

Record EM Sustainable Finance Fund

Class A USD Shares (ISIN:IE00BN92ZP78)

The Fund is a sub-fund of Record UCITS ICAV (the "ICAV")

Fund overview

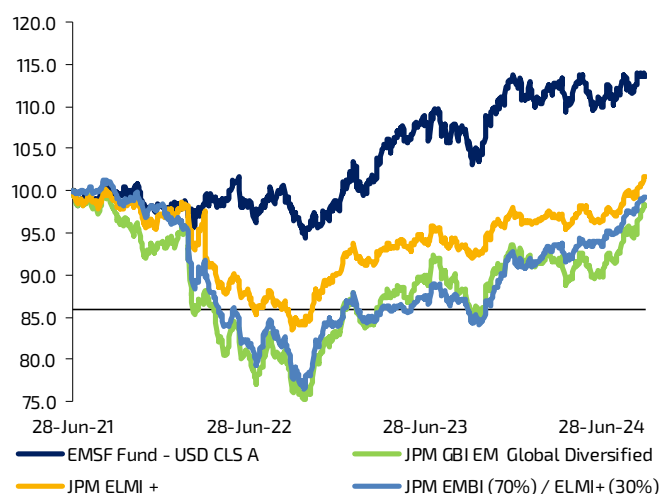
The Record EM Sustainable Finance Fund invests in currencies of emerging and frontier markets and in bonds issued by development agencies, multilateral development banks and sovereigns. The strategy operates an impact strategy, whereby it aims to stabilise currencies to facilitate development and harness growth. The Fund provides an opportunity for investors to achieve total return through capital growth over a medium term horizon at the same time it aims to deliver positive social, environmental and development outcomes for local communities.

For the purposes of the EU Sustainable Finance Disclosure Regulation the Fund has been categorised as an Article 8 Fund which means it promotes, among other characteristics, social characteristics.

Fund facts

Name of fund	Record - EM Sustainable Finance Fund
Share class	Class A USD Shares
Launch date	29 June 2021
Base currency	USD
Legal entity identifier	549300GQ0RNQBONCX50
ISIN	IE00BN92ZP78
BBG ticker	REMSFAU ID
Pricing frequency	Daily
Management fee	Up to 0.65% per annum
Total Expense ratio	Up to 0.82% per annum
Fund domicile	Ireland

Fund performance



Historical performance

Share Class	Month	3 Months	YTD	1 Year	3 yrs (ann.)	5 yrs (ann.)	ITD (cum.)	ITD (ann.)
USD CLS A	1.31%	2.59%	(0.08%)	7.18%	4.45%	n/a	13.59%	3.99%
JPM GBI EM Global Diversified	3.39%	8.99%	4.95%	13.42%	0.60%	n/a	(1.81%)	(0.56%)
JPM ELMI+	1.98%	5.24%	3.78%	9.27%	1.16%	n/a	1.57%	0.48%
30% JPM ELMI+ & 70% JPM EMBI Global Diversified	1.89%	5.88%	7.18%	15.74%	0.11%	n/a	(0.71%)	(0.22%)

Source: Northern Trust International Fund Administration Services & Record Currency Management, JP Morgan Data Query. Note benchmark returns are based on the USD Total Return Index

Fund statistics

Fund Net Asset Value (USD)	1,137,955,395
Share Class Net Asset Value (USD)	429,907,201
Portfolio volatility ¹	7.66%
Portfolio yield ²	11.80%
Portfolio duration ³	4.67
Notional-Weighted Portfolio duration	1.57

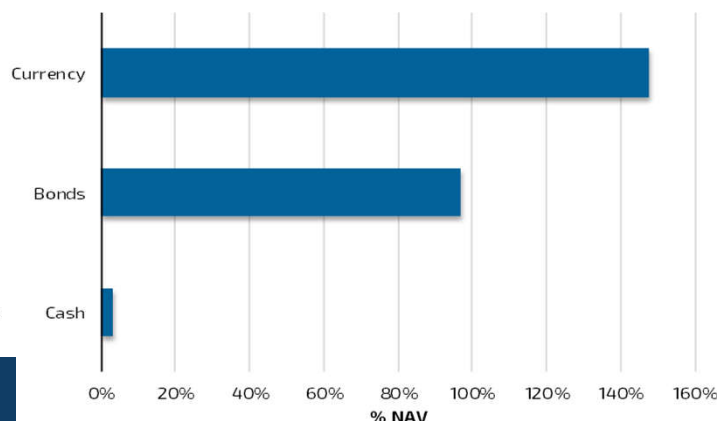
¹ Portfolio volatility is annualised standard deviation of the daily returns of the share class.

² Portfolio yield corresponds to the yield to maturity of the bond portfolio, yield on the T-Bills plus the FX IRD locked in at the point of trade. This methodology is subject to revision.

³ Portfolio duration reflects the duration of the bond portfolio and the average maturity of the FX contract. Yield/IRD and duration/maturity figures for bonds and FX strategies are reported separately on the following page.

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Portfolio breakdown, asset class

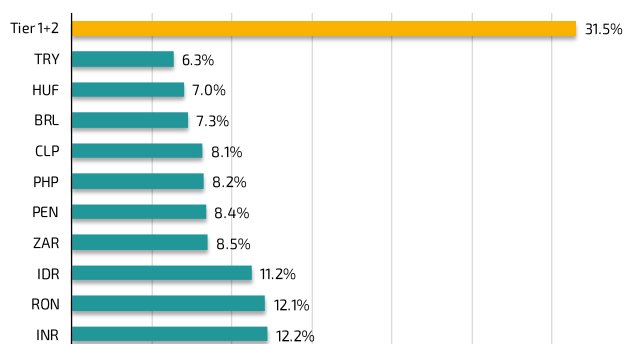


Note: Cash represents cash and cash equivalents, which includes settled cash + cash on transit and Treasury Bills. The bond exposure includes all outstanding bonds traded prior to or on the report date.

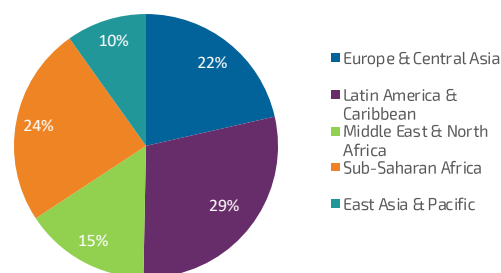
The Swiss Representative and the Paying Agent is Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zurich. In respect of the Shares offered in Switzerland, the place of performance is the registered office of the Representative. The place of jurisdiction is at the registered office of the Representative or at the registered office or place of residence of the Shareholder. The Prospectus and the Key Information Documents, the Instrument of Incorporation as well as the annual and semi-annual reports may be obtained free of charge from the Representative in Switzerland.

Currency positioning

Top ten currency positions (%NAV)



Breakdown by region, Tier 1 & Tier 2



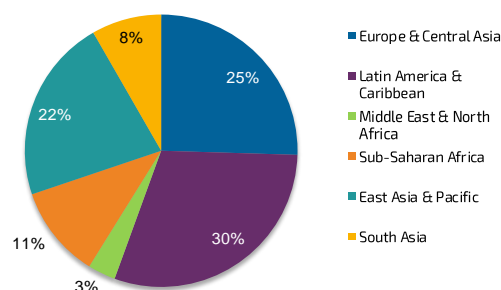
Currencies are split in three tiers, where tier 1 (T1) and tier 2 (T2) currencies are less liquid and tradeable with bespoke portfolio construction and trading. Tier 3 (T3) currencies, are most liquid and tradable with the systematic impact methodology applied.

Portfolio statistics

FX portfolio	
Number of positions	32
Average maturity (days)	61
Interest Rate Differential (Ann.)	6.9%
Average country credit rating	BBB-

Note: number of position equates to the number of EM & Frontier currencies traded. Average credit rating is based on the sovereign credit rating for the EM & Frontier country in the FX portfolio, as published by S&P Global Ratings. Interest Rate Differential reflects the IRD locked in at the point of trade.

Breakdown by region, FX portfolio



Bond positioning

Portfolio statistics	
Yield to Maturity	5.0%
Modified Duration	4.6
Average Coupon	5.3%
Number of Issuers	18
Average Credit Rating	AAA

Top 10 Currency Exposures	% NAV
USD	77.2%
UZS	3.5%
COP	3.3%
MXN	2.0%
RON	1.9%
INR	1.8%
JMD	1.8%
PLN	1.6%
BRL	0.8%
CRC	0.5%

Top 5 Issuers	% NAV
International Bank for Reconstruction and Development	15.7%
Asia Development Bank	11.9%
European Bank for Reconstruction and Development	8.4%
Inter-American Investment Corp	8.0%
Corp Andina de Fomento	7.8%

Maturity breakdown	
0 - 3yrs	18.6%
3yrs - 5yrs	30.5%
5yrs - 7yrs	14.6%
> 7yrs	36.4%

Credit rating	
AAA	72.1%
AA- / AA / AA+ / A+	27.9%

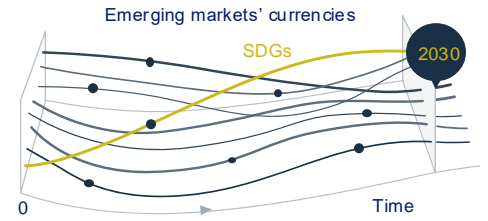
Fund details

Fund structure:
Irish domiciled collective asset-management vehicle
Investment Manager:
Record Currency Management Limited
Custodian & Administrator:
Northern Trust International Administration Services (Ireland) Limited
Management Company:
MPMF Fund Management (Ireland) Limited
Account opening:
Accounts must be opened at least five business days prior to the dealing day.

Dealing deadline:
Trade orders must be received before 9am (Irish time) one Business Day prior to Dealing day
Settlement Deadline:
Subscriptions must be paid two Business Days after the relevant Dealing Day. Repurchase, payment of proceeds will be made as soon as possible after the relevant dealing day, normally within two business days
Pricing:
Single Swing Price. Anti-Dilution Levy may be applied on net subscriptions or repurchases

Global impact

Impact reporting provides transparency on the world's collective efforts to reach its 17 Sustainable Development Goals (SDGs) by 2030. Whilst strengthening emerging markets' currencies will take decades, the Fund's progress has already begun; the Fund seeks to enable this progress by stabilizing the volatility of these currency markets in addition to funding capital projects in developing countries. Measurement and transparency of innovative and effective investment solutions will support the Fund's aspiration to address gaps and opportunities in these countries, to challenge the status quo and propel systematic change up to, and beyond, 2030.



Currency impact

All countries need well-developed currency markets. More than 100 currencies have been identified by the Fund as potential beneficiaries of a more robust market, with a view to this list shortening once the appropriate structures are established. In considering progress of the Fund in establishing and building upon these markets, there are 4 elements to be considered:



Beneficiaries

Ensuring the most vulnerable communities are positively impacted by the investments.



Coverage

Expanding investments from 32 currencies to 100+ currencies.



Depth

Expanding tenor range in both short- and long-term maturities.



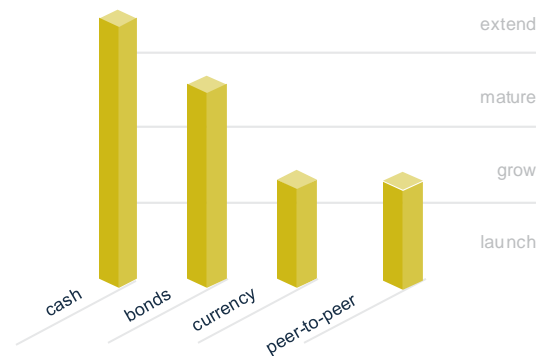
Engagement

Encouraging and incentivising all market participants to become industry leading examples of sustainable organisations.

Market impact

The Fund has adopted a holistic, multi-pronged, sustainability strategy, expanding its traditional currency manager role to integrate sustainability considerations throughout the investment process and across the stakeholder universe. Structurally, the strategy consists of fixed income investments and a developing market currency overlay. The cash and USD-denominated bond collateral allows the fund to scale the portfolio's potential impact through overlaying FX derivatives such as forwards and swaps. The Fund's strategy involves active currency engagement with financial partners.

Whilst bonds markets have a more mature investment profile, developing currency markets tend to lack relative depth, with peer-to-peer transactions assuming a prominent role in market-making. The Fund's intention is to build a presence in peer-to-peer transactions, expanding the Fund's opportunity set, supporting local market development and contributing to price discovery.



Fund impact

Lemma FX Impact Rating

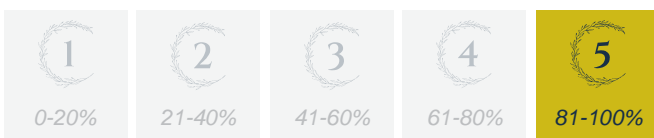


This impact extends beyond the Fund's net asset value (NAV) of \$ 1,137,955,395. Given the Fund's unique currency strategy, your \$ 1 invested into the Fund achieves significantly greater than \$ 1 of impact investment out of the Fund.

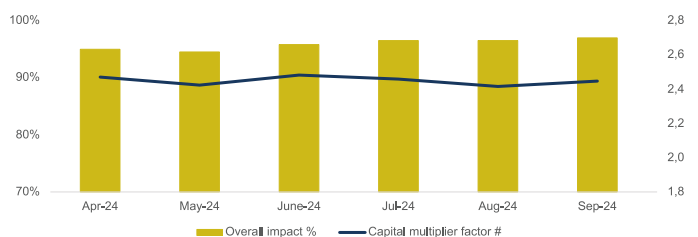
This distinguishes the strategy from other investment instruments that do not have a societal and economic multiplier effect that is inherent in the Fund's approach (for further detail on this pioneering strategy, please see the UBS CIO GWM white paper 'Emerging market sustainable finance', June 2021).

In doing so, the Fund has amplified its net asset value (NAV) of \$ 1,137,955,395 by a factor of 2.45, whereby the Assets Under Management (AUM) of the Fund are \$ 2,785,434,747. Amplification is achieved via the Fund's bond investments serving as security for its currency investments.

Lemma FX fund impact outcome



Overall fund impact and Capital multiplier factor



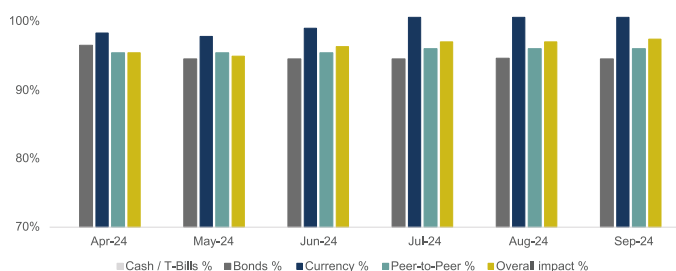
96.92% ▲ +0.41%



Overall, the Fund has achieved an impact rating of 97% i.e. of the investments made by the Fund, 97% of these were classified as having an impact in developing market countries.

Subcomponent impact

Impact rating



Note: As of 1 September 2024, ESG counterparty ratings have been updated and these scores are listed at the back of the monthly verification report

Peer-to-Peer progress

The Fund holds twenty-four peer-to-peer investments to date:

These investments include holdings in the Mexican Peso (MXN) partnering with the IFC and Corp Andino de Fomento (CAF - 2 projects), Indian Rupiah (INR) partnering with the Asian Development Bank, Rumanian Leu (RON) partnering with EBRD, Columbian Peso (COP) partnering with the Inter-American Investment Corp (IDB Invest) and CAF (2 projects), Azerbaijanian Manat (AZN) partnering with the Asian Development Bank (ADB), Mongolian Turk (MNT) partnering with the Asian Development Bank (ADB), Polish Zloty (PLN) partnering with the European Investment Bank (EIB) and Jamaican Dollar (JMD) partnering with the International Finance Corporation (IFC) and FMO, Kazakhstan Tenge (KZT) issued by the Asian Development Bank (ADB), Costa Rican Colon (2 projects), Vietnamese Dong and Armenin Dram both issued by the EBRD, Uzbekistani Som (5 projects), the Brazilian Real working with the Inter-American Investment Corp, and in Turkey (TRY) via the European Bank for Reconstruction and Development (EBRD).

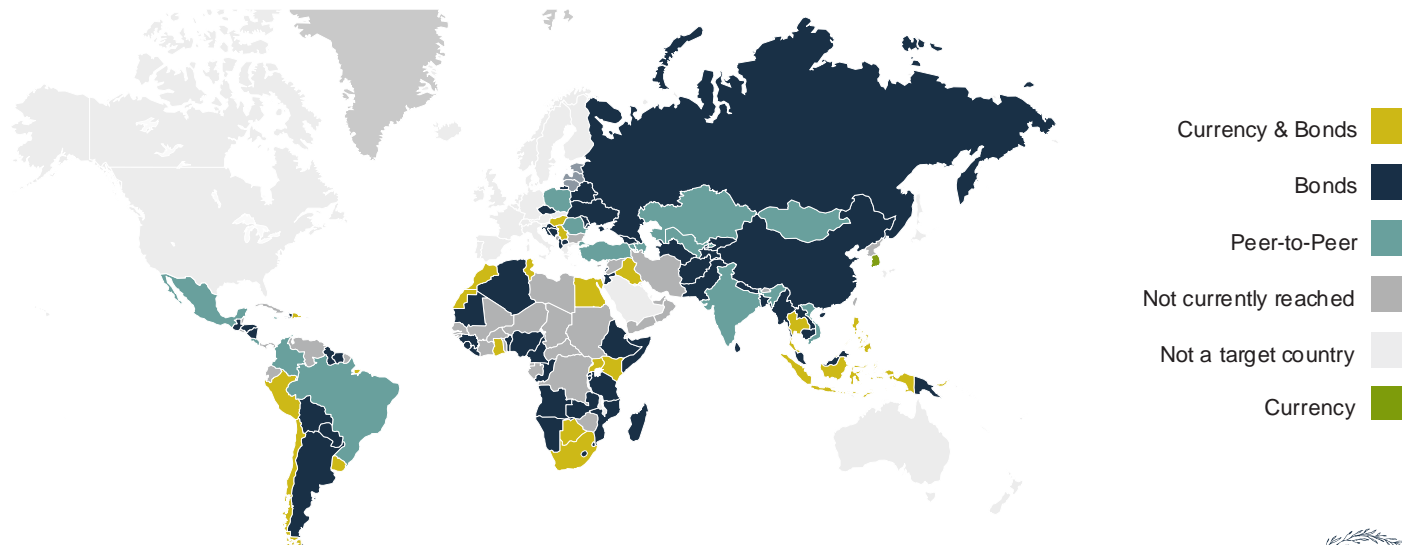
Subcomponent snippet

Impact rating	September 2024 (% point change)	Prior month	Notes
Cash / US T-Bills	0% (0%)	0%	No change
Bonds	94% (0%)	94%	No changes in bond holdings this month. The Fund added two new currencies to its portfolio, the Georgian Lari and Kyrgyzstani Som. After applying counterparty ratings based on a new ranking, five banks with whom the Fund had previously traded fell below the impact threshold.
Currency	100% (0%)	100%	This month, the Fund did not transact with any of the non-impact banks. Thus, the bank counterparty ratings applied for Q3 2024 resulted into a currency engagement rating of 100% for the month of July. This is similar to the previous month (for detailed reporting see LemmaFX monthly impact report).
Peer-to-Peer	96% (0%)	96%	No additional P-2-P trades were executed this month. The overall P-2-P trades remained at twenty-four transactions in fourteen countries.

Geographical impact

Target currencies of the Fund reached by subcomponent (regional breakdown)

	Sub-Saharan Africa	South Asia	Latin America & Caribbean	East Asia & Pacific	Middle East & North Africa	Europe & Central Asia	Total
Target currencies	33	6	19	19	8	21	106
Cash	-	0	-	-	-	-	-
Bonds	31 (93%)	6 (100%)	19 (100%)	18 (94%)	8 (100%)	21 (100%)	103 (97%)
Currency	5 (15%)	1 (14%)	8 (42%)	6 (31%)	3 (37%)	9 (43%)	32 (30%)
Peer-to-Peer	-	1 (16%)	5 (26%)	2 (10%)	-	6 (28%)	14 (13%)



The Fund has already invested, via its Currency engagement, in 32 of the 106 currencies in its target universe despite having launched on 29 June 2021. Additionally, bond investments have facilitated development projects in over 100 target developing economies. Further details of Lemma FX's impact methodology are available on request.