

**OSSIAM IRL II ICAV**

**Annual Report & Audited Financial Statements**

**For the financial year ended 31 December 2022**

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**Directors and Other Information**

**Directors of the ICAV**

Eimear Cowhey (Irish)<sup>1</sup>  
Lorcan Murphy (Irish)<sup>1</sup>  
Bruno Poulin (Chairman, French)<sup>2</sup>  
Philippe Chanzy (French)<sup>2</sup>

**Registered Office of the ICAV**

70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

**Management Company**

Ossiam  
6 place de la Madeleine  
75008 Paris  
France

**Secretary**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

**Depositary**

The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II  
Sir John Rogerson's Quay  
Grand Canal Dock  
Dublin 2  
D02 KV60  
Ireland

**Independent Auditors**

Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
29 Earlsfort Terrace  
Dublin 2  
D02 AY28  
Ireland

**Administrator and Registrar**

BNY Mellon Fund Services (Ireland) Designated Activity  
Company  
One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1  
D01 E4XO  
Ireland

**Legal Advisors to the ICAV**

Matheson LLP  
70 Sir John Rogerson's Quay  
Dublin 2  
D02 R296  
Ireland

<sup>1</sup> Independent and non-executive Director.

<sup>2</sup> Non-executive Director.

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**Directors' Report**

The board of directors (the "Directors") (the "Board of Directors") present their Annual Report together with the audited financial statements of the Ossiam IRL II ICAV (the "ICAV") for the financial year ended 31 December 2022.

**Statement of Directors' Responsibilities**

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

The Irish Collective Asset-Management Vehicles Acts 2015 and 2020 (the "ICAV Act") Section 116 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 EU and applicable law.

Under the ICAV Act the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the ICAV and of its changes in net assets attributable to holders of redeemable participating shares for that financial year. In preparing the 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 the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the ICAV Act; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are also responsible for safeguarding the assets of the ICAV and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended (the "UCITS Regulations"), the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"), the Directors are required to entrust the assets of the ICAV to The Bank of New York Mellon SA/NV, Dublin Branch (the "Depositary") for safekeeping. In carrying out this duty, the Directors have delegated custody of the ICAV's assets to the Depositary. 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.

**Adequate Accounting Records**

The Directors believe that they have complied with the ICAV Act with regard to accounting records by the engagement of the services of an Administrator, who employs personnel with appropriate expertise and adequate resources to provide the ICAV's finance function.

The ICAV has appointed Ossiam (the "Management Company") as its Management Company pursuant to the Management Agreement. The Management Company has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") as the administrator. The ICAV has appointed the Depositary to act as depositary of the ICAV's assets.

The measures taken by the Directors to secure compliance with the ICAV's obligations to keep adequate accounting records include the use of appropriate systems and procedures and the employment of competent persons. The accounting records are retained at the office of the Administrator at One Dockland Central, Guild Street, International Financial Services Centre, Dublin 1, D01 E4XO, Ireland.

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**Directors' Report (continued)**

**Corporate Governance Statement**

The ICAV is subject to corporate governance practices imposed by:

- (i) The ICAV Act, which is available for inspection at the registered office of the ICAV, and may also be obtained at <http://www.irishstatutebook.ie>;
- (ii) The instrument of incorporation of the ICAV which is available for inspection at the registered office of the ICAV at 70 Sir John Rogerson's Quay, Dublin 2, Ireland;
- (iii) The Central Bank of Ireland ("CBI") in the Central Bank UCITS Regulations which can be obtained from the CBI website at [www.centralbank.ie](http://www.centralbank.ie) and are available for inspection at the registered office of the ICAV; and

From inception of the ICAV the Directors voluntarily adopted and applied the Irish Funds Corporate Governance Code (the "IF Code") for Irish Domiciled Collective Investment Schemes issued in December 2011. The IF Code reflects existing corporate governance practices imposed on Irish authorised collective investment schemes and is available on request from the ICAV Secretary.

**Diversity**

The Directors consider that diversity in its membership is beneficial and therefore seeks to ensure that the Board of Directors' size, structure and composition, including skills, knowledge, experience and diversity is sufficient for the effective direction and control of the ICAV. However, as the Board of Directors are committed to appointing the most appropriate candidates as Directors of the ICAV, it has not set any measurable objectives in respect of this policy.

The ICAV is not subject to the amendments to general corporate law required by any European directives.

**Composition and Operation of the Board of Directors**

Unless otherwise determined by an ordinary resolution of the ICAV in general meeting and in accordance with Section 56 of the ICAV Act, the number of Directors may not be less than three. Currently the Board of Directors of the ICAV is composed of four Directors.

The business of the ICAV is managed by the Directors, who exercise all such powers of the ICAV which are not required by the ICAV Act or by the instrument of incorporation of the ICAV to be exercised by the ICAV in a general meeting. The Directors meet on a quarterly basis or more frequently, if required.

A Director may, and the Secretary of the ICAV on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

**Directors and Secretary**

The Directors as at 31 December 2022 are listed in Directors and Other Information on page 2. Matsack Trust Limited held the office of ICAV secretary (the "Secretary") throughout the year.

**Directors' Remuneration**

The Board of Directors as a whole reviews Directors' remuneration. The Director's policy is that the remuneration of independent non-executive Directors should be fair and reasonable in relation to the time commitment and responsibilities of the Directors. The fees of the independent non-executive Directors are paid by the ICAV. The other Directors are not entitled to any fees.

**Directors' and Secretary's Interests in Shares and Contracts**

The Directors, Secretary and their families had no interest in the shares of the ICAV at 31 December 2022. Other than as disclosed in Note 11 to the Financial Statements, none of the Directors had a material interest in any contract or agreement of significance, as defined in the ICAV Act, during or at the end of the year in relation to the business of the ICAV.

**Employees**

The governance framework of the ICAV reflects the fact that it has no employees or subsidiary companies and outsources investment management, distribution and administration.

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**Directors' Report (continued)**

**Transactions with Connected Persons**

Regulation 43 of the Central Bank UCITS Regulations states that "A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm's length; and b) in the best interest of the shareholders of the UCITS".

As required under Regulation 81 (4) of the Central Bank UCITS Regulations, the Management Company, as the responsible person, is satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) are applied to all transactions with a connected person; and all transactions with connected persons that were entered into during the year to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

**Principal Activities: Review of the Business and Future Developments**

The ICAV is an open-ended Irish collective asset-management vehicle with segregated liability between sub-funds (individually a "Sub-Fund" and collectively "Sub-Funds") established under the laws of Ireland pursuant to the ICAV Act, the UCITS Regulations and the Central Bank UCITS Regulations. It was incorporated on 28 April 2021.

As at 31 December 2022, the ICAV consisted of two Sub-Funds. These are Sub-fund not registered in Switzerland which launched on 10 August 2021 and Ossiam ESG Opportunity Fund which launched on 13 October 2022. As at 31 December 2022, Sub-fund not registered in Switzerland had one share class - Share Class 1A (EUR) while Ossiam ESG Opportunity Fund had two share classes - Share Class 1A (EUR) and Share Class EA (EUR).

The Sub-fund not registered in Switzerland seeks to generate returns by potentially exploiting the "Forward Rate Bias" in interest rates and the interest rate variation cycles. The Forward Rate Bias is the empirically observed tendency of the 3-month interest rate levels implied by the prices of future contracts to be higher than their realised values. The interest rate variation cycles refers to the changes in CBIs' policies which usually gradually increase or decrease interest rates following economic cycles.

The Ossiam ESG Opportunity Fund seeks to achieve a return above money market rates over the 5 year recommended investment horizon, while consistently integrating environmental, social and governance ("ESG") matter. The Sub-Fund will seek to benefit from the performance of listed equities selected for their performance potential in accordance with the Management Company's proprietary ESG machine learning model, while hedging exposure to equity market risk.

The Investment Manager's Report on pages 8 and 9 contains a review of the factors which contributed to the performance for the financial year ended 31 December 2022.

During the course of the year, regulation around sustainability-related disclosures continued to evolve through the Sustainable Finance Disclosure Regulation ("SFDR") and the Taxonomy Regulation. Additional disclosure requirements under SFDR and Taxonomy Level 2 are applicable to all annual reports published on or after 1 January 2023 and such disclosures as they relate to the Funds can be found at Appendix III to this report.

Such disclosures have in part been prepared using data sourced from third party data providers which was available as at the date of which the disclosures were produced. Similarly, the activities reported in the disclosures may be an output of proprietary analysis, which in turn may utilise data published by underlying investee companies. It has been observed that the availability of data, both from third party data providers and underlying investee companies, continues to be challenging in some respects.

The Board of Directors continue to monitor the development and evolution of sustainability regulation and the availability of relevant third party and investee companies' data in this regard with the assistance of the Management Company, Legal Advisers and the input of the external auditors.

**Principal Risks and Uncertainties**

The main risks arising from the ICAV's financial instruments are pricing and valuation risk, counterparty credit & settlement risk, foreign currency risk, credit risk with respect to cash, interest rate risk and liquidity risk which are outlined in Note 3 to these financial statements. Risk information is outlined in the Prospectus.

The maintenance and integrity of the financial statements published on the Ossiam website are the Directors' responsibility.

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**Directors' Report (continued)**

**Results and Dividends**

The results for the period are set out in the Statement of Comprehensive Income. With respect to the Accumulating Share Classes in all Sub-Funds, the Directors have determined to accumulate all net investment income and net realised capital gains attributable to such Accumulating Share Classes and therefore do not intend to declare dividends in respect of shares in such share classes. As at 31 December 2022, the Sub-Funds only had accumulating share classes.

**Independent Auditors**

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have indicated their willingness to continue as auditors in accordance with the ICAV Act.

On behalf of the Board of Directors:

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Eimear Cowhey  
Director

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Lorcan Murphy  
Director

Date: 12 April 2023

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**Report from the Depositary to the Shareholders**

For the period from 1 January 2022 to 31 December 2022 (the “**Period**”).

The Bank of New York Mellon SA/NV, Dublin Branch (the “**Depositary**” “**us**”, “**we**”, or “**our**”), has enquired into the conduct of Ossiam IRL II ICAV (the “**ICAV**”) for the Period, in its capacity as depositary to the ICAV.

This report including the opinion has been prepared for and solely for the Shareholders in the ICAV, in accordance with our role as depositary to the ICAV and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

**Responsibilities of the Depositary**

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the “**Regulations**”).

Our report shall state whether, in our opinion, the ICAV has been managed in that period in accordance with the provisions of the ICAV’s constitutional documents and the Regulations. It is the overall responsibility of the ICAV to comply with these provisions. If the ICAV has not been so managed, we as depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

**Basis of Depositary Opinion**

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the ICAV has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the ICAV’s constitutional documentation and the appropriate regulations.

**Opinion**

In our opinion, the ICAV has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documentation and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.

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For and on behalf of The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II,  
Sir John Rogerson’s Quay,  
Grand Canal Dock,  
Dublin 2

Date: 12 April 2023

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**Investment Manager's Report**

Sub-fund not registered in Switzerland

**1. Investment Objective**

The objective of the Sub-Fund is to capture the potential positive carry in short term interest rate futures.

**2. Year to Date Performance and Volatility comparison vs Market Cap Weighted Index**

Market Cap Index - Solactive Overnight USD Cash Index

<b>Class</b>	<b>Fund Class Performance</b>	<b>Market Cap Index Performance</b>	<b>Performance Difference</b>	<b>Fund Class Volatility</b>	<b>Market Cap Index Volatility</b>	<b>Volatility Difference</b>
1A (EUR)	-6.53%	1.71%	-8.23%	6.87%	0.13%	6.74%

The Share Class 1A (EUR) shares of the Sub-Fund underperformed by 8.23% the Solactive Overnight USD Cash Index in 2022.

The performance of the USD leg of the strategy has been slightly positive over the year, mostly thanks to its significant short positions in interest rate futures in Q3 when yields have experienced another sharp increase.

On the other hand, the EUR leg strongly underperformed, failing to capture the trends in rate moves experienced all along 2022. The bulk of the underperformance took place in the second and third quarters when the strategy had in turn long positions in interest futures when yields were raising and short positions when they receded.

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

**Ossiam ESG Opportunity Fund (the “Sub-Fund”)**

**1. Investment Objective**

The objective of the Sub-Fund is to achieve a return above money market rates over the 5 year recommended investment horizon, while consistently integrating environmental, social and governance (“ESG”) matters.

**2. Year to Date Performance and Volatility comparison vs Market Cap Weighted Index**

Market Cap Index - €STR Compounded Index

<b>Class</b>	<b>Fund Class Performance</b>	<b>Market Cap Index Performance</b>	<b>Performance Difference</b>	<b>Fund Class Volatility</b>	<b>Market Cap Index Volatility</b>	<b>Volatility Difference</b>
1A (EUR)*	4.51%	0.28%	4.24%	7.08%	0.07%	7.01%
EA (EUR)*	4.56%	0.28%	4.28%	7.08%	0.07%	7.01%

\* The Sub-Fund launched on 13 October 2022. Performances for this share class range from 13 October 2022 to 30 December 2022.

The Share Class 1A (EUR) shares of the Sub-Fund overperformed by 4.24% the €STR Compounded Index since inception (13 October 2022).

Its performance from launch until the end of the year has been above the long term expected return of the strategy, with its realised volatility being in line with expectations and its overall beta to the market being close to zero. The leverage of the strategy has hovered at or below 300%.

The overperformance came especially from the strong performance of traditional equity factors until the end of the year.

Over its few months of existence, the Sub-Fund has performed close to the top of the league table of its competitors.

Ossiam  
6 place de la Madeleine  
75008 Paris  
France

**Date: February 2023**

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OSSIAM IRL II ICAV

### Report on the audit of the annual accounts

#### Opinion on the annual accounts of Ossiam IRL II ICAV (the 'ICAV')

In our opinion the annual accounts:

- give a true and fair view of the assets, liabilities and financial position of the ICAV as at 31 December 2022 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and the applicable Regulations.

The annual accounts we have audited comprise:

- the Statement of Financial Position;
- the Statement of Comprehensive Income;
- the Statement of Changes in Net Assets attributable to Holders of Redeemable Participating Shares;
- the Statement of Cash Flows; and
- the related notes 1 to 22, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Irish Collective Asset-Management Acts 2015-2020 ("the ICAV Act") and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019 ("the applicable Regulations").

#### 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 described below in the "Auditor's responsibilities for the audit of the annual accounts" section of our report.

We are independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and 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 annual accounts, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the annual accounts 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 when the annual accounts 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 OSSIAM IRL II ICAV (CONTINUED)

### Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the annual accounts and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the annual accounts 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the annual accounts 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.

### Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of annual accounts that give a true and fair view and have been properly prepared in accordance with the ICAV Act, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are 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 the directors either intend to liquidate the ICAV or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 annual accounts.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### Report on other legal and regulatory requirements

#### Matters on which we are required to report by the ICAV Act and the applicable Regulations

In our opinion, the information given in the directors' report is consistent with the annual accounts and the directors' report has been prepared in accordance with the ICAV Act.

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

Based on the knowledge and understanding of the ICAV and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the ICAV Act which require us to report to you if, in our opinion, the disclosures of directors' remuneration specified by the ICAV Act are not made.

#### Opinion on other matters prescribed by the applicable Regulations

Based solely on the work undertaken in the course of the audit, we report that:

- 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 annual accounts to be readily and properly audited.
- The annual accounts are in agreement with the accounting records.

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OSSIAM IRL II ICAV (CONTINUED)

### Use of our report

This report is made solely to the ICAV's shareholders, as a body, in accordance with Section 120(1) (b) of the ICAV Act. 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.

For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

12 April 2023

**OSSIAM IRL II ICAV**  
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**Statement of Financial Position**

		Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
	Notes	As at 31 December 2022 EUR	As at 31 December 2022 EUR	As at 31 December 2022 EUR
<b>Assets</b>				
Cash and cash equivalents	2(1), 6	896,661	1,291,376	2,188,037
Cash collateral received	2(1), 6	–	960,000	960,000
Cash collateral pledged	2(1), 6	1,150,000	–	1,150,000
Financial assets at fair value through profit or loss:	2(b), 3(h)			
Transferable securities		64,842,431	18,728,829	83,571,260
Financial derivative instruments		–	1,002,134	1,002,134
Capital shares receivable		452	–	452
Other assets	2(n)	898	–	898
<b>Total current assets</b>		<b>66,890,442</b>	<b>21,982,339</b>	<b>88,872,781</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss:	2(b), 3(h)			
Financial Derivative Instruments		(1,195,565)	–	(1,195,565)
Cash collateral payable	2(1), 6	–	(960,000)	(960,000)
Capital shares payable		(22,513)	–	(22,513)
Swap expense payable		–	(55,437)	(55,437)
Accrued liabilities	7	(64,735)	(60,052)	(124,787)
<b>Total current liabilities</b>		<b>(1,282,813)</b>	<b>(1,075,489)</b>	<b>(2,358,302)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>	16	<b>65,607,629</b>	<b>20,906,850</b>	<b>86,514,479</b>
<b>Number of redeemable participating Shares</b>				
Share Class 1A (EUR)	4	726,335	10,000	
Share Class EA (EUR)	4	–	10,000	
<b>Net asset value per share attributable to holders of redeemable participating Shares</b>				
Share Class 1A (EUR)	16	90.327	1,045.119	
Share Class EA (EUR)	16	–	1,045.566	

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

*The accompanying notes form an integral part of the financial statements.*

On behalf of the Board of Directors:

\_\_\_\_\_  
Eimear Cowhey  
Director

\_\_\_\_\_  
Lorcan Murphy  
Director

Date: 12 April 2023

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**Statement of Financial Position (continued)**

	Notes	Sub-fund not registered in Switzerland
		<b>As at 31 December 2021 EUR</b>
<b>Assets</b>		
Cash and cash equivalents	2(l), 6	2,816,356
Financial assets at fair value through profit or loss:	2(b), 3(h)	
Transferable securities		73,159,907
Capital shares receivable		76,438
Other assets	2(n)	3,987
<b>Total current assets</b>		<b><u>76,056,688</u></b>
<b>Liabilities</b>		
Financial liabilities at fair value through profit or loss	2(b), 3(h)	
Financial Derivative Instruments		(225,371)
Capital shares payable		(140,218)
Accrued liabilities	7	(103,832)
<b>Total current liabilities</b>		<b><u>(469,421)</u></b>
 <b>Net assets attributable to holders of redeemable participating shares</b>	 16	 <b><u><u>75,587,267</u></u></b>
 <b>Number of redeemable participating Shares</b>		
Share Class 1A (EUR)	4	782,192
 <b>Net asset value per share attributable to holders of redeemable participating Shares</b>		
Share Class 1A (EUR)	16	96.635

*The accompanying notes form an integral part of the financial statements.*

**OSSIAM IRL II ICAV**  
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**Statement of Comprehensive Income**

		Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
	Notes	Financial year ended 31 December 2022 EUR	Period from 13 October 2022 to 31 December 2022 EUR	Financial year ended 31 December 2022 EUR
<b>Income</b>				
Interest income	2(e)	334	75	409
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss	2(b), 5	(4,585,046)	1,037,967	(3,547,079)
<b>Total investment (loss)/income</b>		(4,584,712)	1,038,042	(3,546,670)
<b>Operating expenses</b>				
Administration fees	9	(21,571)	(5,628)	(27,199)
Audit fees	9	(12,300)	(12,300)	(24,600)
Depositary fees	9	(10,892)	(2,993)	(13,885)
Directors' fees	9	(27,568)	(8,644)	(36,212)
Expenditure from swap contracts		–	(55,737)	(55,737)
Management fees	9	(52,441)	(26,434)	(78,875)
Other operating expenses	9	(63,413)	(19,456)	(82,869)
<b>Total operating expenses</b>		(188,185)	(131,192)	(319,377)
<b>Net (loss)/income</b>		(4,772,897)	906,850	(3,866,047)
<b>Finance costs</b>				
Interest expense	2(e)	(22,952)	–	(22,952)
<b>(Loss)/profit for the year/period before tax</b>		(4,795,849)	906,850	(3,888,999)
<b>(Decrease)/increase in net assets resulting from operations attributable to holders of redeemable participating shares</b>		<b>(4,795,849)</b>	<b>906,850</b>	<b>(3,888,999)</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

*The accompanying notes form an integral part of the financial statements.*

**OSSIAM IRL II ICAV**  
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**Statement of Comprehensive Income (continued)**

	Notes	Sub-fund not registered in Switzerland <b>Period from 10 August 2021 to 31 December 2021</b>
		<b>EUR</b>
<b>Income</b>		
Net losses on financial assets and financial liabilities at fair value through profit or loss	2(b), 5	(2,507,195)
<b>Total investment loss</b>		<u>(2,507,195)</u>
<b>Operating expenses</b>		
Administration fees	9	(6,667)
Audit fees	9	(14,760)
Depositary fees	9	(5,600)
Directors' fees	9	(21,500)
Expenditure from swap contracts		(32,337)
Management fees	9	(3,623)
Other operating expenses	9	(68,405)
<b>Total operating expenses</b>		<u>(152,892)</u>
<b>Net loss</b>		<u>(2,660,087)</u>
<b>Finance costs</b>		
Interest expense	2(e)	(7,049)
<b>Loss for the period before tax</b>		<u>(2,667,136)</u>
<b>Decrease in net assets resulting from operations attributable to holders of redeemable participating shares</b>		<u><b>(2,667,136)</b></u>

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

*The accompanying notes form an integral part of the financial statements.*

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**Statement of Changes in Net Assets Attributable  
to Holders of Redeemable Participating Shares**

	Notes	Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
		Financial year ended 31 December 2022 EUR	Period from 13 October 2022 to 31 December 2022 EUR	Financial year ended 31 December 2022 EUR
<b>Net assets attributable to holders of redeemable participating shares at beginning of the year/period</b>		75,587,267	–	75,587,267
(Decrease)/increase in net assets resulting from operations attributable to holders of redeemable participating shares		(4,795,849)	906,850	(3,888,999)
Amounts received on issue of redeemable participating shares	4	5,969,910	20,000,000	25,969,910
Amounts paid on redemption of redeemable participating shares	4	(11,178,579)	–	(11,178,579)
Equalisation		24,880	–	24,880
(Decrease)/increase in net assets resulting from share transactions		(5,183,789)	20,000,000	14,816,211
<b>Net assets attributable to holders of redeemable participating shares at end of the year/period</b>		<b>65,607,629</b>	<b>20,906,850</b>	<b>86,514,479</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

*The accompanying notes form an integral part of the financial statements.*

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**Statement of Changes in Net Assets Attributable  
to Holders of Redeemable Participating Shares (continued)**

	Notes	Sub-fund not registered in Switzerland
		<b>Period from 10 August 2021 to 31 December 2021 EUR</b>
<b>Net assets attributable to holders of redeemable participating shares at beginning of the period</b>		–
Decrease in net assets resulting from operations attributable to holders of redeemable participating shares		(2,667,136)
Amounts received on issue of redeemable participating shares	4	81,743,741
Amounts paid on redemption of redeemable participating shares	4	(3,491,530)
Equalisation		2,192
Increase in net assets resulting from share transactions		<u>78,254,403</u>
<b>Net assets attributable to holders of redeemable participating shares at end of the period</b>		<b><u><u>75,587,267</u></u></b>

*The accompanying notes form an integral part of the financial statements.*

**OSSIAM IRL II ICAV**  
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**Statement of Cash Flows**

	Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
Notes	Financial year ended 31 December 2022 EUR	Period from 13 October 2022 to 31 December 2022 EUR	Financial year ended 31 December 2022 EUR
<b>Cash flows from operating activities</b>			
Proceeds from sale of investments (including net realised gains / (losses) from swap contracts)	78,715,791	–	78,715,791
Purchase of investments	(74,013,167)	(18,692,996)	(92,706,163)
Movement in cash collateral received	–	(960,000)	(960,000)
Movement in cash collateral pledged	(1,150,000)	–	(1,150,000)
Movement in cash collateral payable	–	960,000	960,000
Movement in swap expense payable	–	55,437	55,437
Income received	334	75	409
Operating expenses paid	(224,193)	(71,140)	(295,333)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3,328,765</b>	<b>(18,708,624)</b>	<b>(15,379,859)</b>
<b>Cash flows from financing activities</b>			
Interest expense paid	(22,952)	–	(22,952)
Amounts received on issue of redeemable participating shares	6,045,896	20,000,000	26,045,896
Equalisation	24,880	–	24,880
Amounts paid on redemption of redeemable participating shares	(11,296,284)	–	(11,296,284)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(5,248,460)</b>	<b>20,000,000</b>	<b>14,751,540</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,919,695)</b>	<b>1,291,376</b>	<b>(628,319)</b>
Cash and cash equivalents at beginning of year/period	2,816,356	–	2,816,356
<b>Cash and cash equivalents at end of the year/period</b>	<b>896,661</b>	<b>1,291,376</b>	<b>2,188,037</b>
	2(1), 6		

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

*The accompanying notes form an integral part of the financial statements.*

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**Statement of Cash Flows (continued)**

	<b>Notes</b>	Sub-fund not registered in Switzerland  <b>Period from 10 August 2021 to 31 December 2021 EUR</b>
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments (including net realised gains / (losses) from swap contracts)		(199,656)
Purchase of investments		(75,242,075)
Operating expenses paid		(53,047)
<b>Net cash outflow from operating activities</b>		<b>(75,494,778)</b>
 <b>Cash flows from financing activities</b>		
Interest expense paid		(7,049)
Amounts received on issue of redeemable participating shares		81,667,303
Equalisation		2,192
Amounts paid on redemption of redeemable participating shares		(3,351,312)
<b>Net cash inflow from financing activities</b>		<b>78,311,134</b>
<b>Net increase in cash and cash equivalents</b>		2,816,356
Cash and cash equivalents at beginning of period		—
<b>Cash and cash equivalents at end of the period</b>	2(1), 6	<b>2,816,356</b>

*The accompanying notes form an integral part of the financial statements.*

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**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements**

**1. Organisation**

Ossiam IRL II ICAV (the “ICAV”) is an Irish collective asset-management vehicle established under the laws of Ireland pursuant to the Irish Collective Asset-Management Vehicles Act 2015 (the “ICAV Act”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”). The ICAV was incorporated on 28 April 2021 and approved by the Central Bank of Ireland (“CBI”) on 6 July 2021.

The ICAV is structured as an umbrella fund with segregated liability between Sub-Funds (individually a “Sub-Fund” and collectively “Sub-Funds”). The Directors may from time to time, with the prior approval of the CBI, create different series of shares effected in accordance with the requirements of the CBI representing separate portfolios of assets, each such series comprising a Sub-Fund. Within each Sub-Fund, the Directors may from time to time create different share classes in accordance with the requirements of the CBI. Each Sub-Fund will bear its own liabilities and, under Irish law, none of the ICAV, any of the service providers appointed to the ICAV, the Directors, any receiver, examiner or liquidator, nor will any other person have access to the assets of a Sub-Fund in satisfaction of a liability of any other Sub-Fund.

As at 31 December 2022, the ICAV consisted of two Sub-Funds. These are Sub-fund not registered in Switzerland which launched on 10 August 2021 and Ossiam ESG Opportunity Fund which launched on 13 October 2022. As at 31 December 2022, Sub-fund not registered in Switzerland had one share class - Share Class 1A (EUR) while Ossiam ESG Opportunity Fund had two share classes - Share Class 1A (EUR) and Share Class EA (EUR).

The Sub-fund not registered in Switzerland seeks to generate returns by potentially exploiting the “Forward Rate Bias” in interest rates and the interest rate variation cycles. The Forward Rate Bias is the empirically observed tendency of the 3-month interest rate levels implied by the prices of future contracts to be higher than their realised values. The interest rate variation cycles refers to the changes in central banks’ policies which usually gradually increase or decrease interest rates following economic cycles.

The Ossiam ESG Opportunity Fund seeks to achieve a return above money market rates over the 5 year recommended investment horizon, while consistently integrating environmental, social and governance (“ESG”) matters. The Sub-Fund will seek to benefit from the performance of listed equities selected for their performance potential in accordance with the Management Company’s proprietary ESG machine learning model, while hedging exposure to equity market risk.

**2. Significant Accounting Policies**

**(a) Basis of preparation**

The ICAV’s annual report and audited financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”), the ICAV Act, the UCITS Regulations and the Central Bank UCITS Regulations.

The financial statements have been prepared on a going concern basis which assumes that the ICAV will continue in operational existence for the foreseeable future, with the exception of that of Sub-fund not registered in Switzerland which has been prepared on a non-going concern basis due to a large redemption on the Sub-Fund subsequent to the financial year end. Please refer to Note 21 for details. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The Directors make estimates and assumptions concerning the future of the ICAV. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

The significant accounting policies adopted by the ICAV are set out below and overleaf. These policies have been consistently applied to the periods presented unless otherwise stated.

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**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements (continued)**

**2. Significant Accounting Policies (continued)**

**(a) Basis of preparation (continued)**

The financial statements are presented on the basis of the latest Net Asset Value ("NAV") calculated during the financial year. In accordance with the Prospectus, the NAVs were calculated using the latest market values and exchange rates known at the time of the calculation meaning 30 December, 2022 for all Sub-Funds.

*New accounting standards, amendments and interpretations in issue and effective for the financial periods beginning on or after 1 January 2022*

At the date of approval of these financial statements, the following standards, amendments and interpretations to existing standards were adopted by the ICAV effective from 1 January 2022:

*Annual Improvements to IFRS Standards 2018–2020*

The four proposed amendments included in the annual improvements' consultation document are:

- IFRS 9 Financial Instruments - clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.
- IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post tax basis.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The adoption of the relevant annual improvement sections did not have a significant impact on the ICAV's financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on or after 1 January 2022 that have a material effect on the ICAV's financial statements.

*Standards, interpretations and amendments to existing standards in issue but not yet effective and not early adopted*

At the date of approval of these financial statements, the ICAV has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

<b>New and revised IFRS</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to IAS 1 Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The ICAV is currently evaluating the impact, if any, that these new and revised IFRS Standards will have on its financial statements.

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**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements (continued)**

**2. Significant Accounting Policies (continued)**

**(b) Financial assets and financial liabilities at fair value through profit or loss**

The fair value of financial instruments is based on their quoted market prices, in an active market, at the year end date without any deduction for estimated future selling costs.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and financial liabilities traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the reporting date.

If a quoted market price in an active market is not available on a recognised stock exchange or from a broker/dealer for non-exchange traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the year end date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the year end date.

**(i) Classification and recognition**

IFRS 9 "Financial Instruments" became effective for annual periods on or after 1 January 2018. It addresses the classification, measurement and derecognition of financial assets and financial liabilities and replaces the multiple classification and measurement models in IAS 39.

The ICAV recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument, and all significant rights and access to the benefits from the assets, and the exposure to the risks inherent in those benefits, are transferred to the ICAV.

A purchase of financial assets is recognised using trade date accounting. From this date any gains and losses arising from changes in the fair value of the financial assets or financial liabilities are recorded in the Statement of Comprehensive Income.

Financial instruments are measured initially at fair value (transaction price) plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss, are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. The fair value of instruments traded in active markets is based on quoted market prices at the year end date.

A swap is a contract under which one party agrees to provide the other party with a payment or an asset, for example a payment at an agreed rate, in exchange for receiving a payment or an asset from the other party, for example the performance of a specified asset or basket of assets. Where specified in the relevant supplement, a Sub-Fund may enter into swap agreements (including total return swaps, performance swaps, contracts for differences and credit default swaps ("CDS")) with respect to various underlyings, including currencies, interest rates, securities, collective investment schemes and indices. A Sub-Fund may use these techniques to protect against changes in interest rates and currency exchange rates. A Sub-Fund may also use these techniques to take positions in or protect against changes in securities indices and specific securities prices. Where a Sub-Fund enters into total return swaps (or invests in other financial derivative instruments with the same characteristics), direct and indirect operational costs and fees may be paid to the relevant counterparty and all revenues from repurchase and reverse repurchase agreements, net of direct and indirect operational costs and fees, will be paid to the Sub-Funds.

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**OSSIAM IRL II ICAV**  
**Annual Report & Audited Financial Statements**  
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**Notes to the Financial Statements (continued)**

**2. Significant Accounting Policies (continued)**

**(b) Financial assets and financial liabilities at fair value through profit or loss (continued)**

**(i) Classification and recognition (continued)**

A performance swap is a swap in which the payments involve the exchange of payment of the performance amount. Performance swap contracts which are outstanding at the financial year end are entered into to achieve the Sub-Fund's investment objective and are valued at their market value. The Sub-Funds receives from the swap counterparty the performance payment of a dynamic basket of assets, net of fees. Where the Sub-Funds enters into performance swaps, direct and indirect operational costs and fees may be paid to the relevant counterparty. Details of collateral pledged or received on performance swaps entered into by the Sub-Funds as at 31 December 2022 are disclosed in Note 6. The net realised gain or losses and net change in unrealised gains or losses are included in net gains or losses on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Costs related to swap contracts are included in interest from swap contracts in the Statement of Comprehensive Income.

Financial liabilities, arising from the redeemable shares issued by the ICAV, are carried at the redemption amount representing the Shareholders' right to a residual interest in the ICAV's assets.

**(ii) Derecognition**

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired or the ICAV has transferred substantially all risks and rewards of ownership. A financial liability is derecognised when the obligation specified in the contract has been discharged, cancelled or expired.

**(c) Foreign currency translation**

**(i) Functional and presentation currency**

The financial statements are presented in base currency of the Sub-Funds and the base currency of the ICAV is EUR. Items included in the ICAV's financial statements are measured and presented using the currency of the primary economic environment in which it operates.

**(d) Transaction costs**

Transaction costs are incurred on the acquisition or disposal of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers, interest or taxes payable in respect of purchase and sale transactions. Transaction costs when incurred are expensed immediately and are included within net gain/loss on financial assets and financial liabilities at fair value through profit and loss in the Statement of Comprehensive Income. Please refer to Note 10 for more details. Transaction costs on forward exchange contracts are included in the purchase and sale prices of the investment. They cannot be practically or reliably gathered as they are embedded in the cost of investment and cannot be separately verified and disclosed.

**(e) Interest income and interest expense**

Interest income and expense on financial instruments at amortised cost such as cash are recognised in the Statement of Comprehensive Income using the effective interest method. Interest on financial instruments at fair value through profit or loss such as debt instruments are recognised in the Statement of Comprehensive Income using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability.

**(f) Redeemable participating shares**

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. Any distributions on these shares are recognised in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

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**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements (continued)**

**2. Significant Accounting Policies (continued)**

**(g) Fees and charges**

A management fee is expensed as incurred and is charged to the Statement of Comprehensive Income on an accruals basis. Please refer to Note 9 for more detail.

**(h) Fair value through profit or loss**

Realised gains or losses on disposals of investments during the year/period and unrealised gains and losses on valuation of investments held at the financial year end are recognised within the net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss line in the Statement of Comprehensive Income.

**(i) Cash flows**

The ICAV has prepared a Statement of Cash Flows using the direct method, whereby major classes of cash receipts and payments related to operating activities are disclosed.

**(j) Dividend policy**

With respect to the Accumulating Share Classes in all Sub-Funds, the Directors have determined to accumulate all net investment income and net realised capital gains attributable to such Accumulating Share Classes and therefore do not intend to declare dividends in respect of Shares in such Share Classes. As at 31 December 2022, the Sub-Funds only have accumulating share classes.

**(k) Withholding tax**

Dividend and interest income received by the ICAV may be subject to withholding tax imposed in the country of origin, which is shown separately in the Statement of Comprehensive Income. There are no withholding tax incurred during the year.

**(l) Cash and cash equivalents and Cash collateral**

Cash comprises of cash on hand and demand deposits. Cash equivalents, if any, are short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value.

Bank overdrafts (if any) are included in the liabilities section of the Statement of Financial Position. Cash collateral is valued at its face value plus any accrued interest, where applicable.

Cash collateral received by Sub-Funds is identified in the Statement of Financial Position as “cash collateral received”. Cash collateral received is restricted and does not form part of the Sub-Funds' cash and cash equivalents. The obligation to return the cash collateral is identified in the Statement of Financial Position as “cash collateral payable”. Cash collateral provided by the Sub-Funds is identified in the Statement of Financial Position as “cash collateral pledged” and is not included as a component of cash and cash equivalents.

**(m) Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

**(n) Other assets**

This line on the Statement of Financial Position includes prepaid expense.

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**Notes to the Financial Statements (continued)**

**2. Significant Accounting Policies (continued)**

**(o) Establishment Expenses**

All expenses relating to the establishment and organisation of the ICAV and the initial Sub-Funds (including expenses relating to the negotiation and preparation of material contracts, the costs of preparing and printing this Prospectus and the related marketing materials and the fees and expenses of professional advisors) will be borne by the Management Company.

**3. Financial Risk Management**

**(a) Investment strategy**

Ossiam acts as the Management Company pursuant to the Management Agreement. The detailed investment objectives and policies of the Sub-Funds are set out in the Prospectus.

In pursuing its investment objective, the ICAV is exposed to a variety of risks: pricing and valuation risk, counterparty and settlement risk, foreign currency risk, credit risk, liquidity risk and other risks that could result in a reduction in the ICAV's net assets. Risk information is outlined in the Prospectus.

The nature and extent of the financial instruments held at the reporting date and the risk management policies employed by the ICAV are discussed below.

**(b) Pricing and Valuation Risk**

The ICAV's assets comprise of quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, the ICAV will also invest in unquoted investments which will increase the risk of mispricing. Further, the ICAV will compute Net Asset Values when some markets are closed for holidays or other reasons. In these and similar cases an objective verifiable source of market prices will not be available and the Management Company will invoke its Fair Value process which will determine a fair value price for the relevant investments; this Fair Value process involves assumptions and subjectivity.

**Value at Risk and Leverage**

The Management Company uses Absolute Value at Risk ("VaR") and Leverage to monitor and manage the global exposure of the Sub-Funds.

The VaR measures the potential loss to a Sub-Fund at a particular confidence (probability) level over a specific time period and under normal market conditions. The Management Company uses a one-tailed 99% confidence level, a one month holding period and a historical observation period of not less than one year for the purposes of carrying out this calculation on a daily basis. The VaR of the Sub-Funds must not exceed 20% of that Sub-Fund's Net Asset Value. As at 31 December 2022, the Sub-fund's not registered in Switzerland average, minimum and maximum absolute VaR were 3.02%, 2.19% and 5.12% (31 December 2021: 2.16%, 2.14% and 2.19%) respectively while Ossiam ESG Opportunity Fund's average, minimum and maximum absolute VaR were 5.04%, 4.86%, and 5.20%.

Sub-fund not registered in Switzerland is generally expected to be leveraged between 0% and 1,000% of its Net Asset Value. The Sub-Fund may have higher levels of leverage, especially during periods of abnormal and/or adverse market conditions, but this is not expected to exceed 1,100%.

Ossiam ESG Opportunity Fund is generally expected to be leveraged between 240% and 360% of its Net Asset Value. The Sub-Fund may have higher levels of leverage, especially during periods of abnormal and/or adverse market conditions, but this is not expected to exceed 400%.

For the purpose of this disclosure, leverage is the investment exposure gained through the use of financial derivative instruments ("FDIs"). It is calculated using the sum of the notional values of all of the FDIs held by a Sub-Fund, without netting. As at 31 December 2022, the Sub-fund's not registered in Switzerland average level of leverage was 736% (31 December 2021:741%) and that of Ossiam ESG Opportunity Fund was 295%.

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**Notes to the Financial Statements (continued)**

**3. Financial Risk Management (continued)**

**(c) Counterparty Credit & Settlement Risk**

All security investments are transacted through brokers who have been approved by the Management Company as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the Sub-Funds, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement never occurs the loss incurred by a Sub-Fund will be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced the absolute value of the contract at the time it is voided. Further, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if a Sub-Fund meets its settlement obligations but the counterparty fails before meeting its obligations.

As at 31 December 2022, the Sub-Funds held performance swaps which were transacted through Morgan Stanley and Natixis S.A. As at 31 December 2022, Morgan Stanley had a long term counterparty credit rating of A+ (S&P) and Natixis S.A. had a long term counterparty credit rating of A (S&P).

**(d) Foreign Currency Risk**

A Sub-Fund's total return and balance sheet can be significantly affected by foreign exchange rate movements if the Sub-Fund's assets and income are denominated in currencies other than the Base Currency of the Sub-Funds and this means that currency movements may significantly affect the value of a Sub-Fund's Share price. The three principal areas of foreign currency risk are where movements in exchange rates affect the value of investments, short term timing differences or income received. A Sub-Fund may, or may not, hedge these risks using either spot or forward foreign exchange contracts and the associated risks are explained below in the section on Derivative Related Risks.

As at 31 December 2022, all direct investments of the Sub-Funds are denominated in the presentation currency which is the EUR. Nevertheless, the investments underlying the swaps may however be denominated in a currency different from the EUR. Hence, the Sub-Funds may be slightly exposed to foreign currency risk.

**(e) Credit Risk with respect to Cash**

The ICAV will be exposed to the credit risk of the Depositary or any sub-custodian used by the Depositary where cash is held by the Depositary or sub-custodians. Credit risk is the risk that an entity will fail to discharge an obligation or commitment that it has entered into with the ICAV. Cash held by the Depositary and sub-custodians will not be segregated in practice but will be a debt owing from the Depositary or other sub-custodians to the ICAV as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depositary and/or sub-custodians. In the event of the insolvency of the Depositary or sub-custodians, the ICAV will be treated as a general unsecured creditor of the Depositary or sub-custodians in relation to cash holdings of the ICAV. The ICAV may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Sub-Fund(s) will lose some or all of their cash. As at 31 December 2022, the Depositary had a credit rating of AA- (S&P) (31 December 2021: AA- (S&P)).

**(f) Interest Rate Risk**

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at 31 December 2022, the Sub-Funds only held zero coupon government bonds. Hence, the Sub-Funds are not significantly exposed to interest rate risk.

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**Notes to the Financial Statements (continued)**

**3. Financial Risk Management (continued)**

**(g) Liquidity Risk**

In normal market conditions, the assets of each Sub-Fund comprise mainly realisable investments which can be readily sold. A Sub-Fund's main liability is the redemption of any shares that investors wish to sell. In general, the investments, including cash, of each Sub-Fund are managed so that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Sub-Fund. The ICAV employs an appropriate liquidity risk management process, which takes into account efficient portfolio management transactions employed by the Sub-Funds, in order to ensure that each Sub-Fund is able to comply with its stated redemption obligations. However, it is possible that in the type of circumstances described above, a Sub-Fund may not be able to realise sufficient assets to meet all redemption requests that it receives or the ICAV may determine that the circumstances are such that meeting some or all of such requests is not in the best interests of the Shareholders in a Sub-Fund as a whole. In such circumstances, the settlement of redemption proceeds may be delayed and / or the ICAV may take the decision to apply the redemption gate provisions described under "Procedure for Dealing on the Primary Market" in the "Purchase and Sale Information" section or suspend dealings in the relevant Sub-Funds as described under "Temporary Suspension of Dealings" in the "Determination of Net Asset Value" section of the Prospectus.

The following tables analyse the ICAV's financial liabilities into relevant maturity groupings based on the remaining period at the financial year ended 31 December 2022 to the contractual maturity date.

Sub-fund not registered in Switzerland

**As at 31 December 2022**

	<b>Less than 1 month EUR</b>	<b>Total EUR</b>
Financial liabilities at fair value through profit or loss	1,195,565	1,195,565
Capital share payable	22,513	22,513
Accrued liabilities	64,735	64,735
Net assets attributable to holders of redeemable participating shares	<u>65,607,629</u>	<u>65,607,629</u>
	<u>66,890,442</u>	<u>66,890,442</u>

**Ossiam ESG Opportunity Fund\***

**As at 31 December 2022**

	<b>Less than 1 month EUR</b>	<b>Total EUR</b>
Cash collateral payable	960,000	960,000
Swap expense payable	55,437	55,437
Accrued liabilities	60,052	60,052
Net assets attributable to holders of redeemable participating shares	<u>20,906,850</u>	<u>20,906,850</u>
	<u>21,982,339</u>	<u>21,982,339</u>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

The following table analyses the ICAV's financial liabilities into relevant maturity groupings based on the remaining period at the financial year ended 31 December 2021 to the contractual maturity date.

**As at 31 December 2021**

	<b>Less than 1 month EUR</b>	<b>Total EUR</b>
Financial liabilities at fair value through profit or loss	225,371	225,371
Capital share payable	140,218	140,218
Accrued liabilities	103,832	103,832
Net assets attributable to holders of redeemable participating shares	<u>75,587,267</u>	<u>75,587,267</u>
	<u>76,056,688</u>	<u>76,056,688</u>

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**Notes to the Financial Statements (continued)**

**3. Financial Risk Management (continued)**

**(h) Fair Value**

IFRS 13 'Fair Value Measurement' requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised as assets and liabilities in the Statement of Financial Position.

The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value. The fair value of financial assets and financial liabilities traded in an active market (such as trading securities) are based on quoted market prices at the close of trading on the reporting date.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included within Level 1 of the hierarchy.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The ICAV uses a variety of methods and makes assumptions that are based on market conditions existing at the reporting date. These instruments are included within Level 2 of the hierarchy.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Transfers are deemed to occur at the end of the financial year.

There were no transfers between levels during the financial years ended 31 December 2022 and 31 December 2021 for the Sub-Funds.

The following tables provide an analysis of financial instruments at 31 December 2022 and 31 December 2021 that are measured at fair value in accordance with IFRS 13:

	As at 31 December 2022			Total EUR
	Level 1 EUR	Level 2 EUR	Level 3 EUR	
<b>Financial Assets at Fair Value through Profit or Loss</b>				
<b>Transferable securities</b>				
Government Bonds	64,842,431	–	–	64,842,431
<b>Total</b>	<b>64,842,431</b>	<b>–</b>	<b>–</b>	<b>64,842,431</b>
<b>Financial Liability at Fair Value through Profit or Loss</b>				
<b>Financial derivative instruments</b>				
Performance Swaps	–	(1,195,565)	–	(1,195,565)
<b>Total</b>	<b>–</b>	<b>(1,195,565)</b>	<b>–</b>	<b>(1,195,565)</b>

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**Notes to the Financial Statements (continued)**

**3. Financial Risk Management (continued)**

**(h) Fair Value (continued)**

**Ossiam ESG Opportunity Fund**

	As at 31 December 2022			Total EUR
	Level 1 EUR	Level 2 EUR	Level 3 EUR	
<b>Financial Assets at Fair Value through Profit or Loss</b>				
<b>Transferable securities</b>				
Government Bonds	18,728,829	–	–	18,728,829
<b>Total</b>	<b>18,728,829</b>	<b>–</b>	<b>–</b>	<b>18,728,829</b>
<b>Financial derivative instruments</b>				
Performance Swaps	–	1,002,134	–	1,002,134
<b>Total</b>	<b>–</b>	<b>1,002,134</b>	<b>–</b>	<b>1,002,134</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

	As at 31 December 2021			Total EUR
	Level 1 EUR	Level 2 EUR	Level 3 EUR	
<b>Financial Assets at Fair Value through Profit or Loss</b>				
<b>Transferable securities</b>				
Government Bonds	73,159,907	–	–	73,159,907
<b>Total</b>	<b>73,159,907</b>	<b>–</b>	<b>–</b>	<b>73,159,907</b>
<b>Financial Liability at Fair Value through Profit or Loss</b>				
<b>Financial derivative instruments</b>				
Performance Swaps	–	(225,371)	–	(225,371)
<b>Total</b>	<b>–</b>	<b>(225,371)</b>	<b>–</b>	<b>(225,371)</b>

**Assets and liabilities not carried at fair value but for which fair value is disclosed**

The ICAV's assets and liabilities (by class) not measured at fair value at 31 December 2022 but for which fair value is disclosed within the fair value hierarchy are considered Level 2, except for cash and cash equivalents, which are considered Level 1.

Cash and cash equivalents include cash on hand and demand deposits held with the Depositary.

**4. Share Capital**

The authorised share capital of the ICAV is 500,000,000,002 shares of no par value divided into 2 Subscriber Shares of no par value and 500,000,000,000 shares of no par value. The Directors are empowered to issue up to all of the shares of the ICAV on such terms as they think fit. The Subscriber Shares entitle the holders to attend and vote at any general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up.

The shares entitle the holders to attend and vote at general meetings of the ICAV and (other than the Subscriber Shares) to participate equally in the profits and assets of the Sub-Fund to which the shares relate, subject to any differences between fees, charges and expenses applicable to different Share Classes.

The ICAV may from time to time by ordinary resolution increase its capital, consolidate the shares or any of them into a smaller number of shares, sub-divide the shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person.

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**Notes to the Financial Statements (continued)**

**4. Share Capital (continued)**

The ICAV may by special resolution from time to time reduce its share capital in any way permitted by law. At a meeting of Shareholders, on a show of hands, each Shareholder shall have one vote and, on a poll, each Shareholder shall have one vote for each whole share held by such Shareholder.

During the financial year ended 31 December 2022 and financial period ended 31 December 2021 the number of redeemable shares issued and redeemed were as follows:

	Sub-fund not registered in Switzerland	<b>Ossiam ESG Opportunity Fund*</b>
	<b>Period from 1 January 2022 to 31 December 2022</b>	<b>Period from 13 October 2022 to 31 December 2022</b>
Share Class 1A (EUR) Shares		
Balance at beginning of period	782,192	–
Shares issued	62,395	10,000
Shares redeemed	(118,252)	–
Balance at end of period	<b>726,335</b>	<b>10,000</b>
Share Class EA (EUR) Shares		
Balance at beginning of period	–	–
Shares issued	–	10,000
Shares redeemed	–	–
Balance at end of period	–	<b>10,000</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

	Sub-fund not registered in Switzerland
	<b>Period from 10 August 2021 to 31 December 2021</b>
Share Class 1A (EUR) Shares	
Balance at beginning of period	–
Shares issued	817,698
Shares redeemed	(35,506)
Balance at end of period	<b>782,192</b>

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**Notes to the Financial Statements (continued)**

**5. Net Gains/(Losses) on Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss**

	Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
	Financial year ended 31 December 2022	Period from 13 October 2022 to 31 December 2022	Financial year ended 31 December 2022
	EUR	EUR	EUR
Net realised losses on sale of investments	(411,742)	–	(411,742)
Net realised losses on swap contracts	(3,107,545)	–	(3,107,545)
Net change in unrealised (depreciation)/appreciation on investments	(95,564)	35,833	(59,731)
Net change in unrealised (losses)/gains on swap contracts	(970,194)	1,002,134	31,940
<b>Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss</b>	<b>(4,585,045)</b>	<b>1,037,967</b>	<b>(3,547,078)</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

	Sub-fund not registered in Switzerland
	Period from 10 August 2021 to 31 December 2021
	EUR
Net realised losses on sale of investments	(1,457)
Net realised losses on swap contracts	(2,111,034)
Net change in unrealised depreciation on investments	(169,333)
Net change in unrealised losses on swap contracts	(225,371)
<b>Net losses on financial assets and financial liabilities at fair value through profit or loss</b>	<b>(2,507,195)</b>

**6. Cash and Cash Equivalents and Cash Collateral**

Cash and cash equivalents as at 31 December 2022 and 31 December 2021 are held with the Depository, The Bank of New York Mellon SA/NV, Dublin Branch. The S&P long-term credit rating of The Bank of New York Mellon SA/NV, Dublin Branch was AA- at 31 December 2022 (31 December 2021: AA-).

At 31 December 2022, cash collateral amounting to EUR 1,150,000 (31 December 2021: Nil) in respect of performance swaps was provided by Sub-fund not registered in Switzerland to Morgan Stanley while EUR 960,000 was received from Natixis S.A. in respect of performance swaps on Ossiam ESG Opportunity Fund.

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**Notes to the Financial Statements (continued)**

**7. Accrued Liabilities**

	Sub-fund not registered in Switzerland	Ossiam ESG Opportunity Fund*	Total ICAV
	As at 31 December 2022	As at 31 December 2022	As at 31 December 2022
	EUR	EUR	EUR
Audit fees	12,300	12,300	24,600
Depositary and administration fees	12,410	8,621	21,031
Management fees	–	10,324	10,324
Director fees	6,203	8,644	14,847
Other operating expenses	33,822	20,163	53,985
<b>Total accrued liabilities</b>	<b>64,735</b>	<b>60,052</b>	<b>124,787</b>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

	Sub-fund not registered in Switzerland
	As at 31 December 2021
	EUR
Audit fees	14,760
Depositary and administration fees	5,600
Management fees	6,666
Director fees	21,500
Other operating expenses	55,306
<b>Total accrued liabilities</b>	<b>103,832</b>

**8. Taxation**

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended (“TCA”). On this basis, it is generally not chargeable to Irish tax on its income or gains. The Irish exit tax regime which is ordinarily applicable to an ‘investment undertaking’ does not apply to an ‘investment undertaking’, such as the ICAV, provided the shares of the ICAV remain held in a clearing system that is recognised by the Irish Revenue Commissioners (which currently includes Euroclear and Clearstream). As a result, the ICAV will not be obliged to account for any Irish exit tax (or other Irish tax) in respect of the shares.

If the shares cease to be held in such a recognised clearing system, the ICAV would be obliged to account for Irish exit tax to the Irish Revenue Commissioners in certain circumstances.

**9. Expenses**

**Administration Fees**

The Administrator will be entitled to receive a fee in relation to the provision of its services under the Administration Agreement, payable out of the assets of the Sub-Fund accruing daily and payable monthly in arrears at the end of each calendar month at an annual rate defined in the fee schedule and subject to a minimum fee of EUR 28,000 per annum and per Sub-Fund plus VAT, if any. The Administrator shall also be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund.

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**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements (continued)**

**9. Expenses (continued)**

**Depository Fees**

The Depository will be entitled to receive a fee in relation to the provision of its services under the Depository Agreement, payable out of the assets of the Sub-Fund accruing daily and payable monthly in arrears at the end of each calendar month at an annual rate defined in the fee schedule and subject to a minimum of EUR 20,000 per annum, plus VAT, if any. The Depository shall also be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund.

**Directors' Fees**

The Directors are entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of the remuneration payable to the Directors in any one year shall not exceed EUR 50,000 (or its equivalent) per Sub-Fund. Although some of the Directors may not receive a fee in remuneration for their services to the ICAV, all of the Directors will be paid for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the ICAV.

**Management Fees**

The Management Company will be entitled to receive a management fee payable out of the assets of the Sub-Fund accruing daily and payable monthly in arrears at the end of each calendar month at an annual rate as specified under the Key Information section. The Management Company shall also be entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Sub-Fund.

Subject to applicable law and regulation, the Management Company may pay part or all of its fees to any person that invests in or provides services to the ICAV or in respect of the Sub-Fund in the form of a commission, retrocession, rebate or discount.

**Other Operating and Administrative Expenses**

In addition to the Administrative Fees, Audit Fees, Depository Fees, Director's Fees and Management Fees, there shall be paid out of the assets of the Sub-Funds, all of the ordinary operating expenses of the ICAV attributable to the Sub-Funds or Share Classes including, but not limited to, custody fees, shareholder servicing, transfer agency, transaction processing and account maintenance fees, legal advisors, and other service providers.

**10. Transaction costs**

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on purchases and sales of government bonds are included in net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Transaction costs on swap contracts are included in the purchase and sale prices of the investment. They cannot be practically or reliably gathered as they are embedded in the cost of investment and cannot be separately verified and disclosed.

During the financial year ended 31 December 2022 and the financial period ended 31 December 2021, there were no transaction costs incurred on purchases and sales.

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**Notes to the Financial Statements (continued)**

**11. Related Parties and Connected Persons**

**Directors' fees and interests**

The Directors are related parties of the ICAV. Ms Eimear Cowhey and Mr Lorcan Murphy are independent Directors of the ICAV. Mr Bruno Poulin is the Chief Executive Officer and Mr Philippe Chanzy is the Deputy Chief Executive Officer of the Management Company. The Directors are responsible for managing the business affairs of the ICAV.

Details of Directors' remuneration are included in Note 8 to the financial statements. The independent Directors are entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. The Directors are also entitled to be reimbursed by the ICAV for all reasonable disbursements and out-of-pocket expenses incurred by them, if any.

Directors fees charged for the financial year ended 31 December 2022 amounted to EUR 36,212 (31 December 2021: EUR 21,500) of which EUR 14,847 (31 December 2021: EUR 21,500) remained unpaid as at the financial year end (refer to Note 7 for details).

At 31 December 2022 and 31 December 2021, the Directors and their families had no interest in the shares of the ICAV.

**Other related parties**

Ossiam acts as Management Company to the ICAV.

The Bank of New York Mellon SA/NV, Dublin Branch acts as Depository to the ICAV.

Accrued liabilities on the Statement of Financial Position are accrued expenses that are provisioned for but not yet paid to related parties and service providers.

The ICAV is in compliance with the CBI requirements for connected party transactions.

**12. Auditor's remuneration**

The remuneration for all work carried out by the statutory audit firm in respect of the financial years ended 31 December 2022 and 31 December 2021 is as follows:

	<b>Financial year ended 31 December 2022 EUR</b>	<b>Financial period ended 31 December 2021 EUR</b>
Statutory audit of company accounts (excluding VAT)	16,145	12,000

The above fees are presented exclusive of VAT and are paid by the ICAV.

**13. Contingent Liabilities and Commitments**

There were no contingent liabilities or commitments as at 31 December 2022 and 31 December 2021.

**14. Umbrella Cash Collection Accounts**

The CBI published the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (the "Investor Money Regulations" or "IMR") in March 2015 (effective from 1 July 2016). The Management Company, together with the Administrator implemented procedures in relation to the way subscription and redemption monies are channelled to and from the ICAV. These transactions are channelled through an umbrella cash collection account in the name of the ICAV. Pending issue of the shares and/or payment of subscription proceeds to an account in the name of the ICAV or the relevant Sub-Funds, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the relevant Sub-Funds in respect of amounts paid by or due to it. As at 31 December 2022, there were no cash monies held in the cash collection account. Hence, no adjustments were made within cash and cash equivalents on the Statement of Financial Position.

**OSSIAM IRL II ICAV**  
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**Notes to the Financial Statements (continued)**

**15. Significant events during the Year**

The ongoing Russia-Ukraine conflict has caused significant volatility in Russian securities. The rapid development of this situation and uncertainty regarding potential sanctions precludes any prediction as to the ultimate adverse impact of the Russia-Ukraine conflict on the value and liquidity of securities with a nexus to Russia. As at 31 December 2022, the Sub-Funds had no exposure to Russian securities and held no Russian Securities at the financial year end.

On 25 August 2022, the ICAV issued a Supplement for the Ossiam ESG Opportunity Fund.

Effective 13 October 2022, Ossiam ESG Opportunity Fund was launched with Share Class 1A (EUR) and Share Class EA (EUR) launched on that day.

The ICAV issued an updated Supplement for Ossiam ESG Opportunity Fund on 1 December 2022 in order to comply with the SFDR Level 2 regulations.

There were no other significant events affecting the ICAV during the financial year that require a disclosure in the financial statements.

**16. Net Asset Value Attributable to Holders of Redeemable Participating Shares**

	Sub-fund not registered in Switzerland	<b>Ossiam ESG Opportunity Fund*</b>
	<b>As at 31 December 2022</b>	<b>As at 31 December 2022</b>
<b>Total Net Asset Value</b>		
Share Class 1A (EUR) Shares	65,607,629	10,451,191
Share Class EA (EUR) Shares	–	10,455,659
<b>Net Asset Value per Share</b>		
Share Class 1A (EUR) Shares	90.327	1,045.119
Share Class EA (EUR) Shares	–	1,045.566

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

	Sub-fund not registered in Switzerland	
	<b>As at 31 December 2021</b>	
<b>Total Net Asset Value</b>		
Share Class 1A (EUR) Shares	75,587,267	
<b>Net Asset Value per Share</b>		
Share Class 1A (EUR) Shares	96.635	

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**Notes to the Financial Statements (continued)**

**17. Soft Commissions and Directed Brokerage Arrangements**

No soft commission or and directed brokerage arrangements were entered into during the financial years ended 31 December 2022 or 31 December 2021.

**18. Exchange Rates**

All the transactions were in base currency for the financial year ended 31 December 2022 and the financial period ended 31 December 2021.

**19. Financial Derivative Instrument**

The ICAV may invest in forward foreign exchange contracts, futures contracts and swap contracts. As at 31 December 2022, the Sub-Funds invested in swap contracts which they used to take positions in or protect against changes in securities indices and specific securities prices. The net realised gain or losses and net change in unrealised gains or losses are included in "Net losses on financial assets and financial liabilities at fair value through profit or loss" in the Statement of Comprehensive Income. Costs related to swap contracts are included in expenditure from swap contracts in the Statement of Comprehensive Income.

**20. Segregation of Liability**

The ICAV is an umbrella fund with segregated liability between Sub-Funds and each Sub-Fund may comprise one or more classes of shares. The Directors may, from time to time, upon the prior approval of the CBI, establish further Sub-Funds by the issue of one or more separate classes of shares on such terms as the Directors may resolve. The Directors may, from time to time, in accordance with the requirements of the CBI, establish one or more separate classes of shares within each Sub-Fund on such terms as the Directors may resolve.

**21. Subsequent Events after the Year end**

Following a large redemption on 24 March 2023, the Board of Directors have decided to proceed with the closure of Sub-fund not registered in Switzerland on 24 April 2023 as the Sub-Fund is no longer deemed economically viable.

There have been no other significant subsequent events after the year end that require disclosure in the financial statements.

**22. Approval of Financial Statements**

The financial statements were approved by the Directors on 12 April 2023.

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**Portfolio Listing**

Sub-fund not registered in Switzerland

As at 31 December 2022

Security Description	Nominal	Fair Value EUR	% of Net Assets
<b>Transferable securities admitted to an official stock exchange</b>			
<b>Government Bonds: 98.83% (31 December 2021: 96.79%)</b>			
<b>Germany 98.83% (31 December 2021: 96.79%)</b>			
German Treasury Bill (Zero Coupon) 18/01/2023	8,900,000	8,895,108	13.56
German Treasury Bill (Zero Coupon) 22/02/2023	8,900,000	8,881,497	13.54
German Treasury Bill (Zero Coupon) 22/03/2023	8,920,000	8,888,320	13.55
German Treasury Bill (Zero Coupon) 13/04/2023	8,924,000	8,881,075	13.54
German Treasury Bill (Zero Coupon) 17/05/2023	9,110,000	9,044,253	13.78
German Treasury Bill (Zero Coupon) 19/07/2023	5,900,000	5,826,350	8.88
German Treasury Bill (Zero Coupon) 23/08/2023	7,200,000	7,093,262	10.81
German Treasury Bill (Zero Coupon) 22/11/2023	7,500,000	7,332,566	11.17
<b>Total Germany</b>		<b><u>64,842,431</u></b>	<b><u>98.83</u></b>
<b>Total Government Bonds</b>		<b><u>64,842,431</u></b>	<b><u>98.83</u></b>
<b>Total Transferable securities admitted to an official stock exchange</b>		<b><u>64,842,431</u></b>	<b><u>98.83</u></b>
<b>Total Financial assets at fair value through profit or loss</b>		<b><u>64,842,431</u></b>	<b><u>98.83</u></b>

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**Portfolio Listing (continued)**

Sub-fund not registered in Switzerland (continued)

As at 31 December 2022 (continued)

**Financial derivative instruments**

Swap Contracts: (1.82%) (31 December 2021: (0.30%))

Type	Counterparty Name	Nominal Value	Description	Currency	Expiration Date	Unrealised (Depreciation) EUR	% of Net Assets
Performance Swaps	Morgan Stanley Europe SE	181,351	MSQSRCTE Index	EUR	31-Aug-2023	(395,345)	(0.60)
Performance Swaps	Morgan Stanley Europe SE	121,062	MSQSRCTU Index	EUR	31-Aug-2023	(800,220)	(1.22)
<b>Total swap contracts</b>						<b>(1,195,565)</b>	<b>(1.82)</b>
<b>Financial derivative instruments</b>						<b>(1,195,565)</b>	<b>(1.82)</b>
<b>Total Financial liabilities at fair value through profit or loss</b>						<b>(1,195,565)</b>	<b>(1.82)</b>
<b>Total Investments</b>						<b>63,646,866</b>	<b>97.01</b>
<b>Cash and cash equivalents</b>						<b>896,661</b>	<b>1.37</b>
<b>Net other assets</b>						<b>1,064,102</b>	<b>1.62</b>
<b>Total Net assets attributable to holders of redeemable participating shares</b>						<b>65,607,629</b>	<b>100.00</b>

Analysis of total assets	% of Total Assets
Transferable securities admitted to an official stock exchange listing	96.94
Cash and cash equivalents	1.34
Other assets	1.72
<b>Total Assets</b>	<b>100.00</b>

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**Portfolio Listing**

Ossiam ESG Opportunity Fund\*

As at 31 December 2022

Security Description	Nominal	Fair Value EUR	% of Net Assets
<b>Transferable securities admitted to an official stock exchange</b>			
<b>Government Bonds: 89.59%</b>			
<b>Spain 89.59%</b>			
Spain Letras del Tesoro (Zero Coupon) 10/03/2023	3,150,000	3,140,707	15.03
Spain Letras del Tesoro (Zero Coupon) 14/04/2023	3,150,000	3,131,950	14.99
Spain Letras del Tesoro (Zero Coupon) 12/05/2023	3,150,000	3,125,682	14.95
Spain Letras del Tesoro (Zero Coupon) 09/06/2023	3,150,000	3,118,154	14.91
Spain Letras del Tesoro (Zero Coupon) 07/07/2023	3,150,000	3,110,846	14.88
Spain Letras del Tesoro (Zero Coupon) 11/08/2023	3,150,000	3,101,490	14.83
<b>Total Spain</b>		<b>18,728,829</b>	<b>89.59</b>
<b>Total Government Bonds</b>		<b>18,728,829</b>	<b>89.59</b>
<b>Total Transferable securities admitted to an official stock exchange</b>		<b>18,728,829</b>	<b>89.59</b>

**OSSIAM IRL II ICAV**  
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**Portfolio Listing (continued)**

**Ossiam ESG Opportunity Fund\* (continued)**

**As at 31 December 2022 (continued)**

**Financial derivative instruments**

**Swap Contracts: 4.79%**

Type	Counterparty Name	Nominal Value	Description	Currency	Expiration Date	Unrealised Appreciation EUR	% of Net Assets
Performance Swaps	Natixis S.A.	30,000	NXSROESG Index	EUR	13-Oct-2023	603,300	2.88
Performance Swaps	Natixis S.A.	(65,923)	GSESWRLD Index	EUR	13-Oct-2023	398,834	1.91
<b>Total swap contracts</b>						<b>1,002,134</b>	<b>4.79</b>
<b>Financial derivative instruments</b>						<b>1,002,134</b>	<b>4.79</b>
<b>Total Financial assets at fair value through profit or loss</b>						<b>19,730,963</b>	<b>94.38</b>
<b>Total Investments</b>						<b>19,730,963</b>	<b>94.38</b>
<b>Cash and cash equivalents</b>						<b>2,251,376</b>	<b>10.77</b>
<b>Net other liabilities</b>						<b>(1,075,489)</b>	<b>(5.15)</b>
<b>Total Net assets attributable to holders of redeemable participating shares</b>						<b>20,906,850</b>	<b>100.00</b>
<b>Analysis of total assets</b>							<b>% of Total Assets</b>
Transferable securities admitted to an official stock exchange listing							85.20
Financial derivative instruments							4.56
Cash and cash equivalents							10.24
Total Assets							<u>100.00</u>

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

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**OSSIAM IRL II ICAV**  
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**Statement of Portfolio Changes (Unaudited)**

Sub-fund not registered in Switzerland  
for the year ended 31 December 2022

**All Purchases\***

<b>Security Description</b>	<b>Nominal</b>	<b>Cost EUR</b>
German Treasury Bill (Zero Coupon) 17/05/2023	9,110,000	9,088,730
German Treasury Bill (Zero Coupon) 13/04/2023	8,924,000	8,939,992
German Treasury Bill (Zero Coupon) 18/01/2023	8,900,000	8,908,523
German Treasury Bill (Zero Coupon) 22/03/2023	8,920,000	8,908,253
German Treasury Bill (Zero Coupon) 14/12/2023	8,900,000	8,905,840
German Treasury Bill (Zero Coupon) 22/02/2023	8,900,000	8,904,067
German Treasury Bill (Zero Coupon) 22/11/2023	7,500,000	7,345,516
German Treasury Bill (Zero Coupon) 23/08/2023	7,200,000	7,137,059
German Treasury Bill (Zero Coupon) 19/07/2023	5,900,000	5,875,187

\*In accordance with the Central Bank UCITS Regulations, the annual report documents material changes that have occurred in the disposition of the assets of the ICAV during the year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of the purchases for the year and/or aggregate disposals greater than 1 per cent of the total value of sales for the year. If there are fewer than 20 purchases/sales that meet the material changes definition, the ICAV shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

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**Statement of Portfolio Changes (Unaudited) (continued)**

Sub-fund not registered in Switzerland for the year ended 31 December 2022

**All Sales\***

<b>Security Description</b>	<b>Nominal</b>	<b>Proceeds EUR</b>
German Treasury Bill (Zero Coupon) 20/07/2022	22,319,418	22,329,987
German Treasury Bill (Zero Coupon) 22/06/2022	22,306,774	22,310,011
German Treasury Bill (Zero Coupon) 24/08/2022	20,436,055	20,450,708
German Treasury Bill (Zero Coupon) 14/12/2022	8,900,000	8,900,000
German Treasury Bill (Zero Coupon) 18/05/2022	7,802,480	7,802,620
German Treasury Bill (Zero Coupon) 23/02/2022	10,000	10,000
German Treasury Bill (Zero Coupon) 21/04/2022	10,000	10,000
German Treasury Bill (Zero Coupon) 23/03/2022	10,000	10,000

\*In accordance with the Central Bank UCITS Regulations, the annual report documents material changes that have occurred in the disposition of the assets of the ICAV during the year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of the purchases for the year and/or aggregate disposals greater than 1 per cent of the total value of sales for the year. If there are fewer than 20 purchases/sales that meet the material changes definition, the ICAV shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

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**Statement of Portfolio Changes (Unaudited) (continued)**

**Ossiam ESG Opportunity Fund\***  
**for the year ended 31 December 2022**

**All Purchases\*\***

<b>Security Description</b>	<b>Nominal</b>	<b>Cost EUR</b>
Spain Letras del Tesoro (Zero Coupon) 10/03/2023	3,150,000	3,135,065
Spain Letras del Tesoro (Zero Coupon) 14/04/2023	3,150,000	3,127,328
Spain Letras del Tesoro (Zero Coupon) 12/05/2023	3,150,000	3,119,756
Spain Letras del Tesoro (Zero Coupon) 9/06/2023	3,150,000	3,111,631
Spain Letras del Tesoro (Zero Coupon) 7/07/2023	3,150,000	3,103,744
Spain Letras del Tesoro (Zero Coupon) 11/08/2023	3,150,000	3,095,473

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

\*\*In accordance with the Central Bank UCITS Regulations, the annual report documents material changes that have occurred in the disposition of the assets of the ICAV during the year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of the purchases for the year and/or aggregate disposals greater than 1 per cent of the total value of sales for the year. If there are fewer than 20 purchases/sales that meet the material changes definition, the ICAV shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

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**Statement of Portfolio Changes (Unaudited) (continued)**

**Ossiam ESG Opportunity Fund\***  
**for the year ended 31 December 2022**

**All Sales\*\***

There were no sales on the Ossiam ESG Opportunities Fund during the financial period ended 31 December 2022.

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

\*\*In accordance with the Central Bank UCITS Regulations, the annual report documents material changes that have occurred in the disposition of the assets of the ICAV during the year. A material change is defined as aggregate purchases of a security exceeding 1 per cent of the total value of the purchases for the year and/or aggregate disposals greater than 1 per cent of the total value of sales for the year. If there are fewer than 20 purchases/sales that meet the material changes definition, the ICAV shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

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**ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND**

**1/ Additional Information regarding the distribution of shares/units in and from Switzerland**

Representative and paying services in Switzerland:

**RBC Investor Services Bank S.A.,  
Esch-sur-Alzette, succursale de Zurich,  
Bleicherweg 7, CH-8027 Zurich  
SWITZERLAND**

In Switzerland, the ICAV's prospectus, Key Investor Information Document, the articles of association, the annual and semi-annual report(s) and list of purchases and sales, may be obtained free of charge from the Swiss Representative and Paying Agent, RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich.

In respect of the units offered in Switzerland, the place of performance is the registered office of the Representative. The place of jurisdiction is at the registered office of the Representative or at the registered office or place of residence of the investor.

Publications about the fund take place on the electronic platform 'www.fundinfo.com'.

**2/ Information concerning Swiss investors – TER (Total Expense Ratio) – expressed in percentage (%)**

<b>ISIN</b>	<b>OSSIAM IRL II ICAV Sub-Funds</b>	<b>Share class</b>	<b>Currency</b>	<b>Fee</b>
IE000NGJAI70	OSSIAM ESG OPPORTUNITY FUND	EA (EUR)	EUR	1,78%
IE000YEQTJ78	OSSIAM ESG OPPORTUNITY FUND	1A (EUR)	EUR	1,58%

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<b>OSSIAM ESG OPPORTUNITY FUND</b>	
<b>Past performances</b>	
<p>There are insufficient data to provide a useful indication of past performance of this Share Class.</p>	<p>This bar chart shows the performance of the UCITS ETF EA (EUR) Share Class in its currency of quotation, net of ongoing charges and excluding entry or exit charges.</p>

<b>OSSIAM ESG OPPORTUNITY FUND</b>	
<b>Past performances</b>	
<p>There are insufficient data to provide a useful indication of past performance of this Share Class.</p>	<p>This bar chart shows the performance of the UCITS ETF 1A (EUR) Share Class in its currency of quotation, net of ongoing charges and excluding entry or exit charges.</p>

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**Appendix I: UCITS V Remuneration Policy (Unaudited)**

**Remuneration Policy**

Regulation 89(3A) of the UCITS Regulations requires that the annual report of the ICAV contains certain disclosures on remuneration paid by the ICAV to its staff during the financial year and details of any material changes to the ICAV's remuneration policy made during the period. In this regard, the following points are to be noted:

This disclosure includes all staff whose professional activities have a material impact on the risk profile of the ICAV ("Identified Staff"). The ICAV has deemed Identified Staff to include: The Directors of the ICAV. The ICAV has no employees or staff that it employs and pays directly. As of 31 December 2022, the ICAV has a Board of Directors, two of whom are employees of the Management Company and receive no remuneration from the ICAV. The remaining two, who are independent, receive a fixed fee only for the financial year 31 December 2022 amounting to EUR 38,464 (31 December 2021: EUR 16,847). These fees are set at a level that reflects the qualifications and contribution required taking into account the ICAV's size, internal organisation and the nature, scope and complexity of its activities.

Regulation 89(3A) of the UCITS Regulations also requires that the annual report of the ICAV contains certain disclosures on remuneration paid by the Management Company regarding remuneration. The Management Company has designed and implemented a remuneration policy that is consistent with, and promotes, sound and effective risk management, based on its business model that by its nature does not encourage excessive risk taking which would be inconsistent with the risk profile of the Sub-Funds. If and where the Management Company identifies those of its staff members whose professional activity has a material impact on the risk profiles of the Sub-Funds, it ensures that these staff members comply with the remuneration policy. The remuneration policy integrates governance, a pay structure that is balanced between fixed and variable components, and risk and long-term performance alignment rules. These alignment rules are designed to be consistent with the interests of the Management Company, the ICAV and the shareholders, with respect to such considerations as business strategy, objectives, values and interests, and include measures to avoid conflicts of interest. The Management Company ensures that the calculation of a part of the performance-based remuneration may be deferred over a three year period and subject to compliance with the risk taking policy of the ICAV.

The remuneration policy is applicable as from the financial period 2021 to the Management Company and is to be reviewed every year by the remuneration committee of the Management Company. Remuneration paid in respect of 2022 for 43 employees (remuneration pro rata temporis of their presence in the company): the fixed remuneration is EUR 4,263,340 and the variable remuneration in respect of the financial year 2022 is EUR 1,095,000. The Management Company believes that disclosure of the breakdown of compensation between identified and unidentified personnel would violate the confidentiality of the individuals in the categories in question, as there would be few individuals in each category. Ossiam has therefore refrained from providing additional information regarding the breakdown by category in the context of this publication.

The Remuneration Policy can be found at [www.ossiam.com](http://www.ossiam.com). This includes a description of how remuneration and benefits are calculated, and sets out the responsibilities for awarding remuneration and benefits, including the composition of the committee which oversees and controls the Remuneration Policy. A copy can be requested free of charge from the Management Company.

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**OSSIAM IRL II ICAV**  
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**Appendix II: Securities Financing Transactions Regulation (“SFTR”) Annual Report**  
**Disclosures (Unaudited)**

The ICAV is required to make available an Annual Report for the financial year for each of its Funds certain disclosures as set out in Article 13 of the European Commission Regulation 2015/2365 on transparency of securities financing transactions and of reuse of collateral (the “Regulation”).

A Securities Financing Transaction (SFT) is defined as per Article 3(11) of the SFTR as:

- repurchase/reverse repurchase agreement;
- securities or commodities lending and securities or commodities borrowing;
- buy-sell back transaction or sell-buy transaction;
- margin lending transaction.

As at 31 December 2022, Sub-fund not registered in Switzerland and Ossiam ESG Opportunity Fund held performance swaps, which were transacted through Morgan Stanley Bank AG and Natixis S.A. respectively, as a type of instrument under the scope of the SFTR. As at the financial year end, cash collateral amounting to EUR 1.15 million (31 December 2021: Nil) were pledged with Morgan Stanley Bank AG and cash collateral amounting to EUR 0.96 million was received from Natixis S.A. As at 31 December 2022, no non-cash collateral was pledged and/or received in relation to the performance swaps. The net realised gain or losses and net change in unrealised gains or losses are included in net gains or losses on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Costs related to swap contracts are included in expenditure from swap contracts in the Statement of Comprehensive Income.

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**Appendix III: Sustainable Finance Disclosure Regulation ("SFDR") Disclosures (Unaudited)**

Sub-fund not registered in Switzerland

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. This Sub-Funds does not have as its objective sustainable investment, nor does it promote environmental or social characteristics. As a result, the Sub-Funds does not fall within the scope of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment.

**Ossiam ESG Opportunity Fund\* (the "Sub-Fund")**

The following pages provide disclosures on the Sub-Fund as required by the SFDR Regulation for Articles 8 and 9 investment funds.

\*Ossiam ESG Opportunity Fund was launched on 13 October 2022.

ANNEX IV

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: Ossiam ESG Opportunity Fund (the "Fund")

Legal entity identifier: 635400ZPB73AVRHNE445

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective**: \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: \_\_\_%

No

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 77.7% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

**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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes:

- The reduction of greenhouse gas ("GHG") emissions;
- Minimum social standards; and

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

- Active consideration of environmental issues.

The Fund gains exposure to investments promoting environmental and/or social characteristics through derivatives (total return swaps).

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

Sustainability Indicator	Value 2022 (As of 30/12/2022)	Investment Universe Value 2022 (Solactive GBS World Developed Market Large & Mid Index)
ESG Score, interval from 0 to 100, with 100 being the best score.	67	60
Total GHG emissions (Scope 1+2+3), tCO2e	1,559	2,651

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

Not applicable. The Fund does not commit to make sustainable investments

*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 Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



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

The Fund has opted to consider certain principal adverse impacts (“PAI”) as part of the Normative Filter and portfolio composition process described in the Investment Policy section of its Supplement.

Adverse impact indicator	Theme	Metric	Value over reporting period	Fund policy
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions	222 tCO2e	- At each rebalancing date, calculations are made using security level data. Total GHG emissions of the portfolio must be lower than the emissions related to the Investment Universe, as defined in the Supplement.
		Scope 2 GHG emissions	207 tCO2e	
		Scope 3 GHG emissions	1,130 tCO2e	
		Total GHG emissions	1,559 tCO2e	
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	- At each rebalancing date, each company is selected to be included in the portfolio provided that it is assessed as not contributing to a PAI
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	

**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.



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

Largest investments	Sector	% Assets	Country
APPLE INCO.	Information Technology	3%	USA
QUALCOMM INCO.	Information Technology	3%	USA
BROADCOM PTE LTD.	Information Technology	3%	USA
PFIZER INCO.	Health Care	3%	USA
ELI LILLY & CO.	Health Care	3%	USA
SKYWORKS SOLUTIONS INCO.	Information Technology	3%	USA
MERCK & COMPANY INCO.	Health Care	3%	USA
CADENCE DESIGN SYS.INCO.	Information Technology	2%	USA
NETFLIX INCO.	Communication Services	2%	USA
ASTRAZENECA PLC.	Health Care	2%	UK
HUMANA INCO.	Health Care	2%	USA
VERTEX PHARMS.INCO.	Health Care	2%	USA
KLA CORP.	Information Technology	2%	USA
PROLOGIS INCO.	Real Estate	2%	USA
EQUINIX INCO.	Real Estate	2%	USA
WESTERN UNION CO.(THE)	Information Technology	2%	USA

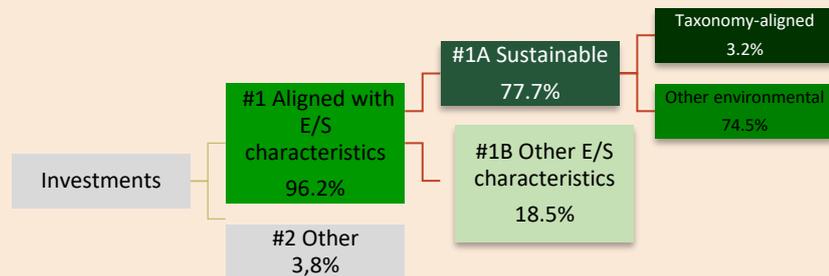
**Asset allocation** describes the share of investments in specific assets.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 2022-10-13 to 2022-12-30



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

- **What was the asset allocation?**



**#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.

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

Sectors	Weight
Communication Services	7.0%
Consumer Discretionary	6.3%
Consumer Staples	2.7%
Energy	0.6%
Financials	11.2%
Health Care	25.6%
Industrials	5.4%
Information Technology	31.8%
Materials	2.0%
Real Estate	7.0%
Utilities	0.3%

Subsectors	Weight
Technology Hardware & Equipment	9.8%

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Semiconductors & Semiconductor Equipment	13.0%
Pharmaceuticals	17.5%
Software & Services	11.2%
HealthCare Equipment & Services	8.1%
Real Estate	7.0%
Banks	3.2%
Telecommunication Services	4.3%
Insurance	5.3%
Capital Goods	5.4%
Consumer Durables & Apparel	5.3%
Food & Staples Retailing	2.0%
Diversified Financials	2.8%
Household & Personal Products	0.7%
Materials	2.0%
Media	0.4%
Energy	0.6%
Automobiles & Components	0.9%
Utilities	0.3%
ConsumerServices	0.2%



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

The proportion of investments classified as sustainable investments with an environmental objective aligned with the EU Taxonomy was 3.2%.

### ● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU taxonomy<sup>1</sup>?**

<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.

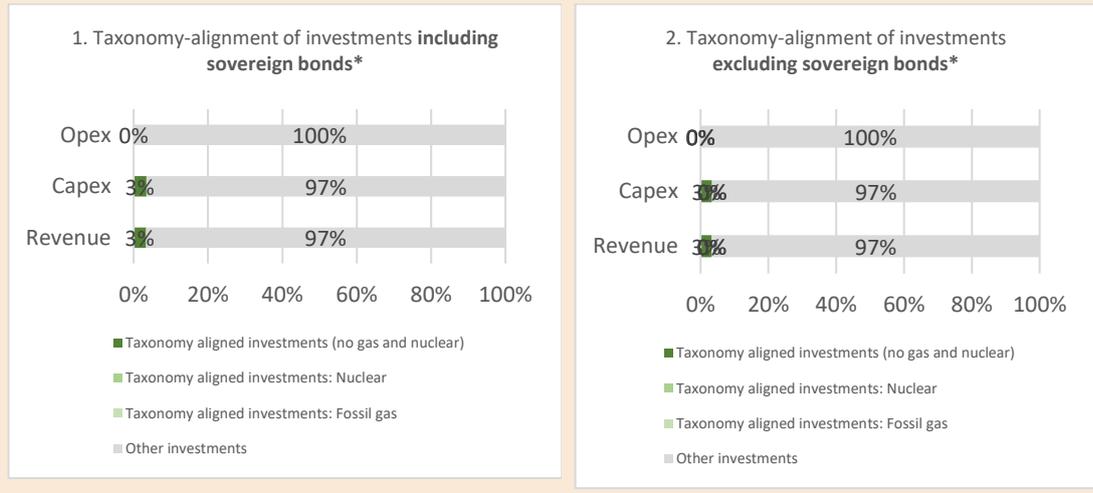
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have

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.

Following the precisions given by a Q&A with the European Commission on failure to collect data, the Fund had 0% of EU Taxonomy-aligned fossil gas investments and 0% of EU Taxonomy-aligned nuclear energy investments for the reporting period.

**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.**



\*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?**

Fund	Share of transitional activities	Share of enabling activities
Ossiam ESG Opportunity Fund	0.0%	0.8%

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

During the reporting period, the Fund's proportion of investments classified as sustainable investments with an environmental objective not aligned with the EU Taxonomy was 74.5%. The sustainability policy used to determine the classification of the Fund's sustainable investments considers themes currently out of scope of the EU taxonomy.



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

The investments included as “#2 Other” consisted of:

- Cash to the extent necessary for the proper day-to-day management of the Fund.
- Financial derivatives used to hedge the equity index exposure of the Fund.
- Liquid assets to support the margin obligations resulting from its investment in financial derivatives, such as deposits, certificates of deposit, commercial paper, fixed or floating rate bonds issued or guaranteed by highly rated OECD Member States or their regional or local authorities or by highly rated supranational organizations and institutions.

Derivatives used for FX hedging purposes in the share classes not denominated in EUR.

Given the types of investments, no environmental or social safeguard was required.



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

At each rebalancing date, the Management Company applies the investment strategy to construct the Fund’s portfolio. The methodology integrates ESG rules which are used to filter and optimise the Fund’s composition. This periodic rebalancing aligns the Fund with the environmental and social characteristics it promotes. Given the nature of the assets invested (government and corporate bonds), no engagement with issuers is considered.