequent events affecting the ICAV since 29 February 2024.

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**Notes to the Financial Statements (continued)**  
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**19. Cyber security risk**

Cyber security breaches may occur allowing an unauthorised party to gain access to assets of the Sub-Fund, Shareholder data, or proprietary information, or may cause the Platform, the Investment Manager, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Sub-Fund may be affected by intentional cyber security breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cyber security breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Sub-Fund, the Investment Manager, the Distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Sub-Fund invests, and thereby cause a Sub-Fund’s investments to lose value, as a result of which investors, including the relevant Sub-Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

**20. Common reporting standard (“CRS”) data protection information notice**

The ICAV hereby provides the following data protection information notice to all Shareholders in the Sub-Fund either as at 20 August 2020 or at any point of time since this date.

For the avoidance of doubt, this notice applies equally to any shareholders that have ceased to hold shares in the Sub-Fund since 21 August 2020. Furthermore, it should be noted that this notice may be applicable to Controlling Persons of certain shareholders. The Sub-Fund hereby confirms that it intends to take such steps as may be required to satisfy any obligations imposed by (i) the Organisation for Economic Co-operation and Development’s (“OECD’s”) Standard for Automatic Exchange of Financial Account Information in Tax Matters (“the Standard”), which therein contains the CRS, as applied in Ireland by means of the relevant international legal framework and Irish tax legislation and (ii) EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange information in the field of taxation (“DAC2”), as applied in Ireland by means of the relevant Irish tax legislation, so as to ensure compliance or deemed compliance (as the case may be) with the Standard/CRS and the DAC2 from 21 August 2020.

In this regard, the ICAV on behalf of the Sub-Fund is obliged under Section 891F and Section 891G of the Irish Taxes Consolidation Act, 1997 (as amended) and regulations made pursuant to those sections to collect certain information about each shareholder’s tax arrangements (and also collect information in relation to relevant Controlling Persons of specific Shareholders).

In certain circumstances, the ICAV on behalf of the Sub-Fund may be legally obliged to share this information and other financial information with respect to a shareholder’s interests in the Sub-Fund with the Irish Revenue Commissioners (and, in particular situations, also share information in relation to relevant Controlling Persons of specific Shareholders). In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, information that may be reported in respect of a shareholder (and relevant Controlling Persons, if applicable) includes name, address, date of birth, place of birth, account number, account balance or value at year end (or, if the account was closed during such year, the balance or value at the date of closure of the account), any payments (including redemption and dividend/interest payments) made with respect to the account during the calendar year, tax residency(ies) and tax identification number(s).

**21. Approval of the Financial Statements**

These financial statements were approved by the Directors on 22 July 2024.

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**Schedule of Investments**  
**As at 29 February 2024**

**TwentyFour Enhanced Income ABS Fund**

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b>Asset Backed Securities - Long Positions: 97.75% (2023: 97.66%)</b>			
<b>Australia: 0.70% (2023: 0.00%)</b>			
3,000,000	Triton Bond Trust 2024-1 FRN 5.52% 11/02/2056	1,544,371	0.70
<b>Total Australia</b>		<b>1,544,371</b>	<b>0.70</b>
<b>France: 1.00% (2023: 0.00%)</b>			
2,553,239	FCT CA Leasing 2023-1 FRN 4.72% 26/02/2042	2,192,476	1.00
<b>Total France</b>		<b>2,192,476</b>	<b>1.00</b>
<b>Germany: 0.00% (2023: 3.06%)</b>			
<b>Ireland: 35.50% (2023: 29.67%)</b>			
1,899,291	Agora Securities UK 2021 DAC FRN 7.11% 22/07/2031	1,801,170	0.82
1,999,254	Agora Securities UK 2021 DAC FRN 8.01% 22/07/2031	1,892,913	0.86
2,000,000	Aqueduct European CLO 1-2017 DAC FRN 9.17% 20/07/2030	1,709,977	0.78
3,500,000	Arbour CLO II DAC FRN 6.94% 15/04/2034	2,916,455	1.33
1,500,000	Arbour CLO IV DAC FRN 4.73% 15/04/2034	1,266,198	0.58
1,000,000	Arbour CLO IX DAC FRN 9.73% 15/04/2034	828,665	0.38
600,000	Ares European CLO VII DAC FRN 6.84% 15/10/2030	513,368	0.23
1,000,000	Armada Euro CLO IV DAC FRN 13.04% 15/07/2033	848,756	0.39
2,267,000	Avoca CLO XIV DAC FRN 6.54% 12/01/2031	1,920,057	0.87
3,450,000	Avoca CLO XV DAC FRN 8.07% 15/04/2031	2,878,177	1.31
1,000,000	Avoca CLO XVIII DAC FRN 6.49% 15/04/2031	852,160	0.39
2,300,000	Avoca CLO XXIV DAC FRN 9.71% 15/07/2034	1,944,742	0.89
1,000,000	Bilbao CLO IV DAC FRN 10.15% 15/04/2036	841,974	0.38
2,903,705	Bruegel 2021 DAC FRN 5.74% 22/05/2031	2,285,639	1.04
2,000,000	Capital Four CLO III DAC FRN 7.04% 15/10/2034	1,675,344	0.76
3,500,000	Capital Four CLO IV DAC FRN 8.44% 13/04/2035	3,008,804	1.37
3,840,000	Capital Four CLO IV DAC FRN 11.19% 13/04/2035	3,309,004	1.51
3,000,000	Crosthwaite Park CLO DAC FRN 4.78% 15/03/2034	2,532,695	1.15
1,000,000	CVC Cordatus Loan Fund VI DAC FRN 9.99% 15/04/2032	756,253	0.34
2,000,000	Dillon's Park CLO DAC FRN 10.05% 15/10/2034	1,663,460	0.76
2,294,223	Dryden 59 Euro CLO 2017 DAC FRN 4.65% 15/05/2032	1,943,258	0.88
1,000,000	Dryden 62 Euro CLO 2017 DAC FRN 8.79% 15/07/2031	802,020	0.37
3,000,000	Dryden 79 Euro CLO 2020 DAC FRN 10.36% 18/01/2035	2,468,850	1.12
2,000,000	Fidelity Grand Harbour CLO 2021-1 DAC FRN 7.54% 15/10/2034	1,690,534	0.77
3,500,000	Fidelity Grand Harbour CLO 2021-1 DAC FRN 10.16% 15/10/2034	2,956,166	1.35
1,000,000	Fidelity Grand Harbour Clo 2023-1 DAC FRN 5.80% 15/08/2036	866,672	0.39
2,500,000	Harvest CLO XV DAC FRN 8.79% 22/11/2030	2,104,931	0.96
2,000,000	Hayfin Emerald CLO VII DAC FRN 4.89% 15/04/2034	1,696,153	0.77
3,500,000	Hayfin Emerald CLO VII DAC FRN 12.59% 15/04/2034	2,413,826	1.10

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Schedule of Investments (continued)  
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TwentyFour Enhanced Income ABS Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b>Asset Backed Securities - Long Positions: 97.75% (2023: 97.66%) (Continued)</b>			
<b>Ireland: 35.50% (2023: 29.67%) (Continued)</b>			
4,000,000	ICG Euro CLO 2023-2 DAC FRN 9.12% 26/01/2038	3,469,433	1.58
3,000,000	Margay CLO I DAC FRN 5.89% 15/07/2036	2,598,021	1.18
5,500,000	North Westerly VI ESG CLO DAC FRN 11.15% 05/07/2032	4,693,700	2.14
2,000,000	North Westerly VII ESG CLO DAC FRN 6.85% 15/05/2034	1,661,194	0.76
1,398,647	Pembroke Property Finance 2 DAC FRN 5.43% 01/06/2040	1,201,911	0.55
2,000,000	Penta CLO 11 DAC FRN 8.70% 15/11/2034	1,729,473	0.79
500,000	Penta CLO 4 DAC FRN 6.53% 17/12/2030	420,700	0.19
1,200,000	RRE 1 Loan Management DAC FRN 4.76% 15/04/2035	1,013,933	0.46
2,500,000	RRE 9 Loan Management DAC FRN 4.96% 15/10/2036	2,125,315	0.97
1,000,000	RRE 9 Loan Management DAC FRN 10.09% 15/10/2036	839,488	0.38
1,500,000	Vita Scientia 2022-1 DAC FRN 6.42% 27/02/2033	1,168,171	0.53
4,000,000	Voya Euro CLO V DAC FRN 4.98% 15/04/2035	3,398,886	1.55
1,500,000	Voya Euro CLO V DAC FRN 12.47% 15/04/2035	1,257,854	0.57
<b>Total Ireland</b>		<b>77,966,300</b>	<b>35.50</b>
<b>Italy: 0.56% (2023: 0.15%)</b>			
448,942	AutoFlorence 1 Srl FRN 7.06% 25/12/2042	385,020	0.18
992,670	Cassia 2022-1 SRL FRN 6.44% 22/05/2034	845,002	0.38
<b>Total Italy</b>		<b>1,230,022</b>	<b>0.56</b>
<b>Luxembourg: 2.62% (2023: 0.90%)</b>			
622,359	Compartment VCL 38 FRN 4.28% 21/01/2029	532,974	0.24
942,282	SC GermanyCompartment Consumer 2020-1 FRN 9.18% 14/11/2034	805,517	0.37
3,049,232	SC GermanyCompartment Consumer 2021-1 FRN 6.68% 14/11/2035	2,470,141	1.12
2,200,000	SC GermanyCompartment Consumer 2023-1 FRN 8.03% 15/09/2037	1,945,612	0.89
<b>Total Luxembourg</b>		<b>5,754,244</b>	<b>2.62</b>
<b>Netherlands: 12.83% (2023: 10.48%)</b>			
2,300,000	Aurorus 2023 FRN 9.24% 13/08/2049	2,001,403	0.91
1,940,000	Domi 2020-2 FRN 7.90% 15/11/2052	1,663,753	0.76
1,785,000	Domi 2021-1 FRN 5.73% 15/06/2053	1,523,263	0.69
5,000,000	Domi 2022-1 FRN 6.37% 15/04/2054	4,188,941	1.91

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TwentyFour Enhanced Income ABS Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets
<b>Asset Backed Securities - Long Positions: 97.75% (2023: 97.66%) (Continued)</b>			
<b>Netherlands: 12.83% (2023: 10.48%) (Continued)</b>			
731,167	Domi 2022-1 FRN 10.57% 15/04/2054	624,547	0.29
2,200,000	Dutch Property Finance 2020-2 FRN 6.68% 28/01/2058	1,892,380	0.86
3,500,000	Dutch Property Finance 2021-1 FRN 6.03% 28/07/2058	2,974,083	1.36
2,787,000	Dutch Property Finance 2021-2 FRN 5.33% 28/04/2059	2,328,959	1.06
1,500,000	Dutch Property Finance 2022-1 FRN 6.33% 28/10/2059	1,271,615	0.58
3,500,000	Eurosail-NI 2007-1 FRN 5.03% 17/04/2040	2,686,437	1.22
3,000,000	Green Lion 2023-1 FRN 4.41% 23/07/2065	2,574,156	1.17
4,500,000	Green Storm 2023 FRN 4.32% 22/02/2070	3,850,643	1.75
700,000	Hill FL 2024-1BV FRN 7.08% 18/02/2032	600,527	0.27
<b>Total Netherlands</b>		<b>28,180,707</b>	<b>12.83</b>
<b>Spain: 0.00% (2023: 1.16%)</b>			
<b>United Kingdom: 44.54% (2023: 52.24%)</b>			
252,176	Alba 2005-1 FRN 5.91% 25/11/2042	238,608	0.11
1,590,909	Brass No 11 FRN 5.95% 16/11/2070	1,602,886	0.73
999,888	Castell 2021-1 FRN 8.19% 25/11/2053	977,306	0.45
2,000,000	Castell 2022-1 FRN 8.69% 25/04/2054	2,016,726	0.92
1,000,000	Castell 2023-1 FRN 9.29% 25/05/2055	1,014,414	0.46
2,600,000	Castell 2023-2 FRN 9.49% 25/11/2055	2,638,516	1.20
2,647,000	Charles Street Conduit Asset Backed 2 Securitisation FRN 8.45% 12/03/20	2,601,736	1.18
3,323,000	Charles Street Conduit Asset Backed 2 Securitisation FRN 10.00% 31/12/2	3,229,291	1.47
691,746	Equity Release Funding No 5 FRN 5.79% 14/07/2045	651,447	0.30
2,000,000	Equity Release Funding No 5 FRN 7.13% 14/07/2050	1,622,871	0.74
2,147,000	Finsbury Square 2021-2 FRN 8.97% 16/12/2071	2,027,806	0.92
6,000,000	Holmes Master Issuer FRN 5.76% 15/10/2072	6,012,354	2.74
1,094,680	Honours FRN 6.22% 10/04/2029	1,023,526	0.47
1,100,000	Lanark Master Issuer FRN 5.71% 22/12/2069	1,102,232	0.50
2,000,000	Lanark Master Issuer FRN 5.71% 22/12/2069	2,003,355	0.91
2,460,000	Lanebrook Mortgage Transaction 2021-1 FRN 6.86% 20/07/2058	2,390,154	1.09
1,715,000	Lanebrook Mortgage Transaction 2021-1 FRN 7.91% 20/07/2058	1,688,456	0.77
4,000,000	Permanent Master Issuer FRN 5.76% 15/07/2073	4,007,251	1.82
1,280,000	Polaris 2024-1 FRN 7.89% 26/02/2061	1,280,800	0.58
574,730	Resloc UK 2007-1 FRN 5.56% 15/12/2043	528,571	0.24
510,871	Resloc UK 2007-1 FRN 2.30% 15/12/2043	393,576	0.18
1,359,643	RMAC Securities No 1 FRN 4.83% 12/06/2044	1,110,919	0.51
4,398,831	RMAC Securities No 1 FRN 4.83% 12/06/2044	3,472,852	1.58
1,942,788	RMAC Securities No 1 FRN 4.80% 12/06/2044	1,530,184	0.70
846,000	RMAC Securities No 1 FRN 5.81% 12/06/2044	802,560	0.37
886,303	Syon Securities 2019-1 A FRN 0.00% 19/07/2026	865,542	0.39
4,963,296	Syon Securities 2019-1 C FRN 0.00% 19/07/2026	4,869,569	2.22

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TwentyFour Enhanced Income ABS Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP	% of Net Assets					
<b>Asset Backed Securities - Long Positions: 97.75% (2023: 97.66%) (Continued)</b>								
<b>United Kingdom: 44.54% (2023: 0.00%) (Continued)</b>								
4,698,119	Syon Securities 2020-2 DAC 2 A FRN 0.00% 17/12/2027	4,713,365	2.15					
4,050,102	Syon Securities 2020-2 DAC 2 B FRN 9.89% 17/12/2027	4,084,739	1.86					
1,525,432	Syon Securities 0.00% 24/02/2027	1,457,873	0.66					
1,773,314	Syon Securities 0.00% 24/02/2027	1,709,083	0.78					
8,000,000	Together Asset Backed Securitisation 2022-2nd1 FRN 10.95% 12/02/2054	8,073,627	3.68					
3,754,970	Together Asset Backed Securitisation 2021-CRE1 FRN 6.60% 20/01/2055	3,750,590	1.71					
2,794,000	Together Asset Backed Securitisation 2021-CRE2 FRN 7.65% 20/08/2052	2,766,533	1.26					
3,358,000	Together Asset Backed Securitisation 2021-CRE2 FRN 8.35% 20/08/2052	3,323,084	1.51					
2,000,000	Together Asset Backed Securitisation 2022-2nd1 FRN 12.20% 12/02/2054	2,025,425	0.92					
2,500,000	Together Asset Backed Securitisation 2022-CRE-1 FRN 8.51% 15/04/2054	2,467,067	1.12					
2,000,000	Together Asset Backed Securitisation 2023-1st1 FRN 9.90% 20/01/2067	2,054,546	0.94					
2,000,000	Together Asset Backed Securitisation 2023-CRE-1 FRN 9.00% 15/07/2055	2,008,525	0.91					
1,542,027	Together Asset Backed Securitisation 2024-2nd1 FRN 10.22% 20/08/2055	1,542,251	0.70					
3,000,000	Towd Point Mortgage Funding 2019 Granite4 - FRN 6.61% 20/10/2051	3,001,116	1.37					
580,865	Tower Bridge Funding 2022-1 FRN 8.47% 20/12/2063	579,789	0.26					
2,616,000	Twin Bridges 2021-2 FRN 6.72% 12/09/2055	2,540,375	1.16					
<b>Total United Kingdom</b>		<b>97,801,496</b>	<b>44.54</b>					
<b>Total Asset Backed Securities - Long Positions</b>		<b>214,669,616</b>	<b>97.75</b>					
<b>Financial Derivative Instruments: 0.00% (2023: 0.45%)</b>								
<b>Forward Currency Contracts: 0.00% (2023: 0.45%)</b>								
Counterparty	Currency Buys	Currency Sells	Currency Rate	Maturity Date	Unrealised Loss	% of Net Assets		
Northern Trust	GBP	121,007,651	EUR	141,155,149	0.8573	22/03/2024	192,269	0.09
Northern Trust	GBP	1,557,341	AUD	3,000,000	0.5191	22/03/2024	12,504	0.01
Northern Trust	CHF	23,526,711	GBP	21,155,630	0.8992	28/03/2024	9,299	-
Northern Trust	GBP	600,034	EUR	700,000	0.8572	22/03/2024	900	-
Northern Trust	EUR	34,982,790	GBP	29,947,927	0.8561	28/03/2024	260	-
<b>Total Fair Value Gains on Forward Currency Contracts</b>						<b>215,232</b>	<b>0.10</b>	
<b>Total Financial Derivative Instruments</b>						<b>215,232</b>	<b>0.10</b>	
<b>Total Financial assets at fair value through profit or loss</b>						<b>214,884,848</b>	<b>97.85</b>	

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Schedule of Investments (continued)  
As at 29 February 2024

**TwentyFour Enhanced Income ABS Fund**

**Financial liabilities at fair value through profit or loss: 0.00% (2023: (0.07%))**

**Financial Derivative Instruments: 0.00% (2023: (0.07%))**

**Forward Currency Contracts: 0.00% (2023: (0.07%))**

Counterparty	Currency Buys	Currency Sells	Currency Rate	Maturity Date	Unrealised Loss	% of Net Assets
Northern Trust GBP	1,097,718 EUR	1,282,581	0.8559	22/03/2024	(50)	-
Northern Trust EUR	3,470,032 GBP	2,972,086	0.8565	22/03/2024	(2,068)	-
<b>Total Fair Value Losses on Forward Currency Contracts</b>					<b>(2,118)</b>	<b>-</b>
<b>Total Financial Derivative Instruments</b>					<b>(2,118)</b>	<b>-</b>
<b>Total Financial liabilities at fair value through profit or loss</b>					<b>(2,118)</b>	<b>-</b>
					<b>Fair Value GBP</b>	<b>% of Net Assets</b>
<b>Total Value of Investments</b>					<b>214,882,730</b>	<b>97.85</b>
Cash and Cash Equivalents					<b>5,387,493</b>	<b>2.45</b>
Other Net Liabilities					<b>(663,856)</b>	<b>(0.30)</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>					<b>219,606,367</b>	<b>100.00</b>

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**Supplemental Information (unaudited)**  
**TwentyFour Sustainable Enhanced Income ABS Fund**

**Remuneration Policy**

The AIFM has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The AIFM’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV. The AIFM’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the AIFM to operate a fully flexible policy, with the possibility of not paying any variable component. When the AIFM pays a variable component as performance related pay certain criteria, as set out in the AIFM’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The AIFM’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the AIFM. The disclosures are made in accordance with the ESMA guidelines.

Total remuneration (in EUR) paid to the identified staff of the AIFM fully or partly involved in the activities of the ICAV that have a material impact on the ICAV’s risk profile during the financial year to 31 December 2023 (the AIFM’s financial year).

<b>Fixed remuneration</b>	<b>EUR</b>
Senior management	1,578,804
Other identified staff	-
<b>Variable remuneration</b>	
Senior management	28,006
Other identified staff	-
<b>Total remuneration paid</b>	<b>1,606,810</b>

No of identified staff – 17

Neither the AIFM nor the ICAV pays any fixed or variable remuneration to identified staff of the Investment Manager.

On 29 September 2023, KBA Consulting Management Limited, the AIFM of the ICAV, completed its merger with Waystone Management Company (IE) Limited (“WMC”). WMC is the surviving entity post-merger and as such, the ICAV’s AIFM is WMC from this date and the above remuneration figures are the total remuneration for WMC.

There have been no material changes made to the Remuneration Policy or the AIFM’s remuneration practices and procedures during the financial year.

**Securities Financing Transactions Regulation**

The Securities Financing Transactions Regulation, as published by the ESMA, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (“SFTs”) will be required on all report and accounts published after 13 January 2017. During the financial year ended 29 February 2024, the Sub-Fund did not enter into SFTs.

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**Sustainable Finance Disclosure (“SFDR”) (unaudited)**  
**TwentyFour Sustainable Enhanced Income ABS Fund**

**Sustainable Finance Disclosure Regulation**

As at financial year end 29 February 2024, the Sub-Fund is categorised as Article 8 under the Sustainable Finance Disclosure Regulations (“SFDR”). In doing so, the Sub-Fund will promote Environmental, Social and Governance (“ESG”) characteristics by investing or seeking to positively influence business practices to improve ESG characteristics.

**Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** TwentyFour Sustainable Enhanced Income ABS Fund  
**Legal entity identifier:** 635400W1QEIQQA1SM15

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents sustainable investments]*

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**To what extent were the environmental and/or social characteristics promoted by this financial product met?** The TwentyFour Sustainable Enhanced Income ABS Fund (the "Sub-Fund") promoted the following environmental and/or social characteristics:

- The Sub-Fund promoted minimum environmental and/or social standards by investing in issuers that the Investment Manager considered well-prepared to handle financially material environmental and/or social challenges.
- Issuers were screened in accordance with the Investment Manager's view of appropriate ethical and sustainability principles by following integration and exclusion approaches to invest in debt securities of companies with ESG ratings above a minimum threshold as measured in the Investment Manager's proprietary environmental "ESG" scoring model (positive screening).
- The Sub-Fund applied certain exclusion criteria (negative screen) with regards to products and activities related to unconventional/controversial weapons, carbon intensive operations, tobacco (production), adult entertainment, alcohol, gambling, animal testing (for cosmetic purposes) and conventional weapons.

● ***How did the sustainability indicators perform?***

The Sub-Fund promoted the social and environmental characteristics by investing in issuers that adhered to certain minimum environmental and social standards. The Investment Manager strictly adhered to its ESG investment process by applying:

- (i) a minimum ESG score (being 34 out of 100).

This score is the result of a combination of qualitative and quantitative analysis which combines third party data covering over 400 ESG metrics in conjunction with the portfolio managers' overall relative value decision-making, and

- (ii) pre-defined exclusions (restricting investment in issuers involved in activities excluded by the Sub-Fund). Such involvement was measured by the revenues an issuer derives from such activities.

It therefore invested in issuers that it considered to have strong environmental, social and governance (ESG) practices.

● ***...and compared to previous periods?***

The environmental and social characteristics promoted by the Fund remained unchanged from the previous period.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A

**How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A

**How were the indicators for adverse impacts on sustainability factors taken into account?**

N/A

**Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

N/A

*[Include a statement for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



## How did this financial product consider principal adverse impacts on sustainability factors?

A selection of the principal adverse impact indicators were considered directly (i.e. through the exclusion policy) and/or indirectly (e.g. as part of the Investment Manager's assessment of issuers). In particular, the Investment Manager considered certain principal adverse impacts on sustainability factors in the following areas: Table 1 – PAI indicator 1, real estate investments: Table 1 – PAI Indicators 17 and 18) and social aspects (controversial weapons: Table 1 – PAI indicator 14).

The Investment Manager identified issuers that are exposed to principal adverse impacts on sustainability factors based on in-house research; data sources include ESG data providers, news alerts, and the issuers themselves.



## What were the top investments of this financial product?

As at 29 February 2024, the sector allocation was as follows:

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **[complete]**

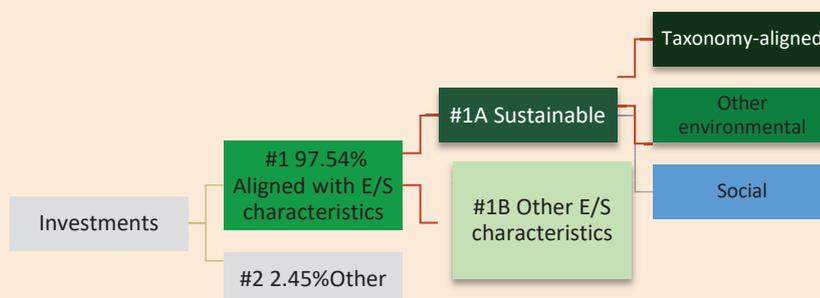
Largest investments	Sector	% Assets	Country
TOGETHER AST. BACKED SECUR '2ND1 E' FRN 12/02/2054	WL COLLATERAL CMO	3.68%	United Kingdom
HOLMES MASTER ISSUER PLC '1 A1' FRN 15/10/2072	WL COLLATERAL CMO	2.74%	United Kingdom
SYON SECURITIES '19-1' 'C' FRN 19/07/2026	MORTGAGE	2.22%	United Kingdom
SYON SECS. 2020-2 DAC '2 A' FRN 17/12/2027	WL COLLATERAL CMO	2.15%	Ireland
NORTH WESTERLY VI 'X E' FRN 05/07/2032	OTHER ABS	2.14%	Netherlands
DOMI 2022-1 BV '1 D' FRN 15/04/2054	WL COLLATERAL CMO	1.91%	Netherlands
SYON SECS. 2020-2 DAC '2 B' FRN 17/12/2027	WL COLLATERAL CMO	1.86%	Ireland
PERMANENT MASTER ISSUER PL '1X 1A1' FRN 15/07/2073	WL COLLATERAL CMO	1.82%	United Kingdom
GREEN STORM 2023 BV 'GRN A' FRN 22/2/2070	WL COLLATERAL CMO	1.75%	Netherlands
TOGETHER AST. BACKED SECUR 'CRE1 A' FRN 20/01/2055	WL COLLATERAL CMO	1.71%	United Kingdom
RMAC SECURITIES NO 1 PLC 'NS3X B1C' FRN 12/06/2044	WL COLLATERAL CMO	1.58%	United Kingdom
ICG EURO CLO SER 23-2X CL D FLTG 25/01/2038	ASSET BACKED SECURITIES	1.58%	Ireland
VOYA EURO CLO V DAC '5X A' FRN 15/04/2035	OTHER ABS	1.55%	Ireland
TOGETHER ASSET BACKED SECU 'CRE2 D' FRN 15/08/2052	WL COLLATERAL CMO	1.51%	United Kingdom
CAPITAL FOUR CLO IV DAC '4X E' FRN 13/04/2035	OTHER ABS	1.51%	Ireland



## What was the proportion of sustainability-related investments?

● **What was the asset allocation?**

*[Include only relevant boxes, remove irrelevant ones for the financial product]*



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

*[include the note below where the financial product made sustainable investments]*

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

As at 29 February 2024, the sector allocation was as follows:

Sector	%
WL COLLATERAL CMO	49.0%
OTHER ABS	32.8%
COMMERCIAL MBS	4.2%
MORTGAGE	4.1%
ASSET BACKED SECURITIES	2.8%
AUTOMOBILE ABS	1.7%
CORPORATE BONDS	1.4%
MORTGAGE BACKED SECURITIES	1.3%
STUDENT LOAN ABS	0.5%
Cash and Cash Equivalentents	2.2%
Financial Derivative Instruments	0.1%

*[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

Yes: *[specify below, and details in the graphs of the box]*

In fossil gas  In nuclear energy

No

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<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852

Taxonomy-aligned activities are expressed as a share of:

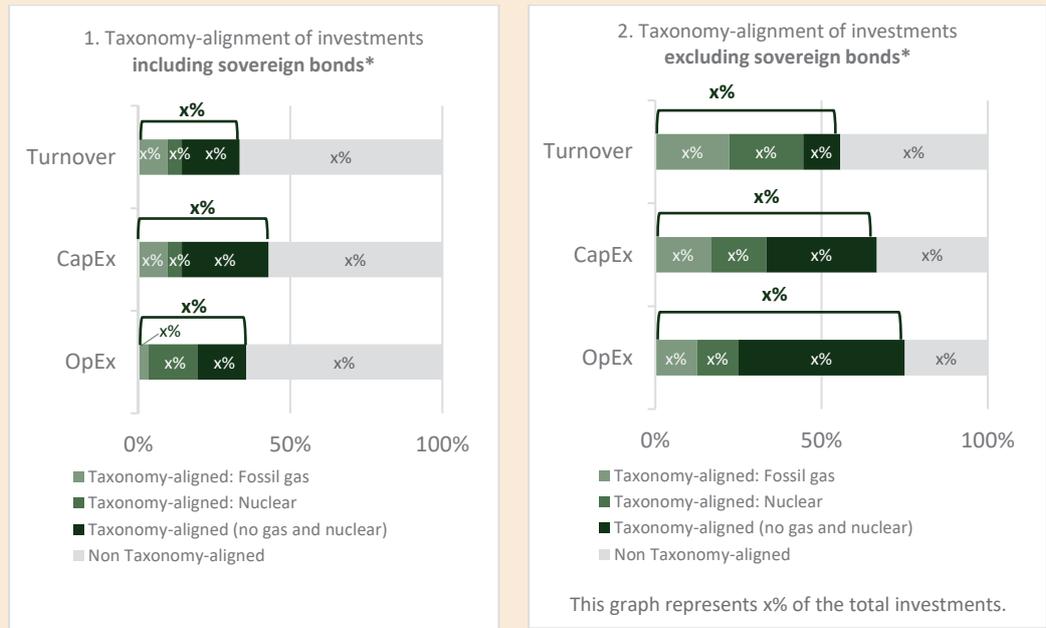
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

[Include information on Taxonomy aligned fossil gas and nuclear energy and the explanatory text in the left hand margin on the previous page only if the financial product invested in fossil gas and/or nuclear energy Taxonomy-aligned economic activities during the reference period]



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What was the share of investments made in transitional and enabling activities?**  
N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A



**What was the share of socially sustainable investments?**

N/A



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

As of 28 February 2024, 97.54% of the investments of the Sub-Fund were used to attain the environmental and social characteristics. 2.46% of the Sub-Fund was assigned to the “Other” category, which consisted of 2.46% cash. The Sub-Fund also employed financial derivatives used for the purposes of efficient portfolio management (which included hedging). While these instruments are not expected to detrimentally affect the attainment of the Sub-Fund’s environmental and social characteristics, no minimum environmental or social safeguards were applied.

No minimum environmental or social safeguards were applied to these investments.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

The Sub-Fund only invested in issuers that passed the minimum ESG score and excluded corporate issuers that derive a material part of their revenues (greater than 5%) from products/activities that are listed in the exclusion list.

The Investment Manager engaged with existing and potential issuers of the Sub-Fund when necessary and appropriate. Engagements were formally recorded and the success was measured by assessing the outcome against expected outcomes of engagement.

The Investment Manager also incorporated an assessment of issuer controversies and momentum. Momentum was assessed based on a company’s plan and demonstrable execution towards improving its ESG credentials. The Investment Manager actively monitored controversies as an indicator of the risk management and ethical practices of a company when analysing ESG performance.

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**How did this financial product perform compared to the reference benchmark?**

N/A

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A