

Annual Report

Legg Mason Alternative Funds ICAV

An Irish collective asset-management vehicle with variable capital having registration number C139549 and established as an umbrella fund with segregated liability between sub-funds

For the financial year ended 30 June 2020

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General Information

Board of Directors

Fionnuala Doris (Ireland) (Independent)
 Joseph Keane (Ireland) (Independent)
 Joseph Carrier (U.S.)
 Joseph LaRocque (U.S.)
 Jane Trust (U.S.)
 Jaspal Saggar (U.K.)*
 Victoria Rock (U.K.)*/**

Registered Office of the ICAV

10 Earlsfort Terrace
 Dublin 2, Ireland

Manager and Promoter

Legg Mason Investments (Ireland) Limited
 6th Floor, Building Three
 Number One Ballsbridge
 126 Pembroke Road
 Dublin 4, Ireland

Investment Manager***

EnTrustPermal Ltd.
 12 St. James's Square
 London SW1Y 4LB
 United Kingdom

Investment Manager****

EnTrustGlobal Ltd.
 12 St. James's Square,
 London SW1Y 4LB
 United Kingdom

Independent Auditors

PricewaterhouseCoopers
 Chartered Accountants & Registered Auditors
 One Spencer Dock
 North Wall Quay
 Dublin 1, Ireland

Distributors and Shareholder Servicing Agents

Legg Mason Investor Services, LLC
 100 International Drive
 Baltimore, Maryland 21202
 U.S.A.

Legg Mason Investments (Europe) Limited
 201 Bishopsgate
 London EC2M 3AB
 United Kingdom

Legg Mason Asset Management Hong Kong Limited
 12/F, York House
 15 Queen's Road Central
 Hong Kong

Legg Mason Asset Management Singapore Pte. Limited
 1 George Street, # 23-02
 Singapore 049145

Administrator

State Street Fund Services (Ireland) Limited
 78 Sir John Rogerson's Quay
 Dublin 2, Ireland

Secretary

Bradwell Limited
 Arthur Cox Building
 Earlsfort Terrace
 Dublin 2, Ireland

Irish Legal Adviser

Arthur Cox
 10 Earlsfort Terrace
 D02 T380
 Dublin 2, Ireland

Depository

State Street Custodial Services (Ireland) Limited
 78 Sir John Rogerson's Quay
 Dublin 2, Ireland

Swiss Representative****

First Independent Fund Services Ltd
 Klausstrasse 33
 CH-8008 Zurich
 Switzerland

Swiss Paying Agent

NPB New Private Bank Ltd
 Limmatquai 1/am Bellevue
 CH-8024 Zurich
 Switzerland

* Effective 19 September 2019, Jaspal Saggar and Victoria Rock were appointed as Directors to the ICAV.

** Effective 30 September 2020, Victoria Rock resigned as a Director to the ICAV.

*** On 22 July 2019, EnTrustPermal Ltd. ceased acting as the Investment Manager and EnTrust Global Ltd. was appointed as Investment Manager.

**** The Prospectus, the instrument of incorporation, the KIID, the annual and semi-annual reports of the Fund may be obtained free of charge from the Swiss Representative. In respect of the Shares distributed in and from Switzerland to Qualified Investors, the place of performance and the place of jurisdiction is at the registered office of the Swiss Representative.

Directors' Report

The Directors submit their report together with the audited financial statements for the financial year ended 30 June 2020.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and Legg Mason Alternative Funds ICAV (the "ICAV") financial statements in accordance with Reporting Standard FRS 102: The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Irish Collective Asset-management Vehicle Act 2015 ("the ICAV Act") and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, and under the Central Bank (Supervision & Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (together the "UCITS Regulations").

The ICAV Act requires the Directors to prepare financial statements for each financial period which give a true and fair view of the assets and liabilities and financial position of the ICAV and of the profit or loss of the ICAV for that period and otherwise comply with the ICAV Act. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with FRS 102 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 are responsible for ensuring the maintenance of adequate accounting records which correctly explain and record the transactions of the ICAV, enable at any time the assets, liabilities, financial position and profit or loss of the ICAV to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors report comply with the ICAV Act and enable the financial statements to be audited in accordance with FRS 102, the ICAV Act and the UCITS Regulations. The Directors believe that they have complied with the requirement with regard to adequate accounting records by employing an experienced administrator, State Street Fund Services (Ireland) Limited (the "Administrator") with appropriate expertise and adequate resources to prepare the financial statements. The Directors are responsible for safeguarding the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to State Street Custodial Services (Ireland) Limited (the "Depositary") who has been appointed as Depositary to the ICAV pursuant to the terms of a Depositary Agreement in accordance with the requirements of the UCITS Regulations. The Directors have a general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities.

The Directors ensure compliance with the ICAV's obligation to maintain adequate accounting records by appointing competent persons to be responsible for them. The accounting records are kept by the Administrator, at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

The Directors are responsible for the maintenance and integrity of the corporate and financial information of the ICAV included on the website of Legg Mason affiliates that distribute the Fund. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Relevant Audit Information

So far as the Directors are aware, there is no relevant audit information of which the ICAV's auditors are unaware and the Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the ICAV's auditors are aware of that information.

Corporate Governance Code

The Board has adopted the voluntary Irish Funds ("IF") Corporate Governance Code (the "Code") for Irish domiciled Collective Investment Schemes and Management Companies. The Board has reviewed and assessed the measures included in the Code and considers its corporate governance practices and procedures since the adoption of the Code as consistent therewith.

Employees

The ICAV had no employees during the financial year ended 30 June 2020 or 30 June 2019.

Directors

The Directors appointed on formation and who held office at any time during the financial year are detailed below:

Fionnuala Doris*
Joseph Keane*
Joseph Carrier
Joseph LaRocque
Jane Trust
Jaspal Saggar**
Victoria Rock**/**

Nationality
Irish
Irish
American
American
American
British
British

- * Independent Directors
- ** Effective 19 September 2019, Jaspal Saggar and Victoria Rock were appointed as Directors to the ICAV.
- *** Effective 30 September 2020, Victoria Rock resigned as a Director to the ICAV.

As the day to day management and running of the ICAV has been delegated to EnTrustGlobal Ltd (the "Investment Manager") and State Street Fund Services (Ireland) Limited (the "Administrator").

Directors' and Secretary's Interests in Shares and Contracts

All Directors and the ICAV Secretary who held office at 30 June 2020 had no interest in the share capital of the ICAV or associated group companies. The Directors are not aware of any contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors had any interest.

Investment Objective and Investment Policy for EnTrustGlobal Alternative Income Strategy (the "Fund")

The Fund's investment objective is to seek total return comprised of capital appreciation and income. The Fund is a multi-manager, multi-strategy fund that seeks to achieve its investment objective by allocating its assets to a select group of discretionary sub-investment advisers ("Sub-Advisers") that employ a variety of investment strategies. In seeking to meet its investment goal, the Fund implements a tactical asset allocation program by investing in a number of alternative investment strategies which is overseen by the Fund's Investment Manager. The Investment Manager is responsible for selecting the investment strategies in which the Fund invests, identifying and retaining Sub-Advisers with expertise in the selected investment strategies, determining the proportion of the Fund's assets to allocate to each Sub-Adviser and investment strategy and monitoring the services provided by the Sub-Advisers. The Investment Manager seeks to reduce risk and volatility in the Fund through diversification of the Fund's exposure to multiple Sub-Advisers and investment strategies. Based on the Investment Manager's on-going evaluation of the Sub-Advisers and the macroeconomic environment, the Investment Manager may adjust allocations to investment strategies and/or Sub-Advisers accordingly or make decisions with respect to the termination or replacement of Sub-Advisers. In certain limited circumstances the Investment Manager may manage a portion of the assets themselves. In pursuing the investment strategies, the Fund may invest only in the investment techniques and instruments, including financial derivative instruments ("FDI"), currency hedging strategies, and securities that are set out in the section entitled "Investment Techniques and Instruments" in the Supplement of the ICAV.

Key Performance Indicators

Key performance indicators monitored for the Fund include: the month to month movement in the Net Asset Value ("NAV") per share; the share capital movements; and the log of any errors, or breaches in investment restrictions.

Distributions to Holders of Redeemable Participating Shares

The distributions to holders of redeemable participating shares for the financial year ended 30 June 2020 are set out in the Statement of Comprehensive Income.

Connected Persons Transactions

Regulation 43 of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 ("Central Bank Regulations") states that "a responsible person shall ensure that any transaction between the UCITS Regulations and a connected person is conducted (a) at arm's length; and (b) in the best interest of the unit-holders of the UCITS".

As required under UCITS Regulation 78(4) of the Central Bank Regulations, the Directors are 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 period to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

Review of Business and Future Development

The business of the ICAV is reviewed in detail in the Investment Manager's Report on page 6. The ICAV intends to continue promoting and generating interest in its business in the future.

The NAV per share of the Fund is set out in the Statement of Financial Position on page 15. The Fund commenced operations on 25 August 2015.

Principal Risk and Uncertainties

The information required in relation to the use by the Fund of financial instruments and the financial risk management objectives and policies of the Fund and the exposure of the Fund to market risk, liquidity risk and credit risk are outlined in Note 14 to these financial statements.

Directors Fees

The Director fees during the financial year ended 30 June 2020 amounted to US\$14,583 (30 June 2019: US\$30,456).

Directors' Report – *(continued)*

Soft Commissions

The total value of soft commission arrangements entered into on behalf of the Fund for the financial year ended 30 June 2020 is US\$Nil (30 June 2019: US\$Nil). During the financial year ended 30 June 2020 US\$Nil was reimbursed to the ICAV to cover the portion of soft commissions that occurred during the 1 January 2019 through 30 June 2019 period.

Risk Management Objectives and Policies

The main risks arising from the ICAV's financial instruments are market price, interest rate, foreign currency, liquidity and credit risk. For further information on risk management objectives and policies, please see Note 14 of these financial statements and the Prospectus and Supplement of the ICAV.

Significant Events

The significant events during the financial year are detailed in Note 16.

Subsequent Events

Significant events subsequent to the financial year end are detailed in Note 18.

Independent auditors

PricewaterhouseCoopers have expressed their willingness to continue in office in accordance with Section 125(1) of the ICAV Act 2015.

On behalf of the Directors of the ICAV:

DocuSigned by:

Gionnanna Doris

E75826E9C7854A7...

Director

Date: 13 October 2020

DocuSigned by:

Joe Keane

E38DC2D0DD724BB...

Director

Depository's Report

We have enquired into the conduct of Legg Mason Alternative Funds ICAV (the "ICAV") for the year ended 30 June 2020, in our capacity as Depository to the ICAV.

This report including the opinion has been prepared for and solely for the shareholders in the ICAV as a body, in accordance with Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, ('the UCITS Regulations'), 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 Depository

Our duties and responsibilities are outlined in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the ICAV in each annual accounting period and report thereon to the shareholders.

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 Instrument of Incorporation and the UCITS Regulations. It is the overall responsibility of the ICAV to comply with these provisions. If the ICAV has not so complied, we as Depository must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depository Opinion

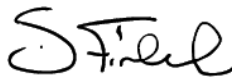
The Depository conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the ICAV has been managed (i) in accordance with the limitations imposed on its investment 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 Instrument of Incorporation, 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'); and

(ii) otherwise in accordance with the provisions of the Instrument of Incorporation, the UCITS Regulations and the Central Bank UCITS Regulations.



State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland
Date: 13 October 2020

Letter to Shareholders

Market review for EnTrustGlobal Alternative Income Strategy

Global Economic Review

After initially expanding, the global economy then contracted given the fallout from the COVID-19 pandemic. In its June 2020 *World Economic Outlook Update*, the International Monetary Fund ("IMF") said, "The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast... As with the April 2020 WEO [*World Economic Outlook*] projections, there is a higher-than-usual degree of uncertainty around this forecast. The baseline projection rests on key assumptions about the fallout from the pandemic. In economies with declining infection rates, the slower recovery path in the updated forecast reflects persistent social distancing into the second half of 2020... For economies struggling to control infection rates, a lengthier lockdown will inflict an additional toll on activity." From a regional perspective, the IMF projects the US economy will contract 8.0% in 2020, compared to the 2.3% GDP expansion in 2019. Elsewhere, the IMF anticipates that 2020 GDP growth in the eurozone, UK and Japan will be -10.2%, -10.2% and -5.8%, respectively. For comparison purposes, the GDP of these economies expanded 1.3%, 1.4% and 0.7%, respectively, in 2019.

Market Review – Fixed Income

Global fixed income markets posted strong results during the reporting period. In the US, the Federal Reserve Board ("Fed") aggressively lowered interest rates and introduced a number of initiatives to support the economy and help keep the financial market functioning properly. In addition, there were a number of "flights to quality" and increased demand for fixed income securities. Against this backdrop, US Treasury yields moved sharply lower (yields and prices move in the opposite direction) and the spread sectors (non-US Treasuries) rallied. Outside the US, a number of central banks also pursued highly accommodative monetary policies given the sharp decline in economic activity. This also led to falling bond yields and rising prices.

Market Review – Global Equities

Global equities were extremely volatile and generated mixed results during the reporting period. After initially moving higher, the market experienced a rapid and severe decline in February and March 2020 given the headwinds from the COVID-19 pandemic. In the US, the equity market's 11-year bull market ended in March 2020 and it then experienced its fastest fall ever from an all-time high to a bear market. US equities then rallied sharply during the second quarter of the year and posted a positive return for the 12-month reporting period as a whole. This turnaround was triggered by significant monetary and fiscal stimulus efforts, the reopening of certain economies and hopes for a COVID-19 vaccine. Equities outside the US also rallied during the second quarter of 2020, but it was not enough to offset their previous losses.

Yours sincerely,

Legg Mason Investments (Ireland) Limited

It should be noted that the value of investments and the income from them may go down as well as up. Investment involves risks, including the possible loss of the amount invested. Past performance is not a reliable indicator of future results.

This information and data in this material has been prepared from sources believed reliable but is not guaranteed in any way by Legg Mason Investments (Ireland) Limited nor any Legg Mason, Inc. company or affiliate (together "Legg Mason"). No representation is made that the information is correct as of any time subsequent to its date.

Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situations or needs of investors.

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Issued and approved by Legg Mason Investments (Ireland) Limited, registered office 6th Floor Building Three, Number One Ballsbridge, 126 Pembroke Road, Dublin 4, Ireland. Incorporated in Ireland, and authorised and regulated by the Central Bank of Ireland.

Independent Auditors' Report

Independent auditors' report to the shareholders of Legg Mason Alternative Funds ICAV

Report on the audit of the financial statements

Opinion

In our opinion, Legg Mason Alternative Funds ICAV's financial statements:

- give a true and fair view of the ICAV's assets, liabilities and financial position as at 30 June 2020 and of its results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report, which comprise:

- the Statement of Financial Position as at 30 June 2020;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the year then ended;
- the Portfolio of Investments as at 30 June 2020; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the ICAV in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the ICAV's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the ICAV's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Irish Collective Asset-management Vehicles Act 2015 requires us to also report the opinion as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2020 is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the ICAV's shareholders as a body in accordance with section 120 of the Irish Collective Asset-management Vehicles Act 2015 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Irish Collective Asset-management Vehicles Act 2015 exception reporting

Directors' remuneration

Under the Irish Collective Asset-management Vehicles Act 2015 we are required to report to you if, in our opinion, the disclosures of directors' remuneration specified by section 117 of that Act have not been made. We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
13 October 2020

EnTrustGlobal Alternative Income Strategy

Portfolio of Investments

Face Value ('000's)	Value ('000's) US\$	% of NAV
Transferable Securities — 74.07%		
Bonds — 64.87%		
Argentina — 1.10% (30 June 2019: 2.20%)		
1,175 Argentine Republic Government International Bond 5.625% due 26/01/22	491	0.22
308 Argentine Republic Government International Bond 8.280% due 31/12/33	118	0.05
2,125 Cia Latinoamericana de Infraestructura & Servicios SA 9.500% due 20/07/23	861	0.39
810 Mastellone Hermanos SA 12.625% due 03/07/21	639	0.29
437 YPF SA 8.500% due 28/07/25	326	0.15
	2,435	1.10
Austria — 0.73% (30 June 2019: 0.54%)		
1,400 ams AG 0.000% due 05/03/25	1,109	0.50
500 JBS Investments GmbH 6.250% due 05/02/23	498	0.23
	1,607	0.73
Belgium — 0.57% (30 June 2019: 0.25%)		
800 Belfius Bank SA 3.625% due 31/12/99^	783	0.35
480 House of Finance NV 4.375% due 15/07/26	476	0.22
	1,259	0.57
Bermuda — 0.28% (30 June 2019: 0.82%)		
400 Cosan Ltd 5.500% due 20/09/29	381	0.18
290 Digicel Group 0.5 Ltd 10.000% due 01/04/24	201	0.09
182 Digicel Group Two Ltd 8.250% due 30/09/22	7	—
599 Digicel Group Two Ltd 9.125% due 01/04/24	27	0.01
	616	0.28
Brazil — 0.66% (30 June 2019: Nil)		
205 Banco BTG Pactual SA 4.500% due 10/01/25	201	0.09
460 Banco do Brasil SA 4.625% due 15/01/25	478	0.21
200 Brazilian Government International Bond 3.875% due 12/06/30	193	0.09
430 Centrais Eletricas Brasileiras SA 4.625% due 04/02/30	411	0.19
200 Globo Comunicacao e Participacoes SA 4.875% due 22/01/30	181	0.08
	1,464	0.66
Canada — 0.92% (30 June 2019: 3.28%)		
560 Canacol Energy Ltd 7.250% due 03/05/25	568	0.26
260 First Quantum Minerals Ltd 7.250% due 15/05/22	255	0.12
410 First Quantum Minerals Ltd 7.250% due 01/04/23	394	0.18
355 First Quantum Minerals Ltd 7.500% due 01/04/25	340	0.15
240 Magna International Inc 2.450% due 15/06/30	246	0.11
200 MEGlobal Canada ULC 5.875% due 18/05/30	227	0.10
	2,030	0.92
Cayman Islands — 3.29% (30 June 2019: 2.58%)		
2,623 Ambac LSNI LLC 6.000% due 12/02/23	2,598	1.18
215 China Evergrande Group 8.750% due 28/06/25	173	0.08
335 Country Garden Holdings Co Ltd 7.250% due 08/04/26	365	0.17
400 Dar Al-Arkan Sukuk Co Ltd 6.750% due 15/02/25	359	0.16
100 Kaisa Group Holdings Ltd 11.950% due 22/10/22	104	0.05
335 Melco Resorts Finance Ltd 5.375% due 04/12/29	336	0.15
630 Sable International Finance Ltd 5.750% due 07/09/27	644	0.29
215 Sands China Ltd 4.375% due 18/06/30	225	0.10
2,589 Transocean Phoenix 2 Ltd 7.750% due 15/10/24	2,453	1.11
	7,257	3.29
Chile — 0.21% (30 June 2019: 0.15%)		
250 AES Gener SA 7.125% due 26/03/79^	259	0.12
200 VTR Comunicaciones SpA 5.125% due 15/01/28	205	0.09
	464	0.21
Colombia — 0.25% (30 June 2019: Nil)		
360 Bancolombia SA 4.625% due 18/12/29^	340	0.16
175 Ecopetrol SA 6.875% due 29/04/30	202	0.09
	542	0.25
Egypt — 0.18% (30 June 2019: Nil)		
200 Egypt Government International Bond 7.625% due 29/05/32	196	0.09
200 Egypt Government International Bond 8.875% due 29/05/50	198	0.09
	394	0.18

Investments are categorised by country of incorporation.
The accompanying notes are an integral part of the Financial Statements.

EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Face Value ('000's)	Value ('000's) US\$	% of NAV
EL Salvador — Nil (30 June 2019: 0.03%)		
France — 2.01% (30 June 2019: 0.64%)		
480 Altice France SA 2.500% due 15/01/25	515	0.23
500 Arkema SA 4.750% due 29/10/49^	567	0.26
200 Ceetrus SA 2.750% due 26/11/26	219	0.10
485 IM Group SAS 6.625% due 01/03/25	469	0.21
400 La Banque Postale SA 3.875% due 31/12/99^	422	0.19
244 Rubis Terminal Infra SAS 5.625% due 15/05/25	285	0.13
1,700 Tikehau Capital SCA 3.000% due 27/11/23	1,956	0.89
	4,433	2.01
Georgia — 0.16% (30 June 2019: Nil)		
360 TBC Bank JSC 5.750% due 19/06/24	358	0.16
	358	0.16
Guernsey — 1.24% (30 June 2019: 1.62%)		
693 Globalworth Real Estate Investments Ltd 2.875% due 20/06/22	781	0.35
1,822 Pershing Square Holdings Ltd 5.500% due 15/07/22	1,925	0.87
44 Pershing Square Holdings Ltd 5.500% due 15/07/22	47	0.02
	2,753	1.24
India — 0.29% (30 June 2019: Nil)		
345 Adani Green Energy UP Ltd 6.250% due 10/12/24	361	0.17
278 ReNew Power Pvt Ltd 5.875% due 05/03/27	270	0.12
	631	0.29
Ireland — 0.26% (30 June 2019: 0.35%)		
200 Alfa Bank AO Via Alfa Bond Issuance PLC 5.950% due 15/04/30^	199	0.09
350 Celtic Resources Holdings DAC 4.125% due 09/10/24	367	0.17
	566	0.26
Italy — 1.22% (30 June 2019: 1.19%)		
1,078 International Design Group SPA 6.500% due 15/11/25	1,131	0.52
240 UniCredit SpA 5.459% due 30/06/35^	242	0.11
752 UniCredit SpA 5.750% due 28/10/25^	856	0.39
383 UniCredit SpA 7.500% due 31/12/99^	451	0.20
	2,680	1.22
Jersey — 0.14% (30 June 2019: 0.15%)		
300 Petropavlovsk 2016 Ltd 8.125% due 14/11/22	315	0.14
	315	0.14
Kazakhstan — Nil (30 June 2019: 0.26%)		
Luxembourg — 3.13% (30 June 2019: 4.53%)		
375 ALROSA Finance SA 3.100% due 25/06/27	375	0.17
745 Altice Financing SA 3.000% due 15/01/28	772	0.35
521 Altice Finco SA 7.625% due 15/02/25	544	0.25
426 Altice France Holding SA 8.000% due 15/05/27	506	0.23
812 ArcelorMittal SA 4.550% due 11/03/26	821	0.37
244 Matterhorn Telecom SA 2.625% due 15/09/24	268	0.12
675 Millicom International Cellular SA 5.125% due 15/01/28	681	0.31
330 Nexa Resources SA 5.375% due 04/05/27	320	0.15
350 Sberbank of Russia Via SB Capital SA 5.125% due 29/10/22	369	0.17
563 Summer BC Holdco A Sarl 9.250% due 31/10/27	547	0.25
900 Vivion Investments Sarl 3.000% due 08/08/24	931	0.41
400 Vivion Investments Sarl 3.500% due 01/11/25	413	0.19
340 VTB Bank OJSC Via VTB Capital SA 6.950% due 17/10/22	362	0.16
	6,909	3.13
Malaysia — 0.10% (30 June 2019: Nil)		
200 Petronas Capital Ltd 3.500% due 21/04/30	223	0.10
	223	0.10
Mauritius — 0.53% (30 June 2019: Nil)		
270 Greenko Solar Mauritius Ltd 5.950% due 29/07/26	267	0.12
200 HTA Group Ltd 7.000% due 18/12/25	203	0.09
340 MTN Mauritius Investments Ltd 6.500% due 13/10/26	360	0.17
350 Network i2i Ltd 5.650% due 31/12/99^	341	0.15
	1,171	0.53
Mexico — 1.36% (30 June 2019: 1.80%)		
973 America Movil SAB de CV 6.375% due 06/09/73^	1,210	0.56
250 Banco Mercantil del Norte SA 7.625% due 31/12/99^	239	0.11
200 Banco Santander Mexico SA 5.375% due 17/04/25	219	0.10
200 BBVA Bancomer SA 5.125% due 18/01/33^	187	0.08

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EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Face Value ('000's)	Value ('000's) US\$	% of NAV
Mexico — 1.36% (30 June 2019: 1.80%) (continued)		
250 Cemex SAB de CV 5.450% due 19/11/29	231	0.10
200 Cemex SAB de CV 7.375% due 05/06/27	204	0.09
225 Grupo Bimbo SAB de CV 4.000% due 06/09/49	226	0.10
200 Grupo KUO SAB De CV 5.750% due 07/07/27	185	0.08
390 Petroleos Mexicanos 6.500% due 02/06/41	300	0.14
	3,001	1.36
Morocco — 0.14% (30 June 2019: Nil)		
255 OCP SA 6.875% due 25/04/44	311	0.14
	311	0.14
Netherlands — 3.36% (30 June 2019: 3.93%)		
8,000 Exmar Netherlands BV 10.030% due 27/05/22	644	0.29
360 IHS Netherlands Holdco BV 7.125% due 18/03/25	367	0.17
290 IHS Netherlands Holdco BV 8.000% due 18/09/27	295	0.13
200 Metinvest BV 7.750% due 23/04/23	199	0.09
439 MV24 Capital BV 6.748% due 01/06/34	418	0.19
591 OI European Group BV 2.875% due 15/02/25	643	0.29
824 Petrobras Global Finance BV 5.093% due 15/01/30	822	0.37
315 Petrobras Global Finance BV 6.900% due 19/03/49	332	0.15
305 Royal Capital BV 4.875% due 29/12/49^	299	0.14
929 Summer BidCo BV 9.750% due 15/11/25	987	0.46
513 Summer BidCo BV 9.750% due 15/11/25	546	0.25
223 Teva Pharmaceutical Finance Netherlands II BV 1.625% due 15/10/28	205	0.09
675 Teva Pharmaceutical Finance Netherlands III BV 3.150% due 01/10/26	605	0.27
377 United Group BV 4.875% due 01/07/24	422	0.19
410 VEON Holdings BV 4.000% due 09/04/25	425	0.19
200 VTR Finance NV 6.375% due 15/07/28	206	0.09
	7,415	3.36
Nigeria — Nil (30 June 2019: 0.24%)		
Norway — 0.17% (30 June 2019: Nil)		
394 Explorer II AS 3.375% due 24/02/25	365	0.17
	365	0.17
Panama — 0.52% (30 June 2019: 0.56%)		
425 AES El Salvador Trust II 6.750% due 28/03/23	374	0.17
225 Cable Onda SA 4.500% due 30/01/30	228	0.10
500 Carnival Corp 11.500% due 01/04/23	542	0.25
	1,144	0.52
Peru — 0.30% (30 June 2019: Nil)		
280 Banco BBVA Peru SA 5.250% due 22/09/29^	300	0.14
250 Banco de Credito del Peru 2.700% due 11/01/25	251	0.11
120 Banco de Credito del Peru 3.125% due 01/07/30^	119	0.05
	670	0.30
Saudi Arabia — Nil (30 June 2019: 0.08%)		
Singapore — 0.16% (30 June 2019: Nil)		
355 Marble II Pte Ltd 5.300% due 20/06/22	351	0.16
	351	0.16
South Korea — 0.13% (30 June 2019: Nil)		
285 Woori Bank 4.250% due 31/12/99^	285	0.13
	285	0.13
Spain — 1.31% (30 June 2019: 1.48%)		
1,600 Banco Bilbao Vizcaya Argentaria SA 8.875% due 29/12/49^	1,863	0.84
1,000 Bankia SA 6.000% due 31/12/99^	1,037	0.47
	2,900	1.31
Sweden — 0.23% (30 June 2019: Nil)		
536 Intrum AB 3.000% due 15/09/27	508	0.23
	508	0.23
Switzerland — 1.72% (30 June 2019: 1.28%)		
2,477 Credit Suisse AG 5.750% due 18/09/25^	2,806	1.27
859 UBS AG 4.750% due 12/02/26^	986	0.45
	3,792	1.72
Thailand — 0.11% (30 June 2019: Nil)		
245 Bangkok Bank PCL 3.733% due 25/09/34^	234	0.11
	234	0.11

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EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Face Value ('000's)	Value ('000's) US\$	% of NAV
Turkey — 0.93% (30 June 2019: 0.12%)		
405 KOC Holding AS 6.500% due 11/03/25	416	0.19
200 Turkcell Iletisim Hizmetleri AS 5.800% due 11/04/28	199	0.09
375 Turkey Government International Bond 3.250% due 23/03/23	355	0.16
355 Türkiye Garanti Bankasi AS 6.125% due 24/05/27^	334	0.15
200 Türkiye Sinai Kalkinma Bankasi AS 6.000% due 23/01/25	191	0.09
200 Türkiye Sise ve Cam Fabrikalari AS 6.950% due 14/03/26	207	0.09
345 Türkiye Vakiflar Bankasi TAO 8.125% due 28/03/24	355	0.16
	2,057	0.93
Ukraine — Nil (30 June 2019: 0.03%)		
United Arab Emirates — 0.58% (30 June 2019: 0.08%)		
200 Acwa Power Management And Investments One Ltd 5.950% due 15/12/39	218	0.10
265 ADES International Holding PLC 8.625% due 24/04/24	249	0.11
200 Kuwait Projects Co SPC Ltd 4.500% due 23/02/27	191	0.09
63 Oztel Holdings SPC Ltd 6.625% due 24/04/28	63	0.03
550 Oztel Holdings SPC Ltd 6.625% due 24/04/28	546	0.25
	1,267	0.58
United Kingdom — 3.07% (30 June 2019: 1.30%)		
399 BP Capital Markets PLC 3.250% due 31/12/99^	451	0.20
365 DTEK Finance PLC 10.750% due 31/12/24	216	0.10
1,440 EnQuest PLC 7.000% due 15/04/22	878	0.40
1,040 Lloyds Bank PLC 12.000% due 29/12/49^	1,205	0.55
445 MARB BondCo PLC 6.875% due 19/01/25	444	0.20
1,205 McLaren Finance PLC 5.000% due 01/08/22	1,050	0.48
511 Nationwide Building Society 5.875% due 31/12/99^	636	0.29
480 Natwest Group PLC 6.000% due 31/12/99^	487	0.22
1,438 Neptune Energy Bondco PLC 6.625% due 15/05/25	1,256	0.56
230 Tullow Oil PLC 7.000% due 01/03/25	145	0.07
	6,768	3.07
United States — 33.20% (30 June 2019: 34.12%)		
770 Alternative Loan Trust 2006-6CB 0.522% due 25/05/36	223	0.10
480 Ambac Assurance Corp 5.100% due 31/12/99	644	0.29
1,710 American Home Mortgage Investment Trust 2005-2 5.828% due 25/09/35	1,430	0.65
19,384 American Home Mortgage Investment Trust 2007-1 2.078% due 25/05/47	3,263	1.47
1 Ashland LLC 6.875% due 15/05/43	1	0.00
3,398 Atrium Hotel Portfolio Trust 2017-ATRM 4.050% due 15/12/36	2,255	1.02
2,455 Banc of America Funding 2005-B Trust 1.237% due 20/04/35	1,924	0.87
660 Banc of America Funding 2006-7 Trust 0.222% due 25/10/36	519	0.24
1,519 Banc of America Funding 2015-R8 Trust 3.680% due 26/08/35^	1,174	0.53
1,040 Bank of America Corp 2.496% due 13/02/31^	1,092	0.50
1,440 Bank of America Corp 4.083% due 20/03/51^	1,805	0.82
1,032 Broadcom Inc 4.150% due 15/11/30	1,125	0.51
600 Carrier Global Corp 2.700% due 15/02/31	598	0.27
876 Carrier Global Corp 2.722% due 15/02/30	880	0.40
698 Carrington Mortgage Loan Trust Series 2006-NC2 0.442% due 25/06/36	458	0.21
490 CGG Holding US Inc 7.875% due 01/05/23	563	0.26
260 Citigroup Inc 5.950% due 29/07/49^	258	0.12
34 CNX Resources Corp 5.875% due 15/04/22	34	0.02
130 Comcast Corp 3.750% due 01/04/40	153	0.07
1,525 CSMC Trust 2017-PFHP 4.665% due 15/12/30	1,117	0.51
2,435 Deephaven Residential Mortgage Trust 2018-2 6.042% due 25/04/58^	2,326	1.05
1,253 Deephaven Residential Mortgage Trust 2018-3 5.913% due 25/08/58^	1,213	0.55
877 Deephaven Residential Mortgage Trust 2019-3 5.663% due 25/07/59^	766	0.35
691 Denbury Resources Inc 4.625% due 15/07/23	22	0.01
1,008 Endeavor Energy Resources LP 6.625% due 15/07/25	1,018	0.46
617 FedEx Corp 4.250% due 15/05/30	706	0.32
260 FedEx Corp 4.950% due 17/10/48	303	0.14
280 FedEx Corp 5.250% due 15/05/50	343	0.16
236 First Horizon Alternative Mortgage Securities Trust 2006-FA8 0.542% due 25/02/37	89	0.04
1,750 Five Corners Funding Trust II 2.850% due 15/05/30	1,807	0.82
1,820 Foursight Capital Automobile Receivables Trust 2018-1 6.820% due 15/04/25	1,910	0.87
505 Freddie Mac Multifamily Structured Pass Through Certificates 3.404% due 25/06/48^	131	0.06
640 General Motors Co 5.150% due 01/04/38	614	0.28
1,250 General Motors Co 6.125% due 01/10/25	1,406	0.64
3,221 HarborView Mortgage Loan Trust 2007-7 1.172% due 25/10/37	2,504	1.14
4,516 Home Equity Asset Trust 2006-3 0.572% due 25/07/36	3,526	1.59
1,000 Idaho Power Co 4.200% due 01/03/48	1,257	0.57
650 JPMorgan Chase & Co 2.956% due 13/05/31^	693	0.31
3,717 L Brands Inc 7.600% due 15/07/37	2,553	1.15
146 LB Commercial Mortgage Trust 2007-C3 0.531% due 15/07/44	143	0.06

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EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Face Value ('000's)	Value ('000's) US\$	% of NAV
United States — 33.20% (30 June 2019: 34.12%) (continued)		
896 Lehman Mortgage Trust 2006-4 0.572% due 25/08/36	82	0.04
340 LYB International Finance III LLC 3.375% due 01/05/30	365	0.17
130 Marriott International Inc 4.625% due 15/06/30	135	0.06
1,419 MASTR Alternative Loan Trust 2005-6 0.622% due 25/12/35	267	0.12
640 Mesquite Energy Inc 7.750% due 15/06/21	3	0.00
312 Netflix Inc 3.625% due 15/06/30	361	0.16
1,571 New Residential Mortgage Loan Trust 2018-NQM1 5.273% due 25/11/48^	1,337	0.61
2,027 Newcastle Mortgage Securities Trust 2006-1 0.652% due 25/03/36	1,719	0.78
3,132 Parsley Energy LLC 5.375% due 15/01/25	3,053	1.37
750 Phillips 66 2.150% due 15/12/30	728	0.33
1,952 RALI Series 2006-QS18 Trust 0.622% due 25/12/36	1,318	0.60
3,351 RALI Series 2007-QS4 Trust 0.512% due 25/03/37	336	0.15
2,356 RAMP Series 2005-EFC1 Trust 1.237% due 25/05/35	2,033	0.92
788 RAMP Series 2005-EFC6 Trust 1.057% due 25/11/35	683	0.31
1,627 RAMP Series 2006-EFC1 Trust 0.602% due 25/02/36	1,381	0.63
1,155 RASC Series 2005-KS11 Trust 0.762% due 25/12/35	939	0.43
1,580 Ross Stores Inc 4.800% due 15/04/30	1,897	0.86
1,717 Ross Stores Inc 5.450% due 15/04/50	2,243	1.02
2,000 San Diego Gas & Electric Co 3.320% due 15/04/50	2,183	0.99
580 Sasol Financing USA LLC 5.875% due 27/03/24	519	0.24
1,021 Structured Asset Securities Corp Mortgage Loan Trust 2007-BC1 0.402% due 25/02/37	664	0.30
420 Tesla Auto Lease Trust 2018-B 7.870% due 20/06/22	436	0.20
120 Truist Financial Corp 5.100% due 31/12/99^	124	0.06
4,000 United States Treasury Bill 0.000% due 17/09/20	4,000	1.81
– United States Treasury Note 2.375% due 15/11/49	–	0.00
1,572 Upstart Securitization Trust 2019-1 6.480% due 20/04/26	1,217	0.55
300 Velocity Commercial Capital Loan Trust 2018-2 6.360% due 26/10/48^	270	0.12
962 Vivint Solar Financing V LLC 7.370% due 30/04/48	828	0.38
1,080 Voya Financial Inc 4.700% due 23/01/48^	1,016	0.46
120 Westinghouse Air Brake Technologies Corp 3.200% due 15/06/25	123	0.06
480 Whiting Petroleum Corp 6.250% due 01/04/23	85	0.04
	73,191	33.20
Virgin Islands — 0.31% (30 June 2019: 0.42%)		
475 Central American Bottling Corp 5.750% due 31/01/27	479	0.22
200 Studio City Finance Ltd 7.250% due 11/02/24	205	0.09
	684	0.31
Total Bonds (Cost: US\$153,358) (30 June 2019: 64.03%)	143,050	64.87
Common Stock — 7.97%		
Germany — 0.07% (30 June 2019: Nil)		
2 Bayer AG	164	0.07
	164	0.07
Ireland — Nil (30 June 2019: 0.14%)		
Israel — Nil (30 June 2019: 0.78%)		
Netherlands — 0.11% (30 June 2019: 0.06%)		
8 Wright Medical Group NV	233	0.11
	233	0.11
United States — 7.79% (30 June 2019: 4.51%)		
16 Acacia Communications Inc	1,092	0.50
6 Ambac Financial Group Inc	89	0.04
1 Annaly Capital Management Inc	19	0.01
1 Arbor Realty Trust Inc	13	0.01
– Avaya Holdings Corp	–	0.00
52 Centennial Resource Development Inc	47	0.02
10 Extended Stay America Inc	113	0.05
81 Forescout Technologies Inc	1,711	0.78
1 Hovnanian Enterprises Inc	13	0.01
2 Hudson Pacific Properties Inc	50	0.02
– KKR Real Estate Finance Trust Inc	6	0.00
2 New Residential Investment Corp	18	0.01
228 Oaktree Specialty Lending Corp	1,022	0.46
38 Parsley Energy Inc	405	0.18
211 Portola Pharmaceuticals Inc	3,792	1.72
122 Southwestern Energy Co	312	0.14
33 Tech Data Corp	4,779	2.17
30 Tiffany & Co	3,701	1.67
	17,182	7.79
Virgin Islands — Nil (30 June 2019: 0.22%)		
Total Common Stock (Cost: US\$18,211) (30 June 2019: 5.71%)	17,579	7.97

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EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Face Value ('000's)	Value ('000's) US\$	% of NAV
Warrants — Nil (30 June 2019: 0.00%)		
Other Collective Investment Schemes — 1.07%		
Ireland — 0.64% (30 June 2019: 2.72%)		
26 BlackRock ICS US Dollar Liquidity Fund	26	0.01
1,378 State Street Global Advisors Liquidity PLC – US Treasury Liquidity Fund	1,378	0.63
	1,404	0.64
Luxembourg — 0.01% (30 June 2019: 0.01%)		
26 JPMorgan Liquidity Funds – US Dollar Liquidity Fund	26	0.01
	26	0.01
United States — 0.42% (30 June 2019: 0.63%)		
99 BlackRock Debt Strategies Fund Inc	923	0.42
	923	0.42
Total Other Collective Investment Schemes (Cost: US\$2,406) (30 June 2019: 3.36%)	2,353	1.07
Rights — 0.16%		
United States — 0.16% (30 June 2019: Nil)		
101 Bristol-Myers Squibb Co	358	0.16
	358	0.16
Total Rights (Cost: US\$221) (30 June 2019: Nil)	358	0.16
Total Investments — (Cost: US\$172,369) (30 June 2019: 73.10%)	163,340	74.07
Other Assets in Excess of Liabilities — (30 June 2019: 26.90%)	57,180	25.93
Total Net Assets	220,520	100.00

* Amounts shown as “–” are less than US\$500 or 500 shares.

^ Variable rate security. The interest rate shown reflects the rate in effect at 30 June 2020.

Analysis of Total Assets Classifications	% of Total Assets
Transferable securities admitted to an official stock exchange listing	58.28
Other transferable securities of the type referred to in Regulations 68 (1)(a), (b) and (c)	12.30
Exchange Traded Fund	0.40
Other Collective Investment Schemes	0.63
OTC financial derivative instruments	3.60
Exchange traded financial derivative instruments	0.04
Other Assets	24.75
	100.00

	Counterparty	Value ('000's) US\$	% of NAV
Options Contracts (30 June 2019: 0.00%)			
Purchased Options — 0.04% (30 June 2019: 0.00%)			
Tiffany & Co August 2020 115 Put	Morgan Stanley	95	0.04
Tiffany & Co July 2020 115 Put	Morgan Stanley	2	0.00
Total Purchased Options (Cost: \$156)		97	0.04
Written Options — (0.07)% (30 June 2019: (0.00)%)			
Tiffany & Co August 2020 100 Put	Morgan Stanley	(68)	(0.03)
Tiffany & Co July 2020 100 Put	Morgan Stanley	(12)	(0.01)
Tiffany & Co August 2020 130 Call	Morgan Stanley	(1)	(0.00)
Tech Data Corp December 2020 145 Call	Morgan Stanley	(1)	(0.00)
Forescout Technologies Inc August 2020 22.5 Put	Morgan Stanley	(1)	(0.00)
Tech Data Corp June 2021 145 Call	Morgan Stanley	–	(0.00)
Forescout Technologies Inc December 2020 30 Call	Morgan Stanley	(3)	(0.00)
Tech Data Corp July 2020 145 Call	Morgan Stanley	–	(0.00)
Tech Data Corp September 2020 145 Call	Morgan Stanley	(1)	(0.00)
Tiffany & Co November 2020 135 Call	Morgan Stanley	(1)	(0.00)
Forescout Technologies Inc November 2020 30 Call	Morgan Stanley	(2)	(0.00)
Forescout Technologies Inc July 2020 25 Call	Morgan Stanley	(1)	(0.00)
Forescout Technologies Inc July 2020 15 Put	Morgan Stanley	(5)	(0.00)
Forescout Technologies Inc July 2020 30 Call	Morgan Stanley	(1)	(0.00)
Forescout Technologies Inc July 2020 22.5 Call	Morgan Stanley	(2)	(0.00)
Forescout Technologies Inc August 2020 25 Call	Morgan Stanley	–	(0.00)
Forescout Technologies Inc July 2020 22.5 Put	Morgan Stanley	(58)	(0.03)
Forescout Technologies Inc July 2020 25 Put	Morgan Stanley	(8)	(0.00)
Tiffany & Co July 2020 110 Put	Morgan Stanley	(1)	(0.00)
Tiffany & Co July 2020 130 Call	Morgan Stanley	–	(0.00)
Total Written Options (Cost: \$(275))		(166)	(0.07)
Total Options (Cost: \$(119))		(69)	(0.03)

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EnTrustGlobal Alternative Income Strategy

Portfolio of Investments – (continued)

Open Futures Contracts (30 June 2019: 0.01%)

Schedule of Futures Contracts	Counterparty	Nominal Value US\$	Notional Value ('000's) US\$	Unrealised (Depreciation) of Contracts ('000's) US\$	% of NAV
US 10 Year Note CBT September 2020	Barclays	(152)	(21,154)	(102)	(0.05)
US 5 Year Note CBT September 2020	Barclays	(15)	(1,886)	(5)	(0.00)
US Long Bond CBT September 2020	Barclays	(65)	(11,607)	(198)	(0.09)
Unrealised depreciation on futures contracts				(305)	(0.14)
Net Depreciation on futures contracts				(305)	(0.14)

Schedule of Credit Default Swaps (30 June 2019: 0.17%)

Counterparty	Reference Entity	Buy/Sell Protection	Expiration Date	Notional Amount ('000's)	Unrealised Appreciation/ (Depreciation) of Contracts ('000's) US\$	% of NAV
Barclays	AK Steel Corp 0.000% due 21/12/24	Buy	21/12/24	1,000	(11)	0.00
Barclays	AK Steel Corp 7.000% due 15/03/27	Buy	15/03/27	1,000	–	0.00
Barclays	Apache Corp 3.250% due 15/04/22	Buy	15/04/22	1,500	104	0.05
Barclays	Brazilian Government International Bond 4.250% due 07/01/25	Buy	07/01/25	1,955	93	0.04
Credit Suisse	Cardinal Health Inc 4.625% due 15/12/20	Buy	15/12/20	2,000	(45)	(0.02)
Barclays	Carrefour SA 1.750% due 21/06/24	Buy	21/06/24	1,500	(31)	(0.01)
Barclays	CDX.NA.HY.31-V4 1.000% due 20/12/23	Buy	20/12/23	2,225	(5)	0.00
Barclays	CDX.NA.IG.31 1.000% due 20/12/23	Sell	20/12/23	5,000	(55)	(0.03)
Barclays	Cleveland-Cliffs Inc 1.500% due 15/01/25	Buy	15/01/25	1,000	(143)	(0.06)
Barclays	Cleveland-Cliffs Inc 1.500% due 15/01/25	Buy	15/01/25	1,000	79	0.04
Barclays	Colombia Government International Bond 10.375% due 28/01/33	Buy	28/01/33	300	4	0.00
Barclays	Colombia Government International Bond 10.375% due 28/01/33	Buy	28/01/33	1,125	14	0.01
Barclays	Goodyear Tire & Rubber Co/The 5.000% due 31/05/26	Sell	31/05/26	560	9	0.00
Barclays	iTraxx Europe Crossover 5.000% due 20/06/24	Buy	20/06/24	1,011	29	0.01
Credit Suisse	iTraxx Europe Crossover 5.000% due 20/06/25	Buy	20/06/25	9,100	(528)	(0.25)
Barclays	iTraxx Europe Crossover 5.000% due 20/06/25	Buy	20/06/25	428	20	0.01
Morgan Stanley	Kobe Steel Ltd 0.924% due 21/12/20	Buy	21/12/20	36,000	(2)	0.00
Barclays	Kobe Steel Ltd 2.070% due 21/12/20	Buy	21/12/20	86,000	(6)	0.00
Barclays	Kobe Steel Ltd 2.070% due 21/12/20	Buy	21/12/20	35,000	(1)	0.00
Barclays	Kobe Steel Ltd 2.070% due 21/12/20	Buy	21/12/20	100,000	(7)	0.00
Barclays	L Brands Inc 5.625% due 15/10/23	Sell	15/10/23	260	63	0.03
Barclays	L Brands Inc 5.625% due 15/10/23	Buy	15/10/23	945	159	0.07
Barclays	L Brands Inc 5.625% due 15/10/23	Buy	15/10/23	1,000	132	0.06
Credit Suisse	Louis Dreyfus Co BV 4.000% due 04/12/20	Buy	04/12/20	2,128	(94)	(0.04)
Barclays	Mexico Government International Bond 4.150% due 28/03/27	Buy	28/03/27	450	12	0.01
JP Morgan	Mexico Government International Bond 4.150% due 28/03/27	Buy	28/03/27	1,000	11	0.00
Barclays	Peruvian Government International Bond 8.750% due 21/11/33	Buy	21/11/33	1,565	(16)	(0.01)
Barclays	Russian Foreign Bond – Eurobond 7.500% due 31/03/30	Buy	31/03/30	600	3	0.00
Barclays	Russian Foreign Bond – Eurobond 7.500% due 31/03/30	Buy	31/03/30	850	(3)	0.00
Barclays	Ryder System Inc 2.550% due 21/06/24	Buy	21/06/24	3,000	(35)	(0.02)
Credit Suisse	Sudzucker International Finance BV 1.250% due 29/11/23	Buy	29/11/23	1,532	4	0.00
Unrealised Appreciation on Credit Default Swaps					736	0.33
Unrealised Depreciation on Credit Default Swaps					(982)	(0.44)
Net Depreciation of Credit Default Swaps					(246)	0.11

Schedule of Equity Swaps (30 June 2019: 0.01%)

Schedule of Forward Foreign Currency Exchange Contracts (30 June 2019: 1.44%)

Expiration Date	Counterparty	Buy Currency ('000's)	Sell Currency ('000's)	Unrealised Appreciation/ (Depreciation) of Contracts ('000's) US\$	% of NAV
01/07/2020	State Street Bank	EUR 169	USD 189	–	0.00
01/07/2020	State Street Bank	USD 25	EUR 23	–	0.00
02/07/2020	State Street Bank	EUR 103	USD 116	–	0.00
02/07/2020	State Street Bank	USD 8	EUR 7	–	0.00
06/07/2020	State Street Bank	EUR 180	USD 202	–	0.00
06/07/2020	State Street Bank	USD 1	EUR 1	–	0.00
07/07/2020	State Street Bank	EUR 204	USD 229	–	0.00
22/07/2020	Morgan Stanley	USD 27,715	EUR 24,672	(16)	(0.01)
22/07/2020	Morgan Stanley	USD 2,943	GBP 2,367	10	0.00
22/07/2020	Morgan Stanley	USD 814	NOK 7,785	5	0.00
31/07/2020	State Street Bank	EUR 197,368	USD 214,427	7,455	3.39
31/07/2020	State Street Bank	USD 14,433	EUR 13,126	(323)	(0.15)
Unrealised Appreciation on Forward Foreign Currency Exchange Contracts				7,470	3.39
Unrealised Depreciation on Forward Foreign Currency Exchange Contracts				(339)	(0.16)
Net Appreciation on Forward Foreign Currency Exchange Contracts				7,131	3.23

The accompanying notes are an integral part of the Financial Statements.

Statement of Financial Position

		EnTrustGlobal Alternative Income Strategy*	
		As at 30 June 2020 ('000's) US\$	As at 30 June 2019 ('000's) US\$
	Note		
CURRENT ASSETS			
Cash	9	33,771	36,354
Cash collateral	9	8,925	11,187
Cash equivalent	9	7,233	20,919
Amounts due from broker	9	2,468	14,165
Financial Assets at fair value through profit or loss:	2		
Investments		163,340	230,176
Options at fair value		97	2
Unrealised appreciation on futures contracts		–	805
Unrealised appreciation on forward foreign currency exchange contracts		7,470	5,325
Unrealised appreciation on swap contracts		736	5,653
Receivable from holders of redeemable participating shares		33	203
Receivable for investment sold		2,185	1,754
Interest receivable		1,825	2,843
Dividend receivable		17	26
Prepaid expenses		–	32
Total Current Assets		228,100	329,444
CURRENT LIABILITIES			
Financial liabilities at fair value through profit and loss:	2		
Designated as held for trading			
Options at fair value		(166)	–
Unrealised depreciation on futures contracts		(305)	(773)
Unrealised depreciation on forward foreign currency exchange contracts		(339)	(719)
Unrealised depreciation on swap contracts		(982)	(5,064)
Amounts due to broker	9	(2,889)	(4,870)
Payable for fund shares redeemed		(304)	(627)
Payable for investment purchased		(1,738)	(966)
Payable for distributions		(231)	(316)
Investment Manager fees payable		(97)	(138)
Sub-Adviser fees payable		(176)	(273)
Administrator and Depositary fees payable		(123)	(75)
Shareholder service fees payable		(16)	(2)
Audit fees payable		(41)	(42)
Directors fees payable		–	(1)
Legal fees payable		(154)	(127)
Performance fees payable		–	(418)
Accrued expenses and other liabilities		(19)	(152)
Total Liabilities (excluding net assets attributable to holders of redeemable participating shares)		(7,580)	(14,563)
Net assets attributable to redeemable participating shareholders		220,520	314,881

	Total NAV ('000's)	No. Shares ('000's)**	NAV/Share
EnTrustGlobal Alternative Income Strategy*			
As at 30 June 2020			
Class A US\$ Accumulating	\$1,241	12	\$102.06
Class A US\$ Distributing Plus (Q)	\$135	2	\$87.76
Class A Accumulating Euro (Hedged)	€5,362	58	€91.80
Class A Euro Distributing Plus (Q) (Hedged)	€6,459	82	€79.09
Class E Euro Accumulating (Hedged)	€1	–	€90.86
Class F US\$ Accumulating	\$1	–	\$97.44
Class R US\$ Accumulating	\$665	6	\$107.99
Class R US\$ Distributing Plus (Q)	\$46	1	\$92.89
Class R Euro Accumulating (Hedged)	€124,528	1,271	€97.99
Class R Euro Distributing Plus (Q) (Hedged)	€13,172	156	€84.38
Class X Euro Accumulating (Hedged)	€4,706	49	€96.91
Premier Class US\$ Accumulating	\$11,991	114	\$105.64
Premier Class Accumulating Euro (Hedged)	€28,942	304	€95.21
Premier Class Euro Distributing Plus (Q) (Hedged)	€579	7	€82.30

EnTrustPermal Alternative Income Strategy

	Total NAV ('000's)	No. Shares ('000's)**	NAV/Share
As at 30 June 2019			
Class A US\$ Accumulating	\$4,559	43	\$106.08
Class A US\$ Distributing Plus (Q)	\$146	2	\$94.96
Class A Accumulating Euro (Hedged)	€10,347	106	€97.79
Class A Euro Distributing Plus (Q) (Hedged)	€8,011	91	€87.71
Class E Euro Accumulating (Hedged)	€1	–	€96.48
Class F US\$ Accumulating	\$1	–	\$100.31
Class R US\$ Accumulating	\$812	7	\$111.17
Class R US\$ Distributing Plus (Q)	\$50	1	\$99.55
Class R Euro Accumulating (Hedged)	€168,964	1,634	€103.38
Class R Euro Distributing Plus (Q) (Hedged)	€18,304	197	€92.68
Class X Euro Accumulating (Hedged)	€8,315	81	€102.61
Premier Class US\$ Accumulating	\$13,085	120	\$108.98
Premier Class US\$ Distributing Plus (Q)***	\$12	–	\$97.69
Premier Class Accumulating Euro (Hedged)	€45,520	452	€100.66
Premier Class Euro Distributing Plus (Q) (Hedged)	€1,041	11	€90.60

* Formerly known as EnTrustPermal Alternative Income Strategy.

** If a Share Class has less than 500 shares, they are shown as "–".

*** Class terminated on 14th February 2020.

The accompanying notes are an integral part of the Financial Statements.

Statement of Financial Position – (continued)

EnTrustPermal Alternative Income Strategy

As at 30 June 2018

	Total NAV ('000's)	No. Shares ('000's)	NAV/Share
Class A US\$ Accumulating	\$12,312	118	\$104.50
Class A US\$ Distributing Plus (Q)	\$680	7	\$97.38
Class A Accumulating Euro (Hedged)	€35,812	359	€99.36
Class A Euro Distributing Plus (Q) (Hedged)	€9,017	97	€92.73
Class Euro Accumulating (Hedged)**	€1	–	€97.78
Class F US\$ Accumulating***	\$1	–	\$97.96
Class R US\$ Accumulating	\$929	9	\$108.43
Class R US\$ Distributing Plus (Q)	\$495	5	\$101.13
Class R Euro Accumulating (Hedged)	€210,974	2,030	€103.94
Class R Euro Distributing Plus (Q) (Hedged)	€33,090	341	€97.03
Class R GBP Distributing Plus (Q) (Hedged)	£4,131	43	£96.25
Class S US\$ Accumulating	\$2,296	21	\$107.09
Class S Euro Accumulating (Hedged)	€1,289	13	€102.65
Class X Euro Accumulating (Hedged)	€16,247	161	€103.61
Premier Class US\$ Accumulating	\$27,587	259	\$106.55
Premier Class US\$ Distributing Plus (Q)	\$12	–	\$99.40
Premier Class Accumulating Euro (Hedged)	€98,539	972	€101.50
Premier Class Euro Distributing Plus (Q) (Hedged)	€1,350	14	€95.09
Premier Class CHF Accumulating (Hedged)	CHF356	3	CHF99.80
Premier Class GBP Accumulating (Hedged)****	£978	10	£97.77

* If a Share Class has less than 500 shares, they are shown as "–".

** Class launched on 28th August 2017.

*** Class launched on 17 January 2018.

**** Class launched on 5th February 2018.

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Kionnuala Davis

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Date: 13 October 2020

Director

DocuSigned by:

Joe Keane

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Director

The accompanying notes are an integral part of the Financial Statements.

Statement of Comprehensive Income

		EnTrustGlobal Alternative Income Strategy*	
		For the year ended 30 June 2020 ('000's) US\$	For the year ended 30 June 2019 ('000's) US\$
	Note		
INVESTMENT INCOME			
Gross dividend income	2	371	736
Interest income	2	10,379	17,875
Other income	2	78	30
Equalisation	2	(458)	(1,340)
Net (loss)/gain on financial assets and liabilities at fair value through profit or loss:			
Net realised loss on financial instruments held for trading		(15,433)	(59,523)
Net unrealised (loss)/gain on financial instruments held for trading		(8,072)	32,675
Total Investment Loss		(13,135)	(9,547)
EXPENSES			
Investment Manager fees	5	(1,411)	(2,288)
Sub-Adviser fees	5	(2,560)	(4,029)
Administrator and Depositary fees	5	(539)	(693)
Shareholder service fees	5	(94)	(108)
Audit fees	5	(39)	(36)
Directors fees and expenses	5	(15)	(30)
Legal fees		(293)	(392)
Performance fees	5	–	(418)
Other expenses		(260)	(320)
Total Expenses		(5,211)	(8,314)
Net Loss before finance costs		(18,346)	(17,861)
FINANCE COSTS			
Distribution paid	6	(1,264)	(2,209)
Interest expenses	2	(143)	(153)
Loss for the financial year		(19,753)	(20,223)
Withholding tax on dividends and other taxation		(26)	(95)
Decrease in net assets attributable to holders of redeemable participating shares		(19,779)	(20,318)

* Formerly known as EnTrustPermal Alternative Income Strategy.

** Amounts shown as "–" are less than US\$500.

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

	EnTrustGlobal Alternative Income Strategy*	
	For the year ended 30 June 2020	For the year ended 30 June 2019
	('000's) US\$	('000's) US\$
Net decrease in net assets attributable to holders of redeemable participating shares	(19,779)	(20,318)
REDEEMABLE PARTICIPATING SHARE TRANSACTIONS		
Net proceeds from sales of shares	17,936	43,406
Net proceeds from reinvested distributions	–	110
Cost of shares reacquired	(92,518)	(234,232)
Decrease in Net Assets from Redeemable Participating Share transactions	(74,582)	(190,716)
Decrease in net assets attributable to holders of redeemable participating shares	(94,361)	(211,034)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		
Beginning of year	314,881	525,915
End of year	220,520	314,881

	EnTrustGlobal Alternative Income Strategy*	
	For the year ended 30 June 2020	
	('000's)**	
Class A US\$ Accumulating		
Sold	–	
Redeemed	(31)	
Net Decrease	(31)	
Class A US\$ Distributing Plus (Q)		
Sold	–	
Redeemed	–	
Net Increase	–	
Class A Accumulating Euro (Hedged)		
Sold	2	
Redeemed	(49)	
Net Decrease	(47)	
Class A Euro Distributing Plus (Q) (Hedged)		
Sold	8	
Redeemed	(18)	
Net Decrease	(10)	
Class E Euro Accumulating (Hedged)		
Sold	–	
Redeemed	–	
Net Increase	–	
Class F US\$ Accumulating		
Sold	–	
Redeemed	–	
Net Increase	–	
Class R US\$ Accumulating		
Sold	1	
Redeemed	(2)	
Net Decrease	(1)	
Class R US\$ Distributing Plus (Q)		
Sold	–	
Redeemed	–	
Net Increase	–	

	EnTrustGlobal Alternative Income Strategy*	
	For the year ended 30 June 2020	
	('000's)**	
Class R Euro Accumulating (Hedged)		
Sold	85	
Redeemed	(452)	
Net Decrease	(367)	
Class R Euro Distributing Plus (Q) (Hedged)		
Sold	16	
Redeemed	(58)	
Net Decrease	(42)	
Class X Euro Accumulating (Hedged)		
Sold	4	
Redeemed	(36)	
Net Decrease	(32)	
Premier Class US\$ Accumulating		
Sold	–	
Redeemed	(7)	
Net Decrease	(7)	
Premier Class US\$ Distributing Plus (Q)***		
Sold	–	
Redeemed	–	
Net Increase	–	
Premier Class Accumulating Euro (Hedged)		
Sold	45	
Redeemed	(194)	
Net Decrease	(149)	
Premier Class Euro Distributing Plus (Q) (Hedged)		
Sold	–	
Redeemed	(4)	
Net Decrease	(4)	

* Formerly known as EnTrustPermal Alternative Income Strategy.

** If there are less than 500 shares, they are shown as "–".

*** Class terminated on 14 February 2020.

The accompanying notes are an integral part of the Financial Statements.

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

	EnTrustPermal Alternative Income Strategy		EnTrustPermal Alternative Income Strategy
	For the year ended 30 June 2019 ('000's)*		For the year ended 30 June 2019 ('000's)*
Class A US\$ Accumulating		Class R GBP Distributing Plus (Q) (Hedged)**	
Sold	10	Sold	3
Redeemed	(85)	Redeemed	(46)
Net Increase	(75)	Net Increase	(43)
Class A US\$ Distributing Plus (Q)		Class S US\$ Accumulating***	
Sold	–	Sold	–
Redeemed	(5)	Redeemed	(21)
Net Decrease	(5)	Net Decrease	(21)
Class A Accumulating Euro (Hedged)		Class S Euro Accumulating (Hedged)****	
Sold	20	Sold	–
Redeemed	(274)	Redeemed	(13)
Net Increase	(254)	Net Decrease	(13)
Class A Euro Distributing Plus (Q) (Hedged)		Class X Euro Accumulating (Hedged)	
Sold	13	Sold	27
Redeemed	(18)	Redeemed	(106)
Net Decrease	(5)	Net Increase	(79)
Class E Euro Accumulating (Hedged)		Premier Class US\$ Accumulating	
Sold	–	Sold	3
Redeemed	–	Redeemed	(142)
Net Decrease	–	Net Increase	(139)
Class F US\$ Accumulating		Premier Class US\$ Distributing Plus (Q)	
Sold	–	Sold	–
Redeemed	–	Redeemed	–
Net Increase	–	Net Increase	–
Class R US\$ Accumulating		Premier Class Accumulating Euro (Hedged)	
Sold	1	Sold	120
Redeemed	(2)	Redeemed	(639)
Net Increase	(1)	Net Increase	(519)
Class R US\$ Distributing Plus (Q)		Premier Class Euro Distributing Plus (Q) (Hedged)	
Sold	3	Sold	–
Redeemed	(8)	Redeemed	(3)
Net Increase	(5)	Net Decrease	(3)
Class R Euro Accumulating (Hedged)		Premier Class CHF Accumulating (Hedged)*****	
Sold	144	Sold	–
Redeemed	(537)	Redeemed	(4)
Net Decrease	(393)	Net Increase	(4)
Class R Euro Distributing Plus (Q) (Hedged)		Premier Class GBP Accumulating (Hedged)*****	
Sold	29	Sold	3
Redeemed	(172)	Redeemed	(13)
Net Increase	(143)	Net Increase	(10)

* If there are less than 500 shares, they are shown as “–”.

** Class terminated on 28 February 2019.

*** Class terminated on 29 January 2019.

**** Class terminated on 6 May 2019.

***** Class terminated on 28 January 2019.

***** Class terminated on 8 March 2019.

Notes to Financial Statements

1. Background

Legg Mason Alternative Funds ICAV (the "ICAV") is an open-ended Irish Collective Asset-management Vehicle with variable capital formed under the laws of Ireland and pursuant to the ICAV Act. Its objective, as set out in the ICAV's Instrument of Incorporation, is the collective investment in transferable securities and other liquid financial assets of capital raised from the public. The ICAV is organised in the form of an umbrella fund. The Instrument of Incorporation provides for separate sub-funds, each representing interests in a defined portfolio of assets and liabilities, which may be established from time to time with the prior approval of the Central Bank. The Instrument of Incorporation of the ICAV also provides that the ICAV may offer separate classes of shares, each representing interests in a sub-fund comprising a distinct portfolio of investments. A separate portfolio of assets shall not be maintained for a class. Currently only one sub-fund, the EnTrustGlobal Alternative Income Strategy ("the Fund") (formerly known as EnTrustPermal Alternative Income Strategy) has been established by the ICAV. The Fund formed on 17 July 2015 and was launched on 25 August 2015.

The ICAV is authorised by the Central Bank, under the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2019 (as amended) and under UCITS Regulations. It was formed on 17 July 2015 with registration number C139549.

Sub-Advisers

Legg Mason Investments (Ireland) Limited (the "Manager") appointed EnTrustGlobal Ltd. (the "Investment Manager") as the Investment Manager on 22 July 2019 to manage the investment and reinvestment of the Fund's assets. On 22 July 2019, EnTrustPermal Ltd. ceased acting as the Investment Manager. Under the Investment Management Agreement, the Investment Manager may delegate its investment management functions to one or more Sub-Advisers, provided the appointment of each Sub-Adviser is in accordance with the requirements of the Central Bank.

During the financial year covered by this report, the Investment Manager had engaged the following entities as Sub-Advisers to provide investment management services to the Fund:

- Axonic Capital LLC
- Brevan Howard Asset Management LLP*
- Eiffel Investment Group
- Gracie Capital LP
- Gramercy LLC
- Twin Capital Management LLC

* They were no longer a Sub-Adviser at the year end.

Certain information concerning the Sub-Advisers will be provided by the Sub-Investment Manager, free of charge, upon a Shareholder's request and shall be available at the internet address <http://www.enstrustglobal.com>.

2. Significant Accounting Policies

The significant accounting policies and estimation techniques adopted by the ICAV in the preparation of these financial statements are set out below.

Statement of compliance

The ICAV's financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), Irish statute comprising the ICAV Act and the UCITS Regulations. The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

Critical Accounting Estimates and Assumptions

In preparation of financial statements in conformity with FRS 102 the ICAV is required to make certain accounting estimates and assumptions. Actual results may differ from these estimates and assumptions. The Directors believe that any estimates used in preparing the financial statements are reasonable and prudent. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of the ICAV's business that typically require such estimates are determination of the fair value of financial assets and liabilities. The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of Preparation

The ICAV's financial statements have been prepared in accordance with FRS 102, Irish statute comprising the ICAV Act and the UCITS Regulations. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The ICAV has availed of the exemption available to open-ended investment funds under Section 7 "Statement of Cash Flows" of FRS 102, not to prepare a cash flow statement on the basis that substantially all of the ICAV's investments are highly liquid and carried at fair value and the ICAV provides a statement of changes in net assets attributable to holders of redeemable participating shares.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares unless otherwise stated. All the ICAV's assets and liabilities are held for the purposes of being traded or are expected to be realised within one period.

(b) Investments at Fair Value

The ICAV classified all financial instruments, including its investments in debt and equity securities, and related derivatives, as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading at fair value through profit or loss. Financial assets or financial liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

Regular-way purchases and sales of investments are recognised on trade date plus one – the date on which the ICAV commits to purchase or sell the asset. Investments are initially recognised at fair value and transaction costs for all financial assets carried at fair value through profit or loss are expensed as incurred. Investments cease to be recognised when the rights to receive cash flows from the investments have expired or the ICAV has transferred substantially all risks and rewards of ownership.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income in the period in which they arise.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for long positions including those held as financial derivative instruments by the ICAV is the current mid-price.

The ICAV may from time to time invest in financial instruments that are not traded in an active market (for example in over-the-counter derivatives). The fair value is determined by using valuation techniques. The ICAV uses a variety of methods and makes assumptions that are based on market conditions existing at each Statement of Financial Position date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants. The values assigned to these instruments are based upon the best available information and because of the uncertainty of the valuation, these values may differ significantly from the values that would have been realised had a ready market for these instruments existed and the differences could be material. Entering into these agreements involves, to varying degrees, elements of credit, legal, market and documentation risk in excess of amounts recognised in the Statement of Comprehensive Income. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparties to the agreements may default on their obligations to perform or disagree as to the meaning of contractual terms in the agreements, or that there may be unfavourable changes in interest rates or the price of the index or security underlying these transactions.

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(c) Single Broker Pricing

The prices used at year end which have been sourced from a single broker source are the best estimate of fair value as at the year end date. However, there is a degree of uncertainty in respect of these prices. It may not always be possible to close out the positions at the stated mark with the given counterparty. The value of securities which have been priced using single broker sources as at 30 June 2020 was US\$Nil (30 June 2019: US\$Nil).

(d) Accounting for Investments

Security transactions are accounted for on trade date plus one. Investments are initially recognised at fair value and transaction costs for all “fair-valued-through profit or loss” securities are expensed as incurred. Gains or losses on the sale of securities are calculated by using the First-In-First-Out (“FIFO”) basis.

(e) Income from Investments

Interest income and expense is recognised in the Statement of Comprehensive Income for all debt instruments using the effective interest method.

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as “ex-dividend”. Dividend income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income.

(f) Fair Value of Derivative Financial Instruments

The ICAV may, from time to time, hold financial instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques as discussed in Note 2(b). Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed and compared to the price provided by an independent pricing service provider, where available.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty); volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The values assigned to these instruments are based upon the best available information and because of the uncertainty of the valuation, these values may differ significantly from the values that would have been realised had a ready market for these instruments existed and the differences could be material. Entering into these agreements involves, to varying degrees, elements of credit, legal, market and documentation risk in excess of the amounts recognised in the Statement of Comprehensive Income. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparties to the agreements may default on their obligations to perform or disagree as to the meaning of contractual terms in the agreements, or that there may be unfavourable changes in interest rates or the price of the index or security underlying these transactions.

(g) Equalisation

An equalisation account is maintained so that the amount distributed is the same for all shares of the same type notwithstanding different dates of issue. Equalisation income and expense is recorded in the Statement of Comprehensive Income.

Equalisation Income

A sum equal to that part of the issued price of a share which reflects income (if any) accrued but undistributed up to the date of issue will be deemed to be an equalisation payment and treated as repaid by shareholders in the first dividend to which the shareholder was entitled in the same accounting period as that in which the shares are issued.

Equalisation Expense

A sum equal to that part of the issued price of a share which reflects expense (if any) accrued but undistributed up to the date of issue will be deemed to be an equalisation receipt and treated as repaid to shareholders in the first dividend to which the shareholder was entitled in the same accounting period as that in which the shares are issued.

(h) Expenses

Certain expenses are Share Class specific expenses and are charged directly to the Share Class. General fund expenses are allocated to the various Share Classes on the basis of relative NAV. Expenses are accounted for on an accruals basis with the exception of transaction charges relating to the acquisition and realisation of investments which are charged as incurred.

(i) 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 with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

Transaction costs charged by the Depositary on the settlement of purchases and sales of investments are disclosed within administrator and depositary fees in the Statement of Comprehensive Income for the Fund. Transaction costs on purchases and sales of equities, exchange traded funds and futures contracts are disclosed in Note 5.

Transaction costs on the purchase and sale of bonds, swaps and forward foreign currency exchange contracts are included in the purchase and sale price of the investment. These costs cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

(j) Foreign Exchange Translation

- (a) Functional and presentation currency: Items included in the ICAV's financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). This is U.S. Dollars for the Fund which has adopted the functional currency as the presentation currency for these financial statements.
- (b) Purchases and sales of securities, and income and expenses are translated at the rate of exchange quoted on the respective date that such transactions are recorded. Assets and liabilities are translated at the foreign exchange rate at the end of the financial year. Differences between income and expense amounts recorded and collected or paid are recorded as foreign exchange gains/losses in the Statement of Comprehensive Income.

(k) Forward Foreign Currency Exchange Contracts

A forward foreign currency exchange contract (“forward contract”) is a commitment to purchase or sell a foreign currency at a future date, at a negotiated rate. Forward contracts are used to seek to manage foreign currency risks and to tactically shift portfolio currency risk. Forward contracts are generally entered into as a hedge upon the purchase or sale of a security denominated in a foreign currency. The Fund will realise a gain or loss upon the closing or settlement of the forward transaction. Unrealised appreciation or depreciation on forward contracts is reported in the Statement of Financial Position and Statement of Comprehensive Income. Realised gains and losses are reported with all other foreign currency gains and losses in the Statement of Comprehensive Income. Risks relating to forward contracts include the potential inability of the counterparty to meet the terms of the contract and unanticipated movements in the value of a foreign currency relative to the base currency of the Fund. As at 30 June 2020, forward contracts held are disclosed in the Portfolio of Investments. Forward contracts are fair valued by an independent price source by reference to the price at which a new forward contract of the same size and maturity could be undertaken.

Notes to Financial Statements – (continued)

2. Significant Accounting Policies – (continued)

(l) Futures Contracts

Initial margin deposits are made upon entering into futures contracts and are generally made in cash. Futures contracts are fair valued based upon their quoted daily settlement prices. Changes in the value of open futures contracts are recognised as unrealised gains or losses on futures contracts until the contracts are terminated, at which time realised gains and losses are recognised as a realised gain or loss and included in net (loss)/gain on financial assets and financial liabilities at fair value through profit and loss in the Statement of Comprehensive Income. Unrealised gains or losses on futures contracts are shown in the Statement of Financial Position. Realised gains and losses not yet delivered are shown as amounts due to/from broker in the Statement of Financial Position. As at 30 June 2020, the futures contracts held are disclosed in the Portfolio of Investments.

(m) Option Contracts

The premium on purchased put options exercised is subtracted from the proceeds of the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on purchased call options exercised is added to the cost of the securities or foreign currency purchased. Premiums paid from the purchase of options, which expire unexercised, are treated as realised losses. The unrealised gain or loss on open option positions is calculated and recorded as the fair value of the option less the premium paid on that option. Unrealised gains or losses on open option positions are reflected as assets or liabilities in the Statement of Financial Position.

The premium on written call options exercised is added to the proceeds from the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on written put options exercised is subtracted from the cost of the securities or foreign currencies purchased. Premiums received from written options, which expire unexercised, are treated as realised gains. As at 30 June 2020, option contracts held are disclosed in the Portfolio of Investments.

(n) Swap Instruments

Swap Instruments are recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Movement in the fair value of the swap instruments are recognised in the Statement of Comprehensive Income under 'Net (loss)/gain on financial assets and liabilities at fair value through profit or loss'. Interest paid and earned from swap instruments is recognised in the Statement of Comprehensive Income under net (loss)/gain on financial assets and financial liabilities at fair value. As at 30 June 2020, swap instruments held are disclosed in the Portfolio of Investments.

Credit Default Swaps

The Fund may enter into credit default swap agreements, provided that (i) the credit default swap agreement must be subject to daily valuation by the Fund and independently verified at least weekly, and (ii) the risks attached to the credit default swap must be independently assessed on a semi-annual basis and the report must be submitted to the Directors for review. The Fund may be either the buyer or seller in a credit default swap transaction. The "buyer" in a credit default contract is obligated to pay the counterparty a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If the Fund is a buyer and no event of default occurs, the Fund will lose its investment and recover nothing. On the other hand, if the Fund is a buyer and an event of default does occur, the Fund (the buyer) will receive the full notional value of the reference obligation that may have little or no value. Conversely, if the Fund is a seller and an event of default occurs, the Fund (the seller) must pay the counterparty the full notional value, or "par value", of the reference obligation in exchange for the reference obligation. As a seller, a Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three periods, provided that there is no default event. If an event of default occurs, the seller (the Fund) must pay the counterparty the full notional value of the reference obligation.

The Fund purchases credit default swap contracts in order to hedge against the risk of a fall in the capital price, or default, of debt securities they hold. The Fund sells credit default swap contracts in order to get exposure to the rise in the capital price, and the risk of default is transferred from the purchaser of credit default contracts to the Fund as a seller of the credit default swap contract. This involves the risk that the swap may expire worthless and the credit risk that the seller may fail to satisfy its payment obligations to the Fund in the event of a default. The Fund may only enter into such transactions with counterparties rated A- or higher.

Equity Swaps

Equity swaps are agreements between the ICAV and third parties, which allow the ICAV to acquire an exposure to the price movement of specific securities without actually purchasing the securities. The changes in contract values are recorded as unrealised gains or losses and the ICAV recognises a realised gain or loss when the contract is closed.

(o) Other Collective Investment Schemes

The Fund may invest in other collective investment schemes ("CIS"). Units or shares in open-ended collective investment schemes will be valued at the latest available unaudited net asset value. Units or shares in other collective investment schemes will, if listed or traded on a stock exchange or over-the-counter market, be valued at the latest middle market quotation or, if unavailable, the latest quoted trade price from the underlying fund administrator (or if unavailable, a bid quotation) or, if unavailable or unrepresentative, the latest available net asset value as deemed relevant to the collective investment scheme by the Board of Directors. The liquidity issues surrounding the collective investment schemes held by The EnTrustGlobal Alternative Income Strategy Fund are outlined in the Investment Manager's report. As at 30 June 2020, the Fund held four CIS positions (30 June 2019: Nil)

3. Investment Objectives and Policies

Investment objectives and investment policies for the Fund are listed in the Directors' Report.

4. Efficient Portfolio Management

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except as otherwise stated in the investment objective and policies of a Fund, the Investment Managers may employ investment techniques and instruments such as futures, forward contracts and other derivatives for investment purposes or for efficient portfolio management purposes. Furthermore, new techniques and instruments may be developed which may be suitable for use by the Fund in the future and a Fund may employ such techniques and instruments subject to the prior approval of, and any restrictions imposed by, the Central Bank.

For UCITS which have engaged in efficient portfolio management techniques, under UCITS Notice 8.5, a UCITS is required to disclose the revenues arising from repurchase agreements and stocklending transactions for the entire reporting period together with the direct and indirect operational costs and fees incurred. There were no such techniques employed for the financial year ended 30 June 2020 (30 June 2019: None).

There was no repurchase agreements or security lending contracts entered into during the financial year ended 30 June 2020 (30 June 2019: None).

5. Operating Expenses and Other Related Party Transactions

Pursuant to the Management Agreement between the ICAV and Legg Mason Investments (Ireland) Limited, the Manager shall be entitled to receive a management fee out of the assets of the Fund for its services as the Manager, which shall accrue on each Dealing Day and be payable monthly in arrears (the "Management Fee"). The ICAV shall also be responsible for the prompt payment or reimbursement to the Manager of any commissions, transfer fees, registration fees, taxes and similar liabilities, costs and out-of-pocket expenses properly payable or incurred by the Manager on behalf of the ICAV. The Manager shall be responsible for paying the fees (excluding the performance fee described below) and out-of-pocket expenses of the Investment Manager of the Fund out of its own Management Fee. The Manager fees accrued for the financial year ended 30 June 2020 were US\$1,410,997 (30 June 2019: US\$2,288,106).

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

The maximum Management Fee for each launched class, at 30 June 2020 (expressed as a percentage of the Fund's NAV attributable to such class) is as follows, there were no changes to the below rates during the financial year ended 30 June 2020:

EnTrustGlobal Alternative Income Strategy**	Maximum Management Fee*
Class A US\$ Accumulating	2.25%
Class A US\$ Distributing Plus (Q)	2.25%
Class A Accumulating Euro (Hedged)	2.25%
Class A Euro Distributing Plus (Q) (Hedged)	2.25%
Class E Euro Accumulating (Hedged)	2.50%
Class F US\$ Accumulating	1.90%
Class R US\$ Accumulating	1.65%
Class R US\$ Distributing Plus (Q)	1.65%
Class R Euro Accumulating (Hedged)	1.65%
Class R Euro Distributing Plus (Q) (Hedged)	1.65%
Class R GBP Distributing Plus (Q) (Hedged)	1.65%
Class S US\$ Accumulating	1.50%
Class S Euro Accumulating (Hedged)	1.50%
Class X Euro Accumulating (Hedged)	1.65%
Premier Class US\$ Accumulating	1.65%
Premier Class US\$ Distributing Plus (Q)	1.65%
Premier Class Accumulating Euro (Hedged)	1.65%
Premier Class Euro Distributing Plus (Q) (Hedged)	1.65%
Premier Class CHF Accumulating (Hedged)	1.65%
Premier Class GBP Accumulating (Hedged)	1.65%

* The Maximum Management Fee includes the Management Fee, Investment Management Fee and Distribution Fee payable by the Manager, Investment Manager and/or the Distributor, as applicable on each Share Class of the Fund as well as a Sub-Adviser fee payable pursuant to the terms of the sub-advisory agreements between the Investment Manager and each Sub-Adviser.

** Formerly known as EnTrustPermal Alternative Income Strategy.

Expense Waivers

The Manager may voluntarily undertake to reduce or waive its management fee or to make other arrangements to reduce the expenses of the Fund to the extent that such expenses exceed such lower expense limitation as the Manager may, by notice to the Shareholders, voluntarily declare to be effective. The Manager has currently undertaken to reimburse the Fund so that "Specified Expenses" (as described below) of each Class in the Fund's financial year do not exceed the percentage of the average daily NAV of such Class listed above. "Specified Expenses" is defined to include all expenses incurred in the business of the Fund, which include offering costs, administration fees, management fees, investor servicing fees and custody fees. "Specified Expenses" does not include the following: (i) establishment expenses relating to the Fund; (ii) Performance Fees or Additional Performance Fees; (iii) distributor fees; (iv) Eligible Collective Investment Scheme fees and expenses; (v) brokerage and trading costs; (vi) interest payments; (vii) taxes; or (viii) extraordinary expenses. The Manager may terminate or modify this arrangement at any time at its sole discretion upon 30 days' notice in writing to the Fund's Shareholders.

Shareholder service fees are payable on all classes except: Class R Share Classes, Class S Share Classes and Premier Share Classes, (each as defined in the Prospectus).

During the financial year ended 30 June 2020 the total amount reimbursed for Investment Manager fees on the Fund was US\$Nil (30 June 2019: US\$Nil) and the total amount reimbursed for shareholder services fees on the Fund was US\$Nil (30 June 2019: US\$Nil).

Administrator and Depositary Fees

State Street Custodial Services (Ireland) Limited acts as Depositary and State Street Fund Services (Ireland) Limited acts as Administrator to the ICAV. For administration, accounting, shareholder, trustee and custodial services, they collectively receive from the Fund a fee of up to 0.20% per annum of the NAV of the Fund.

Legal Fees

Legal fees as stated on page 17 include country registration fees of US\$221,862 (30 June 2019: US\$357,013).

Performance Fees

The Investment Manager and each of the Sub-Advisers may be entitled to receive a fee (a "Performance Fee") depending on the performance of the share classes of the Fund. For the purposes of calculating such performance fees, the term "Performance Period" means the period beginning on 1 July and ending on 30 June of each year, with the exception of the first Performance Period for a Share Class, which will begin upon the initial issue of shares in that Share Class and end on the following 30 June and the first Performance Period for a Portfolio, which will begin upon the appointment of such Sub-Adviser to manage said Portfolio and will end on the following 30 June.

Investment Manager Performance Fee: Under the terms of the Investment Management Agreement, the ICAV will pay to the Investment Manager out of the assets of the Fund a Performance Fee on each Share Class; provided that the Performance Fee on a Share Class is payable only if the NAV of such Share Class (before any accruals of Performance Fees or Additional Performance Fees, as defined below) has increased by at least 4 per cent at the end of the relevant Performance Period from the NAV of such Share Class as at the end of the prior Performance Period, or in the case of the first Performance Period, the Initial Offer Price of such Share Class (the "Investment Manager Hurdle Rate"). The Investment Manager Hurdle Rate shall be proportionately reduced for any Performance Period that is less than 365 days.

The Performance Fee shall be equal to 15 per cent of the New Net Appreciation of the relevant Share Class during the Performance Period above the Investment Manager Hurdle Rate. The Performance Fee (if any) will accrue each Dealing Day. The amount accrued on each Dealing Day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the Fund to the Investment Manager annually in arrears within 45 calendar days of the end of each Performance Period. The calculation of the Performance Fee shall be based upon unaudited information but will be verified by the Depositary.

Sub-Adviser Performance Fees: Under the terms of the sub-advisory agreements between the Investment Manager and the Sub-Advisers, the Investment Manager shall pay each Sub-Adviser a performance fee (the "Sub-Adviser Performance Fee"); provided that the Sub-Adviser Performance Fee is payable on a Sub-Adviser's Portfolio only if the NAV of such Portfolio (before any accruals of Sub-Adviser Performance Fees) has increased by at least 4 per cent at end of relevant Performance Period from the NAV of such Portfolio as at the end of the prior Performance Period (the "Sub-Adviser Hurdle Rate"). The Sub-Adviser Hurdle Rate shall be proportionately reduced for any Performance Period that is less than 365 days. The Sub-Adviser Fee shall be equal to 10 per cent of the New Net Appreciation (as defined below) of the Portfolio allocated to such Sub-Adviser during the Performance Period above the Sub-Adviser Hurdle Rate. The Sub-Adviser is entitled to receive such Sub-Adviser Performance Fee until such time, if ever, that the Sub-Adviser ceases to manage the Portfolio (the "Term of Appointment"). A Sub-Adviser may waive their right to receive a Sub-Adviser Performance Fee, in which case no Sub-Adviser Performance Fee will be applicable in respect of the Portfolio managed by that Sub-Adviser. The Sub-Adviser Performance Fee will be calculated and accrued daily during the Term of Appointment and for each Performance Period. Where a Sub-Adviser is entitled to receive a Sub-Adviser Performance Fee in a Performance Period, all or part of that Sub-Adviser Performance Fee, depending upon the arrangements with that Sub-Adviser, will be paid to the Sub-Adviser for that Performance Period. Upon the termination of a Sub-Adviser's appointment, any Sub-Adviser Performance Fees owed will be paid in full. The calculation of any Sub-Adviser Performance Fee must be verified by the Depositary.

Notes to Financial Statements – (continued)

5. Operating Expenses and Other Related Party Transactions – (continued)

Performance Fees – (continued)

Additional Performance Fee: The Investment Manager will pay the Sub-Adviser Performance Fees for a particular Performance Period out of the Performance Fee paid to it for such Performance Period. However, if, as of the end of any Performance Period, the sum of all Sub-Adviser Performance Fees payable to Sub-Advisers in respect of a Performance Period exceeds the Performance Fee payable to the Investment Manager, the Fund will pay an additional amount (the “Additional Performance Fee”) to the Investment Manager which shall, in turn, remit the Additional Performance Fee to the relevant Sub-Adviser to cover the shortfall. This may occur where, for example, during a Performance Period one or more Sub-Advisers add value in respect of their Portfolio, while other Sub-Advisers add negative value with respect to their respective Portfolios. Any such Additional Performance Fee paid by the Fund will be deducted from the Investment Manager’s Performance Fee before payment to the Investment Manager in subsequent Performance Periods; provided that upon a redemption, the amount of the Additional Performance Fee to be deducted from the Investment Manager’s Performance Fee in subsequent Performance Periods shall be decreased by an amount proportionate to the percentage of outstanding Shares redeemed in the relevant Class. For the avoidance of doubt, if the Fund or the Investment Management Agreement is terminated following the payment of an Additional Performance Fee, the Investment Manager shall not be required to reimburse the Fund such Additional Performance Fee.

High-Water Mark/Loss Carry-Forward: The Investment Manager and Sub-Advisers are entitled to receive Performance Fees or Sub-Adviser Fees during a Performance Period only if the NAV of a particular Share Class or Sub-Adviser Portfolio has appreciated above the previous high-water mark achieved for the relevant Share Class or Portfolio.

The term “New Net Appreciation” is used for purposes of calculating the high-water mark and represents the excess, if any, of the positive performance of a Share Class (or Portfolio in the case of the Sub-Adviser Performance Fee) during a Performance Period over any loss carry-forward applicable at the start of such period, adjusted daily for investor redemptions during that period. New Net Appreciation is calculated with reference to the Cumulative Performance Account and, for any Performance Period, shall equal the positive balance (if any) of such account at the end of the period.

Performance fees accrued for the financial year ended 30 June 2020 were US\$Nil (30 June 2019: US\$418,083).

Directors’ Remuneration

Directors’ fees accrued for the year ended 30 June 2020 were US\$14,583 (year ended 30 June 2019: US\$30,456).

Director’s fees are not payable in respect of Joseph Carrier, Jane Trust, Victoria Rock and Jaspal Sagger who are employees of the Investment Manager or its affiliates.

Auditors’ Remuneration

Fees paid to the auditors, PricewaterhouseCoopers of US\$39,414 in respect of the financial year (year ended 30 June 2019: US\$36,285), relate to statutory audit of the financial statements of the ICAV.

During the financial year ended 30 June 2020, US\$Nil (year ended 30 June 2019: US\$Nil) was also paid for non-audit services. There were no out-of-pockets expenses paid to PricewaterhouseCoopers.

Transaction Costs

	Custody Transaction Fees (‘000’s) US\$	Purchases and Sales Transaction Fees (‘000’s) US\$
30 June 2020		
EnTrustGlobal Alternative Income Strategy	–	(37)
30 June 2019		
EnTrustGlobal Alternative Income Strategy	–	(92)

Other Related Party Transactions

As at 30 June 2020, a wholly owned company of Legg Mason Inc., LM International Holdings LP, held 0.0011% (30 June 2019: 0.0052%) of the redeemable participating shares of the Fund.

As at 30 June 2020, one institution held 74.75% of the redeemable participating shares of the Fund (30 June 2019: 65.15%).

6. Distributions to Holders of Redeemable Participating Shares

Distributing Share Classes

The letter in parentheses at the end of the name of each Distributing Share Class indicates a particular frequency of dividend declarations and dividend payments, as detailed in the following table.

Distributing Share Class Designation	Frequency of Dividend Declarations	Frequency of Dividend Payments
(D)	Daily	Monthly
(M)	Monthly	Monthly
(Q)	Quarterly	Quarterly (October, January, April, July)
(S)	Semi-Annually	Semi-Annually (January, July)
(A)	Annually	Annually (July)

For each Distributing Share Class, at the time of each dividend declaration: (1) all, or some portion of, net investment income, if any, will be declared as a dividend; and (2) all, or some portion, of realised and unrealised capital gains net of realised and unrealised capital losses may be, but is not required to be, declared as a dividend.

Distributing Plus Share Classes, may charge certain fees and expenses to capital rather than income, and there is an increased risk that investors in these Share Classes may not receive back the full amount invested when redeeming their holding. The declaration of distributions in Distributing Plus Share Classes could result in the erosion of capital for investors in those Distributing Plus Share Classes and that increased income will be achieved by foregoing some of the potential for future capital growth. There were no expenses charged to capital for the year ended 30 June 2020 or 30 June 2019. The Distributing Plus Share Classes paid a distribution of US\$1,263,645 (year ended 30 June 2019: US\$2,209,442) out of which US\$367 were reinvested in the Fund at 30 June 2020 (30 June 2019: US\$110,477).

During the year, the Fund paid the following distributions out of capital on Distributing Plus Share Classes:

Share Class	Distributions out of capital for the year ended 30 June 2020	Distributions out of capital for the year ended 30 June 2019
Class A US\$ Distributing Plus (Q)	\$4,908	\$17,406
Class A Euro Distributing Plus (Q) (Hedged)	€292,721	€321,258
Class R US\$ Distributing Plus (Q)	\$1,195	\$18,434
Class R Euro Distributing Plus (Q) (Hedged)	€448,623	€754,450
Class US\$ Distributing Plus (Q)	\$244	\$220
Premier Class Euro Distributing Plus (Q) (Hedged)	€25,414	€29,173
Class R GBP Distributing Plus (Q) (Hedged)	–	£61,089

Accumulating Share Classes

With respect to Accumulating Share Classes, it is intended that, in the normal course of business, distributions will not be declared and that any net investment income attributable to each Accumulating Share Class will be accumulated daily in the respective NAV per share of each respective Share Class.

Notes to Financial Statements – (continued)

7. Share Capital and Redeemable Participating Shares

Share Capital

The ICAV was established with an initial share capital of Euro 2 represented by 2 subscriber shares of no par value. Shareholders of these subscriber shares are entitled to attend and vote at all of the meetings of the ICAV, but are not entitled to participate in the dividends or net assets of any Fund or of the ICAV.

Redeemable Participating Shares

The share capital of the ICAV shall at all times equal the NAV. The Directors are empowered to issue up to five hundred billion shares of no par value in the ICAV at the NAV per share on such terms as they may see fit. There are no rights of pre-emption upon the issue of shares in the ICAV.

Each of the shares entitles the Shareholder to participate equally on a pro rata basis in the dividends, where applicable, and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a shareholder.

The proceeds from the issue of shares shall be applied in the books of the ICAV to the Fund and shall be used in the acquisition on behalf of the Fund of assets in which the Fund may invest. The records and accounts of the Fund shall be maintained separately.

The Fund has different Share Classes offered as indicated in the ICAV's Instrument of Incorporation. These different classes of shares differ principally in terms of their sales charges, fees, rates of expenses, distribution policy, and currency denomination. Investors are thus able to choose a Share Class that best suits their investment needs, considering the amount of investment and anticipated holding period.

Each Share Class is designated as a Distributing Share Class or an Accumulating Share Class. Accumulating Share Classes do not distribute net income, net realised or net unrealised capital gains whereas Distributing Share Classes will distribute at certain intervals, which will vary depending on the letter in parentheses at the end of the name of the Distributing Share Class, as explained in Note 6 above. In addition, the ICAV has subscriber shares outstanding. The subscriber shares do not entitle the holders to participate in the assets of any Fund. As at 30 June 2020 there were 2 subscriber shares in issue (30 June 2019: 2). The subscriber shares are held by Fand Limited and Attleborough Limited.

The Fund may offer Share Classes designated in currencies other than the base currency of the Fund. For each such Share Class, unless indicated by "(Hedged)" in the name of the share class, the Investment Manager will not employ any techniques to hedge the Share Class's exposure to changes in exchange rates between the Base Currency of the Fund and the currency of the Share Class.

8. Taxation

Under current Irish law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997 (as amended). On that basis, the ICAV will not generally be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or on the ending of a 'Relevant Period', a 'Relevant Period' being an eight year period beginning with the acquisition of the shares by the shareholders and each subsequent period of eight years beginning immediately after the preceding Relevant Year.

No Irish tax will arise on the ICAV in respect of chargeable events in respect of:

- (i) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided an appropriate valid declaration is in place, or the ICAV has been authorised by Irish Revenue to make gross payments in the absence of appropriate declarations; and
- (ii) certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations.

In addition, any transaction (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners will not constitute a chargeable event.

In the absence of an appropriate declaration, the ICAV will be liable to Irish tax on the occurrence of a chargeable event. There were no chargeable events during the period under review.

Capital gains, dividends and interest received may be subject to taxes, including withholding taxes imposed by the country of origin and such taxes may not be recoverable by the Fund or its shareholders.

9. Cash and Cash Equivalents

Cash at bank and cash held for diversification is included within cash and cash equivalents. Cash at bank is held with State Street Bank and Trust and its Sub-depositories. Cash held for diversification is held with Citibank and BNP Paribas.

Counterparty	Cash at bank 30 June 2020 ('000's) US\$	Cash held for diversification 30 June 2020 ('000's) US\$	Cash at bank 30 June 2019 ('000's) US\$	Cash held for diversification 30 June 2019 ('000's) US\$
BNP Paribas	–	3,983	–	7,619
Citibank	–	3,250	–	13,300
State Street Bank and Trust	33,771	–	36,354	–
Total amount	33,771	7,233	36,354	20,919

Cash collateral relates to cash provided to brokers for collateral purposes. As at 30 June 2020, cash collateral is held for options and swaps by JP Morgan, Barclays Bank, Credit Suisse and Morgan Stanley.

Counterparty	Cash collateral 30 June 2020 ('000's) US\$	Cash collateral 30 June 2019 ('000's) US\$
Barclays Bank	2,295	2,526
Credit Suisse	2,103	1,374
JP Morgan	610	1,490
Morgan Stanley	3,917	5,797
Total amount	8,925	11,187

Counterparty	Due to broker 30 June 2020 ('000's) US\$	Due to broker 30 June 2019 ('000's) US\$
Barclays Bank	(2,280)	(2,281)
JP Morgan	(510)	(510)
Total amount	(2,790)	(2,791)

Notes to Financial Statements – (continued)

9. Cash and Cash Equivalents – (continued)

Amounts due from/to broker relates to cash provided to brokers for margin requirements for futures, options and swaps. As at 30 June 2020, Margin cash is held with Credit Suisse and Barclays Bank.

Counterparty	Margin cash 30 June 2020 ('000's) US\$	Margin cash 30 June 2019 ('000's) US\$
Barclays Bank	2,455	9,441
Credit Suisse	13	4,724
Total amount	2,468	14,165
Counterparty	Due to broker 30 June 2020 ('000's) US\$	Due to broker 30 June 2019 ('000's) US\$
Barclays Bank	(95)	(736)
Credit Suisse	(4)	(1,343)
Total amount	(99)	(2,079)

The credit rating of the brokers is detailed in the credit risk note (Note 14.2).

10. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities at the 30 June 2020 (30 June 2019: Nil).

11. Soft Commission Arrangements

The Investment Manager or Sub-Advisers may direct transactions to brokers in return for research services. In such circumstances, the Investment Manager or Sub-Advisers may enter into soft commission agreements or similar arrangements with such brokers. Under such arrangements, the Investment Manager or Sub-Advisers must ensure that the broker or counterparty to the arrangement has agreed to provide best execution to the Fund and that the benefit provided assists the Investment Manager or Sub-Advisers in their provision of investment services to the Fund. The total value of soft commission arrangements entered into on behalf of the Fund for the year ended 30 June 2020 is US\$Nil (year ended 30 June 2019: US\$Nil). During the year ended 30 June 2020 US\$Nil was reimbursed to the ICAV to cover the portion of soft commissions that occurred during the 1 January 2019 to 30 June 2019 period.

12. Exchange Rates

The following exchange rates were used in these financial statements to obtain the equivalent U.S. Dollar amounts.

USD	Currency	Exchange rates as at 30 June 2020	Exchange rates as at 30 June 2019
	Australian Dollar	1.4491	1.4244
	Brazilian Real	–	3.8400
	British Pound	0.8070	0.7874
	Canadian Dollar	1.3576	1.3096
	Chilean Peso	–	677.6250
	Euro	0.8901	0.8794
	Hong Kong Dollar	7.7505	7.8117
	Hungarian Forint	–	284.1088
	Indian Rupee	–	69.0275
	Israeli New Shekel	–	3.5688
	Japanese Yen	107.9750	107.8150
	Mexican Peso	–	19.1938
	New Zealand Dollar	–	1.4885
	Norwegian Krone	9.6253	8.5305
	Philippine Peso	–	51.2350
	Polish Zloty	–	3.7337
	Russian Ruble	–	63.2363
	Singapore Dollar	1.3936	1.3530
	South African Rand	17.3525	14.0850
	South Korean Won	1,202.8500	1,154.6500
	Swedish Krona	9.3182	9.2862
	Swiss Franc	0.9475	0.9762
	Thailand Baht	–	30.6675
	Turkish Lira	–	5.7905

13. Direct Brokerage Services

During the year ending 30 June 2020 the ICAV did not utilise any direct brokerage services (year ending 30 June 2019: None).

14. Risk Exposure and Risk Management

The Investment Manager is responsible for selecting the investment strategies in which the Fund invests and identifying and retaining Sub-Advisers with expertise in the selected investment strategies. The Investment Manager seeks to reduce risk and volatility in the Fund through diversification of the Fund's exposure to multiple Sub-Advisers and investment strategies.

The securities and instruments in which the Funds invest are subject to normal market fluctuations and other risks inherent in investing in such investments, and there can be no assurance that any appreciation in value will occur. There can be no assurance that a Fund will achieve its investment objective.

In pursuing its investment objectives, the ICAV holds financial derivative instruments ("FDIs"). The ICAV's financial derivative instruments held at 30 June 2020 are disclosed in the Portfolio of Investments.

The main risks arising from the ICAV's financial instruments are market risk, liquidity risk and credit risk.

The Investment Manager operates a risk management process on behalf of the Fund in relation to the Fund's use of FDIs which allows Investment Manager to measure, monitor and manage various risks associated with FDIs and which is intended to ensure that the Fund's FDI exposure remains within the limits described below. The risk management process is described in a statement, a copy of which has been filed with the Central Bank, and which will be updated from time to time to include any additional FDIs which a Sub-Adviser or the Investment Manager proposes to employ on behalf of the Fund (the "Risk Management Process"). Until such time as the Risk Management Process has been updated and cleared by the Central Bank, however, neither a Sub-Adviser nor the Investment Manager will use any FDI which is not for the time being included in the Risk Management Process.

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

The Investment Manager pursuant to various sub-adviser agreements, delegates certain investment management responsibilities in relation to Portfolios to Sub-Advisers representing distinct investment styles and expertise in an asset class.

The success of the Fund depends upon the ability of the Investment Manager to allocate the Fund's assets to various Investment Strategies and to select the best mix of Sub-Advisers, as well as the ability of the Sub-Advisers to develop and implement Investment Strategies that achieve the Fund's investment objective. A Sub-Adviser's inability to effectively hedge an Investment Strategy that it utilises may cause the assets of the Fund invested with such Sub-Adviser to significantly decline in value and could result in substantial losses to the Fund. Moreover, subjective decisions made by the Investment Manager and/or the Sub-Advisers may cause the Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalised.

This risk is managed through the Investment Manager's rigorous manager selection process. The Investment Manager has a disciplined and repeatable process for identifying and selecting managers, allocating capital to those managers and then monitoring their performance. This process combines a bottom-up and top-down approach that seeks to assemble the optimal mix of Sub-Advisers and Investment Strategies, coupled with ongoing evaluation and analysis.

The ICAV, in conjunction with the the Investment Manager has determined that certain of its material risks are market risk, credit risk and liquidity risk. In respect of the use of FDIs, the risks are counterparty risk, credit risk, increased margin calls and unlimited risk of loss. Further details of these and other risks are set out below and in the Prospectus under "Risk Factors".

Market risk includes market price risk, foreign currency risk, interest rate risk and other price risk.

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The maximum price risk resulting from the ownership of financial instruments is determined by the fair value of financial instruments. The Investment Manager may consider the asset allocation of the portfolios in order to minimise the risk associated with particular countries, industry sectors or securities while continuing to follow the Fund's investment objective as outlined in the Directors' Report. Risk is managed by the Sub-Adviser through careful selection of securities and other financial instruments within specified limits and investment mandates. Details of the Fund's investment policies are outlined in the Directors' Report. Details of the Fund's financial assets and financial liabilities are presented on the Statement of Financial Position.

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the Fund. The value of the investments of the Fund denominated in a currency other than the functional currency may rise and fall due to exchange rate fluctuations by the relevant currencies. There is a risk that large exchange rate fluctuations may have a significant impact on the performance of the Fund.

Where the Fund holds investments in a currency other than the Fund's functional currency, the Sub-Adviser may manage foreign currency risk by either hedging foreign currency into the functional currency of the Fund or alternatively by diversifying investments across multiple currencies.

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rate. The Fund which holds fixed interest rate debt securities and overdraft positions is exposed to interest rate risk where the value of these securities or loans may fluctuate as a result of a change in interest rates. Holdings in floating and variable rate securities may also be subject to interest rate risk although to a lesser degree. Cash assets held via the Depositary have the potential to yield interest income, the level of which will fluctuate according to the prevailing level of market interest rates.

The Fund invests in interest bearing financial assets and financial liabilities which expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. The value of investments in fixed rate interest bearing securities may be subject to price volatility due to changes in interest rates. Fluctuations in market interest rates will impact upon the level of interest received by the Fund.

An increase in interest rates will generally reduce the value of debt securities that are issued and outstanding, while a decline in interest rates will generally increase the value of debt securities that are issued and outstanding. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Changes in the value of securities held by the Fund when interest rates change mean that the Fund's NAV per share can go up or down because of the effect on the value of the Fund's portfolio of debt securities.

The Investment Manager monitors the interest-rate environment and evaluates risks on major strategies. Interest rate risk is controlled by monitoring maturities and duration relative to the Funds' benchmark. Techniques such as factor analysis and key rate duration measurement are used to evaluate portfolio curve exposures.

The risks involved with investing in equities include changing economic conditions, industry and ICAV conditions and security selection. Investing in fixed income securities are also subject to interest rate risk, credit risk, maturity risk and market risk. International securities are subject to changing exchange rates, less liquid markets and political and economic instability depending on the country. Developing markets are subject to these same risks however it may be to a greater degree. For the purpose of efficient portfolio management, the Fund may enter into exchange traded and over-the-counter ("OTC") derivatives, including but not limited to, futures, swaps, forwards, options and warrants and may enter into stock lending agreements.

The European Investment Committee (the "Committee") has been established within Legg Mason to oversee the delegation of investment management responsibilities for the Fund. The Committee is comprised of members who, as a group, have experience and specialised knowledge in such areas as investment management including equity, fixed income and derivatives; investment analysis and reporting; risk management; and compliance. The Committee, on behalf of the Investment Manager, is responsible for overseeing that the Fund is managed within the terms of the Funds' investment guidelines and limits set out in the Prospectus and the UCITS Regulations as well as the Investment Manager's own internal investment guidelines and limits. The Committee generally meets once a month to oversee that the Fund is being managed in accordance with these limits and regulatory requirements.

14.1. Market Risk

The Fund invests in FDIs and seeks to limit the market risk and leverage created through the use of derivatives by using a sophisticated risk measurement technique known as "value-at-risk" (the "VaR approach").

The Investment Manager uses an absolute VaR approach to measure global exposure in order to control the Fund's market risk volatility. This procedure ensures that the "leverage effect" of utilizing FDI's is not significant enough to cause disproportionate losses to the Fund's total value. To ensure that maximum VaR targets at the Fund level are achieved, the Investment Manager will generally require all Sub-Advisers to manage their respective "sleeves" to the same VaR parameters. Given the Fund's multimanager structure, the Investment Manager may permit a Sub-Adviser to manage its "sleeve" to a higher or lower maximum one-month VaR limit detailed below.

VaR is a statistical methodology that seeks to predict, using historical data, the likely maximum loss that the Fund could suffer, calculated to a specific (e.g., 99 per cent) confidence level. The Fund uses an "absolute" VaR model where the measurement of VaR is relative to the NAV of the Fund. A VaR model has certain inherent limitations and it cannot be relied upon to predict or guarantee that the size or frequency of losses incurred by the Fund will be limited to any extent. As the VaR model relies on historical market data as one of its key inputs, if current market conditions differ from those during the historical observation period, the effectiveness of the VaR model in predicting the VaR of the Fund may be materially impaired. Investors may suffer serious financial consequences under abnormal market conditions.

The effectiveness of the VaR model could be impaired in a similar fashion if other assumptions or components comprised in the VaR model prove to be inadequate or incorrect.

The Fund uses an absolute VaR model, in accordance with the requirements of the Central Bank and is subject to an absolute VaR limit of 20% of the Fund's NAV, based on a 20 business day holding period and a 99 per cent confidence interval. However, the Fund may from time to time experience a change in NAV over a 20 business day holding period greater than 20% of NAV. The absolute VaR for the Fund as at 30 June 2020 is 5.06% (30 June 2019: 2.47%).

In addition to using the VaR approach, EnTrustGlobal Ltd. will monitor leverage levels on a daily basis to monitor changes due to market movements. In addition, the respective Sub-Adviser of the Fund shall carry out pre-trade testing to consider the impact that the trade would have on the Fund's overall leverage and to consider the risk/reward levels of the trade. When reviewing the Fund's portfolios against investment and risk limits, the Investment Manager will highlight any Sub-Advisers which have

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

14.1. Market Risk – (continued)

taken positions that are close to the maximum permitted and keep them under review until the position is reduced or other changes in the Fund's portfolio bring the position down to a lower relative size. The lowest, average and highest utilisation of the VaR limit at a 99% confidence level for a 20 day time horizon were as follows:

	Minimum	As at 30 June 2020 Average	Maximum
EnTrustGlobal Alternative Income Strategy	0.78%	2.54%	6.02%
	Minimum	As at 30 June 2019 Average	Maximum
EnTrustPermal Alternative Income Strategy	0.87%	1.75%	2.66%

For a Fund using VaR, leverage is calculated as the sum of the notionals of the derivatives used.

Average level of leverage employed were as follows:

	As at 30 June 2020	As at 30 June 2019
EnTrustPermal Alternative Income Strategy	270.00%	354.12%

(a) Foreign Currency Risk

A portion of the financial assets of the Fund may be denominated in currencies other than the U.S. Dollar (the functional currency of the Fund) with the effect that the Statement of Financial Position and total return can be significantly affected by currency movements. Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of the Fund's investments to diminish or increase. Currency exchange rates may fluctuate over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can be affected unpredictably by intervention (or the failure to intervene) by governments or central banks, or by currency controls or political developments. If the currency in which the Fund's portfolio investment is denominated appreciates against the Fund's Base Currency, the Base Currency value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security expressed in the Base Currency of the Fund. The Fund using FDI may employ techniques and instruments that are intended to provide protection against exchange risks in the context of the management of its assets and liabilities (i. e., currency hedging) by gaining an exposure to one or more foreign currencies or otherwise altering the currency exposure characteristics of securities by the Fund (i.e., active currency positions) and may also employ such techniques and instruments for the purpose of attempting to enhance the Fund's return.

The following tables set out the ICAV's material exposure to monetary foreign currency risk as at 30 June 2020 and 30 June 2019. The tables below also detail currency sensitivity analysis for the ICAV. The sensitivity analysis illustrates the impact of an exchange rate increase or decrease between the U.S. Dollar and the monetary assets and monetary liabilities denominated in foreign currency relevant to the ICAV. This analysis is based on the assumption that all other variables remain constant. The impact on the ICAV is the change in the NAV of the Fund in terms of U.S. Dollar (the functional currency of the Fund). The sensitivity analysis details the effect of a change in exchange rates on monetary assets and monetary liabilities only.

30 June 2020 EnTrustGlobal Alternative Income Strategy Currency	Monetary assets/ (liabilities)** ('000's) US\$	Non-monetary assets ('000's) US\$	Net financial assets/(liabilities)** ('000's) US\$	Currency sensitivity analysis* ('000's) US\$
Australian Dollar	1	–	1	–
British Pound	85	–	85	4
Canadian Dollar	1	–	1	–
Euro	207,493	164	207,657	10,383
Hong Kong Dollar	(1)	–	(1)	–
Japanese Yen	(16)	–	(16)	(1)
Norwegian Krone	(113)	–	(113)	(6)
Singapore Dollar	2	–	2	–
South African Rand	5	–	5	–

30 June 2019 EnTrustGlobal Alternative Income Strategy Currency	Monetary assets/ (liabilities)** ('000's) US\$	Non-monetary assets ('000's) US\$	Net financial assets/(liabilities)** ('000's) US\$	Currency sensitivity analysis* ('000's) US\$
Australian Dollar	(2,697)	–	(2,697)	(135)
Brazilian Real	357	–	357	18
British Pound	(1,133)	–	(1,133)	(57)
Canadian Dollar	1,744	–	1,744	87
Chilean Peso	(60)	–	(60)	(3)
Euro	295,928	–	295,928	14,796
Hong Kong Dollar	313	–	313	16
Hungarian Forint	(605)	–	(605)	(30)
Indian Rupee	1,610	–	1,610	81
Israeli New Shekel	342	–	342	17
Japanese Yen	3,394	–	3,394	170
Mexican Peso	505	–	505	25
New Zealand Dollar	(504)	–	(504)	(25)
Norwegian Krone	31	–	31	2
Philippine Peso	874	–	874	44
Polish Zloty	1,902	–	1,902	95
Russian Ruble	683	–	683	34
Singapore Dollar	833	–	833	42
South African Rand	(472)	–	(472)	(24)
South Korean Won	(465)	–	(465)	(23)
Swedish Krona	(940)	–	(940)	(47)
Swiss Franc	615	–	615	31
Thailand Baht	569	–	569	28
Turkish Lira	180	–	180	9

* As at 30 June 2020 and as at 30 June 2019, had the exchange rate increased or decreased by 5% with all other variables held constant the increase or decrease respectively in the value of the Fund's monetary assets and liabilities, denominated in currencies other than the base currency of the Fund.

** Values less than 500 are show as "–".

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

14.1. Market Risk – (continued)

(b) Interest Rate Risk

Interest rate risk is the risk that the value of a debt security will fall when interest rates rise. The price of debt securities tend to vary inversely with market interest rates. The value of such securities is likely to decline in times of rising interest rates. When rates fall, the value of these investments is likely to rise. The longer the time to maturity the greater are such variations.

The interest rate profile of the financial assets and liabilities of the ICAV at 30 June 2020 and 30 June 2019 was as follows:

	Up to 1 year (‘000’s) US\$	1 to 5 years (‘000’s) US\$	Over 5 years (‘000’s) US\$	Non-interest Bearing (‘000’s) US\$	Total (‘000’s) US\$
30 June 2020					
Assets					
Cash	33,771	–	–	–	33,771
Cash collateral	8,925	–	–	–	8,925
Cash equivalents	7,233	–	–	–	7,233
Amounts due from broker	2,468	–	–	–	2,468
Investments	4,003	38,916	100,131	20,290	163,340
Financial Derivative Instruments	–	736	–	7,567	8,303
Other assets	–	–	–	4,060	4,060
Total Assets	56,400	39,652	100,131	31,917	228,100
Financial Derivative Instruments	(8)	(974)	–	(810)	(1,792)
Amounts due to broker	(2,889)	–	–	–	(2,889)
Other liabilities	–	–	–	(2,899)	(2,899)
Total Liabilities	(2,897)	(974)	–	(3,709)	(7,580)
					220,520
30 June 2019					
Assets					
Cash	36,354	–	–	–	36,354
Cash collateral	11,187	–	–	–	11,187
Cash equivalents	20,919	–	–	–	20,919
Amounts due from broker	14,165	–	–	–	14,165
Investments	5,460	55,404	140,762	28,550	230,176
Financial Derivative Instruments	1,253	4,355	45	6,132	11,785
Other assets	–	–	–	4,858	4,858
Total Assets	89,338	59,759	140,807	39,540	329,444
Financial Derivative Instruments	(553)	(4,506)	(5)	(1,492)	(6,556)
Amounts due to broker	(4,870)	–	–	–	(4,870)
Other liabilities	–	–	–	(3,137)	(3,137)
Total Liabilities	(5,423)	(4,506)	(5)	(4,629)	(14,563)
					314,881

(c) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The Fund is exposed to market price risk arising from their investments in transferable securities and derivatives. The movements in the prices of these investments result in movements in the performance of the Fund.

Legg Mason has established the Legg Mason North Atlantic Fund Valuation Committee, (the “Valuation Committee”) to oversee the implementation of the valuation policies and procedures adopted by the Board of Directors (the “Board”). The Valuation Committee, including the Chairperson, shall consist of employees of entities within the Legg Mason Group of Companies, with qualifications deemed appropriate by Legg Mason for service on the Committee. Representatives of Legg Mason Legal and other departments, as necessary, may serve the Valuation Committee in an advisory capacity. The Valuation Committee meets on a monthly basis to review all securities which are manually priced, broker priced, fair valued, illiquid or stale. A Valuation Committee meeting, however, may be called at any time to consider any question or issue that falls under their procedures. Valuation Committee meetings can be in person, or via email or other writing.

The Fund entered into derivative contracts during the financial year. The value of derivatives is based on certain underlying stocks or bonds, interest rates, currencies or indices’ and includes futures, options, options on futures and swap agreements. Derivatives may be hard to sell at an advantageous price or time and are sensitive to changes in the underlying security, interest rate, currency or index. Therefore, derivatives can be highly volatile and could result in a loss to the Fund. Refer to the respective Fund’s Portfolio of Investments for details of other open derivative positions as at 30 June 2020.

Fair Value Estimation

The ICAV classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

14.1. Market Risk – (continued)

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

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, FRS 102 requires the ICAV to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique.

Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include deposits held with banks and other short-term investments in an active market and they are categorised as Level 2.

Cash collateral and due to broker amounts are categorised as Level 2.

Receivable for investments sold and other receivables include the contractual amounts for settlement of trades and other obligations due to the ICAV. Payable for investments purchased and other payables represent the contractual amounts and obligations due by the ICAV for settlement of trades and expenses. All receivable and payable balances are categorised as Level 2.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of each Fund within the ICAV in accordance with the Funds’ offering documentation. These shares are not traded on an active market. A demand feature is attached to these shares, as they are redeemable at the holders’ option and can be put back to the Funds at any dealing date for cash/assets equal to a proportionate share of the Fund’s NAV attributable to the share class.

The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares held.

All forward contracts are classified as Level 2 since they are valued using observable inputs but are not quoted in an active market.

There were no transfers between Levels during the financial year ended 30 June 2020 and 30 June 2019.

The following table analyses under the fair value hierarchy the Funds’ financial assets and financial liabilities measured at fair value at 30 June 2020 and 30 June 2019:

	As at 30 June 2020 ('000's) US\$	As at 30 June 2019 ('000's) US\$
Level 1		
Bonds	–	–
Equity Instruments	15,153	28,547
Warrant	–	3
Rights	358	–
Derivative assets held for trading	97	807
Derivative liabilities held for trading	(471)	(773)
	15,137	28,584
Level 2		
Bonds	143,050	201,626
Equity Instruments	–	–
Preferred Stock	–	–
Derivative assets held for trading	8,206	10,978
Derivative liabilities held for trading	(1,321)	(5,783)
	149,935	206,821
Level 3		
Equity Instruments	4,779	–
	4,779	–
Total Investments	US\$169,851	US\$235,405

14.2. Credit Risk

Credit risk is the risk that a counterparty to or issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with a Fund. The ICAV will be exposed to credit risk on parties with whom it trades and will also bear the risk of settlement default. The Sub-Advisers minimise concentrations of credit risk by undertaking transactions with a large number of brokers and counterparties on recognised and reputable exchanges. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund will be exposed to credit risk on the counterparties with which it trades in relation to forward contracts and other derivative financial instruments that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading swaps, futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Fund trades such instruments, which could result in substantial losses to the Fund.

The ICAV is exposed to credit risk on the OTC counterparties with whom it trades. All OTC counterparties must meet the following criteria as set out in the UCITS Regulations namely:

- (i) Be a credit institution in accordance with sub-paragraphs 1.4 (i), (ii) or (iii) of UCITS Notice 9, or an investment firm authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State, or is an entity subject to regulation as a Consolidated Supervised Entity by the Securities and Exchange Commission, or
- (ii) Have a minimum credit rating of A2 or equivalent, or in the opinion of the Investment Manager, an implied credit minimum rating of A2 or equivalent. Exposures to individual counterparties are normally limited to 10% of NAV in the case of authorised credit institutions and 5% of NAV in the case of other counterparties.

Transactions involving financial derivative instruments are usually with counterparties with whom the ICAV has signed master netting agreements. Master netting agreements provide for the net settlement of contracts for a particular Fund with the same counterparty in the event of default. The credit risk associated with derivative financial assets subject to a master netting arrangement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realised.

Transactions resulting in large unrealised gains to the Fund may require the Fund to hold collateral received from a broker. In these instances, the credit risk to the Fund is reduced by the value of the collateral held. In the event a broker files for bankruptcy, collateral posted in connection with certain financial derivative instruments is exempt from the automatic stay implemented at the inception of a bankruptcy proceeding. This financial derivative instruments exemption would allow the Fund to immediately foreclose on collateral posted by the insolvent party in order to satisfy claims against such insolvent party.

The ICAV monitors its risk by periodically considering the credit quality and financial positions of the counterparties which the Fund uses. The Fund may only trade with approved counterparties. A list of approved counterparties is maintained. Additions to this list are reviewed quarterly and a thorough re-evaluation of all counterparties is

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

14.2. Credit Risk – (continued)

conducted annually. The review includes analysis of the counterparty's capital adequacy, profitability, liquidity and other factors as may be appropriate. Any non-cash collateral received by the ICAV cannot be sold or repledged; must be held at the credit risk of the counterparty; and must be issued by an entity independent of the counterparty.

Credit risk is addressed through diversified use of counterparties and issuers, and through minimum security ratings and average portfolio ratings. The Sub-Advisers may set portfolio limits and may invest based on internal parameters with mutually agreed limits set at the Fund's inception, including issue and issuer limitations, credit minimums, and an average credit quality, and the account is monitored on an ongoing basis to ensure it continues to meet these parameters. Rigorous independent analysis of all credit securities before purchase, including financial modeling, scenario analysis, and monitoring changes in risk profile may also be performed. Generally no more than 5% of the portfolio may be invested in any single corporate issuer at the time of purchase.

The Valuation Committee meets at least monthly and whenever the circumstances so require, to review and deliberate on valuation concerns including credit risk. The Investment Manager provides risk analysis to the Board and the Committee on a semi-annual basis.

Substantially all of the cash and securities held by the Fund are held via the Depositary. Bankruptcy or insolvency by the Depositary may cause the Fund's rights with respect to the cash held by the Depositary to be delayed or limited. The credit rating of the Depositary is highly rated by prominent rating agencies. If the credit quality or financial position of the Depositary deteriorates significantly, the Sub-Advisers may move the cash holdings to another bank.

Cash and cash equivalents held at the Depositary and amounts held by brokers as collateral are disclosed in Note 9.

If the Fund has posted collateral to a counterparty, in a counterparty insolvency, the Fund may have the right under trading agreements with the counterparty to recall such posted collateral. In practice, however, the Fund may seek to reduce any amounts owed to the counterparty to settle any open transactions by setting off the amounts owed against the posted collateral. If the Fund was due back any collateral after setting off against the amounts owed (e.g., the Fund's position was over collateralised), it is likely the Fund would have an unsecured claim against the counterparty in the insolvency proceeding for the excess amount due to it.

As at 30 June 2020, amounts due from brokers and other receivables were exposed to credit risk. The total amount of financial assets exposed to credit risk approximates to their carrying value on the Statement of Financial Position (excluding equities).

No securities have been placed as collateral with brokers as at 30 June 2020, in relation to derivative trading (30 June 2019: None).

In accordance with the ICAV's policy, the relevant Investment Manager monitors the Fund's credit risk exposures on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

The credit risk that the ICAV is exposed to arises from the debt securities. The table below sets out a summary of the credit exposure based on credit ratings of the debt securities held in the ICAV as at 30 June 2020 and 30 June 2019:

By rating category	As at 30 June 2020 % of debt securities	As at 30 June 2019 % of debt securities
A/A	6.13%	-
BBB/Baa	17.93%	9.39%
BB/Ba	17.26%	16.68%
B/B	15.93%	21.55%
Below B	42.75%	52.38%
Total	100.00%	100.00%

The S&P credit ratings of brokers/counterparties for the financial year ended 30 June 2020 and 30 June 2019 are:

By rating category	30 June 2020	30 June 2019
Barclays Bank	A	A
BNP Paribas	A+	A+
CitiBank	A+	A+
Credit Suisse	A+	A+
JP Morgan	A-	A-
Morgan Stanley	A+	A+
State Street Bank and Trust	AA-	AA-

14.3. Liquidity Risk

The ICAV's Prospectus provides for the daily creation and cancellation of shares, and the ICAV is therefore exposed to the liquidity risk of meeting shareholder redemptions at any time.

The Administrator monitors subscription and redemption volumes on a daily basis and notifies the Sub-Adviser of significant movements and unusual trends as appropriate. The ICAV can limit redemptions, if redemption requests on any dealing day (as defined in the Prospectus) exceed 10% of the shares in issue in respect of the Fund. The ICAV may defer the excess redemption requests to subsequent dealing days and shall redeem such shares ratably and the redemption requests shall be treated as if they were received on each subsequent dealing day until all the shares to which the original redemption requests related have been redeemed.

The ICAV has the ability to borrow in the short term to ensure settlement. In accordance with the UCITS Regulations the Fund may borrow money only as follows:

- (a) a Fund may acquire foreign currency by means of a "back-to-back" loan; and
- (b) a Fund may borrow:
 - (i) up to 10% of its NAV provided that such borrowing is on a temporary basis; and
 - (ii) up to 10% of its NAV provided that the borrowing is to make possible the acquisition of real property required for the purpose of its business; provided that such borrowing referred to in subparagraph b (i) and b (ii) may not in total exceed 15% of the borrower's assets.

One of the responsibilities of the Valuation Committee is to review and deliberate on valuation concerns, including illiquid securities. The ICAV may from time to time invest in derivative contracts traded OTC, which are not traded in an organised public market and may be illiquid. As a result, the ICAV may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value in order to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Notes to Financial Statements – (continued)

14. Risk Exposure and Risk Management – (continued)

14.3. Liquidity Risk – (continued)

The tables below analyse the Fund's financial instruments in a loss position as at 30 June 2020 and 30 June 2019. Maturities are considered to be essential to an understanding of the timing of cash flows based on the Fund's investment strategy.

As at 30 June 2020 Current Liabilities	Less than 1 month US\$000	1 - 3 months US\$000	> 3 months US\$000	Total US\$000
Amounts due to broker	(2,889)	–	–	(2,889)
Payable for fund shares redeemed	(304)	–	–	(304)
Payable for investments purchased	(1,738)	–	–	(1,738)
Payable for distributions	(231)	–	–	(231)
Accruals	(626)	–	–	(626)
Credit default swaps	–	–	(982)	(982)
Written options	(89)	(71)	(6)	(166)
Forward foreign currency exchange contracts	(16)	(323)	–	(339)
Open futures contracts	–	(300)	(5)	(305)
Net assets attributable to shareholders	(220,520)	–	–	(220,520)
	(226,413)	(694)	(993)	(228,100)
As at 30 June 2019 Current Liabilities	Less than 1 month US\$000	1 - 3 months US\$000	> 3 months US\$000	Total US\$000
Amounts due to broker	(4,870)	–	–	(4,870)
Payable for fund shares redeemed	(627)	–	–	(627)
Payable for investments purchased	(966)	–	–	(966)
Payable for distributions	(316)	–	–	(316)
Accruals	(810)	(418)	–	(1,228)
Credit default swaps	–	–	(5,059)	(5,059)
Equity swaps	–	–	(5)	(5)
Written options	–	–	–	–
Forward foreign currency exchange contracts	(289)	(430)	–	(719)
Open futures contracts	(1)	(632)	(140)	(773)
	(7,879)	(1,480)	(5,204)	(14,563)

15. Significant Shareholders

The following tables detail the number of shareholders with significant holdings of at least 20% of the ICAV and the percentage of that holding of the ICAV's NAV as at 30 June 2020 and 30 June 2019.

Fund	Number of significant shareholders	Number of shares held as at 30 June 2020	Aggregate shareholding as a % of the Fund
EnTrustGlobal Alternative Income Strategy	1	1,398,231	74.75
Fund	Number of significant shareholders	Number of shares held as at 30 June 2019	Aggregate shareholding as a % of the Fund
EnTrustGlobal Alternative Income Strategy	1	1,790,661	65.15

16. Significant Events

A new Prospectus and Fund Supplement was issued on 22 July 2019.

On 22 July 2019, the Central Bank approved the change of name of the Fund to EnTrustGlobal Alternative Income Strategy.

On 22 July 2019, EnTrustPermal Ltd. ceased acting as the Investment Manager to the ICAV. EnTrustGlobal Ltd. was appointed as the Investment Manager to the ICAV.

Effective 23 July 2019, the quoted market price used for long positions including those held as financial derivative instruments by the ICAV changed from the current bid-price to the current mid-price.

Effective 19 September 2019, Jaspal Sagger and Victoria Rock were appointed as Directors to the ICAV.

On 16 March 2020, an updated prospectus and fund supplement were issued to include an update for the Benchmark regulation compliance.

The outbreak of the respiratory illness COVID-19 (commonly referred to as "coronavirus") has continued to rapidly spread across the world, causing considerable uncertainty for the global economy and financial markets. The ultimate economic fallout from the pandemic, and the long-term impact on economies, markets, industries and individual users, are not known. The COVID-19 pandemic could adversely affect the value and liquidity of the Funds' investments, impair the Funds' ability to satisfy redemption requests, and negatively impact the Fund's performance. In addition, the outbreak of COVID-19, and measures taken to mitigate its effects, could result in disruptions to the services provided to the Funds by its service providers.

There were no other events during the financial year, which require adjustment to, or disclosure in the financial statements.

17. Segregated Liability

The ICAV is an umbrella fund with segregated liability between its sub-funds. As such, as matter of Irish law the assets of each of the Fund will not be exposed to the liabilities of the ICAV's other sub-funds. Notwithstanding the foregoing there can be no assurance that, should an action be brought against the ICAV in the court of another jurisdiction, the segregated nature of the sub-funds would necessarily be upheld. As at 30 June 2020 there was only one Fund launched in the ICAV (30 June 2019: one).

18. Subsequent Events

On 31 July 2020, Franklin Resources, Inc., a global investment organisation operating as Franklin Templeton closed its acquisition of Legg Mason, Inc.

Effective 30 September 2020, Victoria Rock resigned as a Director to the ICAV.

There were no other events since the financial year end, which require adjustment to or disclosure in the financial statements.

19. Approval of the Report

On 13 October 2020, the Annual Report and audited financial statements were presented to and noted by the Board of Directors and were approved for filing with the Central Bank and for circulation to the shareholders.

Statement of Major Portfolio Changes* (unaudited)

EnTrustGlobal Alternative Income Strategy

MAJOR PURCHASES	COST ('000's)	MAJOR SALES	PROCEEDS ('000's)
BNP Cash Diversification	68,454	BNP Cash Diversification	71,337
United States Treasury Note 1.125% due 28/02/20	13,082	Citibank Cash Diversification	20,050
United States Treasury Note 1.625% due 31/12/20	13,018	United States Treasury Note 1.125% due 28/02/20	13,211
United States Treasury Note 1.375% due 31/01/20	13,009	United States Treasury Note 1.375% due 31/01/20	13,133
United States Treasury Note 1.500% due 31/08/21	12,995	United States Treasury Note 1.625% due 31/12/20	13,064
United States Treasury Note 1.750% due 31/07/21	12,975	United States Treasury Note 2.125% due 31/05/21	13,056
United States Treasury Note 1.500% due 30/11/21	12,972	United States Treasury Note 1.750% due 31/07/21	13,051
United States Treasury Note 1.500% due 31/10/21	12,963	United States Treasury Note 1.500% due 30/11/21	12,983
United States Treasury Note 1.500% due 15/02/20	11,974	United States Treasury Note 1.500% due 31/10/21	12,965
Citibank Cash Diversification	10,000	United States Treasury Note 1.500% due 31/08/21	12,957
United States Treasury Bill 0.000% due 16/04/20	9,962	United States Treasury Note 1.500% due 15/02/20	11,977
United States Treasury Bill 0.000% due 16/01/20	9,959	United States Treasury Bill 0.000% due 16/04/20	10,000
United States Treasury Bill 0.000% due 16/01/20	9,947	Blackrock ICS US Dollar Liquid	7,120
Tech Data Corp	6,569	United States Treasury Bill 0.000% due 30/01/20	6,453
JPMorgan Liquidity Funds USD	6,170	JPMorgan Liquidity Funds USD	6,185
Tiffany & Co	6,051	State Street Global Advisors Liquidity PLC - US Treasury Liquidity Fund	5,000
Blackrock ICS US Dollar Liquid	5,387	United States Treasury Note 2.375% due 15/11/49	4,530
Portola Pharmaceuticals Inc	4,791	First Quantum Minerals Ltd 7.500% due 01/04/25	3,591
United States Treasury Note 2.375% due 15/11/49	4,536	CNX Resources Corp 5.875% due 15/04/22	2,970
United States Treasury Bill 0.000% due 17/09/20	3,999	Morgan Stanley Capital Inc 0.877% due 25/11/20	2,918

* Major portfolio changes are defined as the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate sales of a security exceeding one per cent of the total value of sales for the financial year. At a minimum, the 20 largest purchases and 20 largest sales must be shown.

Supplementary Information (unaudited)

REMUNERATION POLICY

Legg Mason Alternative Funds ICAV (the "ICAV")

1. Remuneration Policy

1.1 Introduction and Purpose

The ICAV has adopted this remuneration policy in order to meet the requirements of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") in a way and to the extent that is appropriate to the ICAV's size, internal organisation and the nature, scope and complexity of its activities. This policy has been adopted pursuant to ESMA's Guidelines on Sound Remuneration Policies under the UCITS Directive (the "ESMA Guidelines").

The purpose of this policy is to describe the remuneration principles and practices within the ICAV. Such principles and practices are designed:

- (a) to be consistent with, and promote, sound and effective risk management;
- (b) to be in line with the business strategy, objectives, values and interests of the ICAV;
- (c) not to encourage excessive risk-taking as compared to the investment policy of the relevant sub-funds of the ICAV (each, a "Fund");
- (d) to provide a framework for remuneration to attract, motivate and retain staff (including directors) to which the policy applies in order to achieve the objectives of the ICAV; and
- (e) to ensure that any relevant conflicts of interest can be managed appropriately at all times.

1.2 Application

This policy applies to identified staff, being those whose professional activities have a material impact on the risk profile of the ICAV or of the Fund and so covers: (i) senior management; (ii) risk takers¹; (iii) control functions²; and (iv) any employees receiving total remuneration that takes them into the same remuneration bracket³ as senior management and risk takers, whose professional activities have a material impact on the risk profile of the ICAV. The ICAV currently does not have any employees – the only personnel are the ICAV's management body (i.e., the board of directors) (each, a "Director" and collectively, the "Board"). All members of the Board are non-executive Directors. Certain of the Directors are affiliated with the investment managers of the Funds (each an "Investment Manager"). This policy applies both to the Directors who receive remuneration – namely, those Directors who are not affiliated with the Investment Manager (the "Independent Directors") – and the Directors who do not receive remuneration in light of their affiliation with the Investment Manager.

1.3 Governance

UCITS management companies and self-managed investment companies that are significant in terms of their size or of the size of the funds they manage, their internal organisation and the nature, the scope and the complexity of their activities are required to establish a remuneration committee. In view of the non-complex nature of the ICAV's internal structure and its activities, it is not considered necessary for the ICAV to establish a remuneration committee. In particular, the ICAV has taken account of the following circumstances prevailing as of the date of this document:

- the assets under management of the ICAV;
- the number of directors on the Board;
- the ICAV has no employees;
- the ICAV is not listed;
- the ICAV does not act as an alternative investment fund manager under Directive 2011/61/EU ("AIFMD") or provide the services mentioned under Article 6(3) of the UCITS Directive; and
- the ICAV is a self-managed Irish collective asset-management vehicle and so does not manage UCITS in any other EU or non-EU jurisdictions.

Accordingly, the ICAV is considered to be a non-complex, UCITS self-managed Irish collective asset-management vehicle. The Board is responsible for the remuneration policy of the ICAV and for determining the remuneration of the directors of the ICAV. The Board is comprised of non-executive directors only. The Board has adopted this policy and periodically reviews (at least annually) the general principles of this policy and is responsible for, and oversees, its implementation in line with the UCITS Regulations. The Board considers that its members have appropriate expertise in risk management and remuneration to perform this review. Where a periodic review reveals that the remuneration system does not operate as intended or prescribed, the Board shall ensure that a timely remedial plan is put in place.

1.4 Alignment of remuneration and risk-taking

(a) Fixed Salary

The Independent Directors receive a fixed annual fee which is competitive and based on the individual Director's powers, tasks, expertise and responsibilities including, without limitation:

- (i) nature and complexity of the funds;
- (ii) demands of fulfilling regulatory obligations; and
- (iii) designated person functions.

Each Director's performance is subject to annual review by the Board.

(b) Variable Salary

The Independent Directors receive fixed remuneration only. It is not considered appropriate that the Directors receive variable remuneration from the ICAV. The following pay-out process rules in the UCITS Regulations applicable to variable remuneration do not apply to the remuneration paid to staff of the ICAV:

- variable remuneration in instruments;
- retention;

¹ The Remuneration Guidelines refer in this context to "staff responsible for heading the investment management, administration, marketing, human resources" and "staff members, whose professional activities – either individually or collectively, as members of a group (e.g. a unit or part of a department) – can exert material influence on the management company's risk profile or on a UCITS it manages, including persons capable of entering into contracts/positions and taking decisions that materially affect the risk positions of the management company or of a UCITS it manages. Such staff can include, for instance, sales persons, individual traders and specific trading desks."

² "Control functions" refers to staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions within a management company.

³ "Remuneration bracket" refers to the range of the total remuneration of each of the staff members in the senior manager and risk taker categories – from the highest paid to the lowest paid in these categories.

Supplementary Information (unaudited) – (continued)

- deferral;
- ex post incorporation of risk for variable remuneration.

Following an assessment by the ICAV of each of the pay-out process rules and taking account of the ICAV's specific circumstances, the approach set out here is considered to be appropriate to the ICAV's size, internal organisation and the nature, scope and complexity of its activities as noted in Section 1.3.

(c) Expenses

The Directors will be reimbursed all reasonable, validly incurred, duly authorised and documented business expenses.

(d) Other Benefits

The ICAV does not propose to provide benefits to the Directors other than those referred to in this policy.

(e) Pension

The Directors are not entitled to pension contributions or other benefits from the ICAV in respect of their role as Directors.

(f) Notice of termination and severance pay

The maximum notice period in any Director's letter of engagement shall be determined by the relevant letter of engagement. Subject to the terms of that engagement letter, a Director's fee will continue to be paid during the relevant notice period. No severance payments are made.

(g) Conflicts of Interest

To the extent that the ICAV in the future retains any staff engaged in control functions (i.e., staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions), in order to address any conflict of interest such staff shall be compensated in accordance with the achievement of the objectives linked to their control functions, independent of the performance of the business area to which the control functions relate.

A Director may undertake external activities with or without compensation and/or inducements that might lead to a conflict of interest with the ICAV or the Funds provided the conflict of interest is considered and disclosed in accordance with the terms of the Director's letter of appointment and the UCITS Regulations.

Any staff that may be engaged by the ICAV are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements subject to this policy.

The ICAV has also adopted a connected party transaction policy in accordance with the requirements of the Central Bank.

2. Delegation of the Investment Management Function

2.1 Application of Remuneration Rules to Delegates

The ICAV has delegated the investment management function to the Investment Manager and so the ICAV must ensure that:

- the Investment Manager is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines; or
- appropriate contractual arrangements are put in place with the Investment Manager in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines. These contractual arrangements should cover any payments made to the Investment Manager's identified staff as compensation for the performance of investment management activities on behalf of the ICAV.

2.2 Confirmation of Applicability of Remuneration Rules by Investment Manager

Legg Mason Investments (Ireland) Limited is subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Guidelines.

The Investment Manager is required to provide a confirmation on an annual basis (or as otherwise reasonably required by the ICAV that the statement at Section 2.1 above was accurate during relevant period.

2.3 Application of Remuneration Rules to Sub-Delegates

To the extent that the Investment Manager sub-delegates the investment management function to a sub-investment manager (a "Sub-Investment Manager"), the Investment Manager must ensure the Sub-Investment Manager complies mutatis mutandis with the above requirements.

3. Deviation from the Policy

The Board may deviate from this policy. However, in such a case, the relevant payments must comply with the UCITS Regulations and the ESMA Guidelines (to the extent applicable) and in addition, the Board shall approve any payments made.

Total remuneration paid to the Directors during the financial year ended 30 June 2020 was as follows:

Type of remuneration	
Fixed Remuneration	US\$ 14,583
Variable remuneration	—
Total remuneration	US\$14,583
Number of beneficiaries	4

The Company has not paid remuneration to staff of any delegate to whom investment management functions have been delegated by the UCITS. Instead, the UCITS pays a management fee to the relevant delegate as referred to in Note 5 to these financial statements.

Supplementary Information (unaudited) – (continued)

Total Expense Ratios ("TER") (Unaudited)

The Total Expense Ratio ("TER") was calculated according to currently valid guidelines of the Swiss Funds & Asset Management Association SFAMA.

The key figures as at 30 June 2020 were as follows:

Share Class	TER	
	30 June 2020	30 June 2019
Class A US\$ Accumulating	2.82%	2.73%
Class A US\$ Distributing Plus (Q)	2.83%	2.71%
Class A Accumulating Euro (Hedged)	2.87%	2.76%
Class A Euro Distributing Plus (Q) (Hedged)	2.87%	2.77%
Class E Euro Accumulating (Hedged)	2.80%	2.74%
Class F US\$ Accumulating	2.17%	2.14%
Class R US\$ Accumulating	1.87%	1.75%
Class R US\$ Distributing Plus (Q)	1.87%	1.72%
Class R Euro Accumulating (Hedged)	1.90%	1.77%
Class R Euro Distributing Plus (Q) (Hedged)	1.91%	1.77%
Class X Euro Accumulating (Hedged)	2.27%	2.16%
Premier Class US\$ Accumulating	2.08%	1.97%
Premier Class US\$ Distributing Plus (Q)*	–	2.00%
Premier Class Accumulating Euro (Hedged)	2.12%	2.01%
Premier Class Euro Distributing Plus (Q) (Hedged)	2.12%	2.02%

1) The Total Expense Ratio ("TER") is calculated according to the following formula: (total expenses / AF) * 100; AF (= average fund assets)

* Class terminated on 14th February 2020.

General Data Protection Regulation (Unaudited)

The purpose of this disclosure is to notify Shareholders of their rights as data subjects and to explain how and why the ICAV and its service providers hold and process personal data.

By completing the application form for ICAV shares, investors provide personal information, which may constitute "personal data" within the meaning of the Data Protection Legislation¹. The following indicates the purposes for which Shareholders' personal data may be used by the ICAV and the legal bases for such uses:

- to manage and administer the Shareholder's holding in the ICAV and any related accounts on an ongoing basis as required for the performance of the contract between the ICAV and the Shareholder and to comply with legal and regulatory requirements;
- to carry out statistical analysis (including data profiling) and market research in the ICAV's legitimate business interest;
- for any other specific purposes where the Shareholder has given specific consent. Such consent may be subsequently withdrawn by the Shareholder at any time, without affecting the lawfulness of processing based on consent before its withdrawal;
- to comply with legal, taxation and regulatory obligations applicable to the Shareholder and/or the ICAV from time to time, including applicable anti-money laundering and counter terrorist legislation. In particular, in order to comply with the Common Reporting Standard (as implemented in Ireland by Section 891E, Section 891F and Section 891G of the Taxes Consolidation Act 1997 (as amended) and regulations made pursuant to those sections), Shareholders' personal data (including financial information) may be shared with the Irish tax authorities and the Revenue Commissioners. They in turn may exchange information (including personal data and financial information) with foreign tax authorities (including foreign tax authorities located outside the European Economic Area). Please consult the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie for further information in this regard;
- for disclosure or transfer, whether in Ireland or countries outside Ireland, including without limitation the United States, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, auditors, technology providers or to the ICAV and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above as required for the performance of the contract between the ICAV and the Shareholder or as needed in the ICAV's legitimate business interests.

Shareholders' personal data may be disclosed by the ICAV to its delegates and service providers (including Investment Managers, Distributors, Shareholder Servicing Agents, the Administrator and the Depositary), its duly authorised agents and any of its respective related, associated or affiliated companies, professional advisors, regulatory bodies, auditors and technology providers for the same purpose(s).

Shareholders' personal data may be transferred to countries which may not have the same or equivalent data protection laws as Ireland. If such transfer occurs, the ICAV will ensure that such processing of such personal data complies with Data Protection Legislation and, in particular, that appropriate measures are in place, such as entering into Model Contractual Clauses (as published by the European Commission) or ensuring that the recipient is Privacy Shield certified, if appropriate. If you require more information on the means of transfer of their data or a copy of the relevant safeguards, please contact the Administrator, by email at LeggMasonTA@statestreet.com, by phone at +353 1 242 5568 or by fax at +353 1 438 9582.

Pursuant to the Data Protection Legislation, Shareholders have several rights which they may exercise in respect of their personal data, namely:

- the right of access to personal data held by the ICAV;
- the right to amend and rectify any inaccuracies in the personal data held by the ICAV;
- the right to erase the personal data held by the ICAV;
- the right to data portability of the personal data held by the ICAV; and
- the right to request restriction of the processing of the personal data held by the ICAV.

In addition, shareholders have the right to object to processing of personal data by the ICAV.

¹ "Data Protection Legislation" means the Irish Data Protection Act, 1988 and 2003, the EU Data Protection Directive 95/46/EC, the EU ePrivacy Directive 2002/58/EC (as amended) and any relevant transposition of, or successor or replacement to, those laws (including, when they come into force, the General Data Protection Regulation (Regulation (EU) 2016/679) and the successor to the ePrivacy Directive).

The above rights will be exercisable by shareholders subject to limitations as provided for in the Data Protection Legislation. Shareholders may make a request to the ICAV to exercise these rights by contacting the Administrator, by email at LeggMasonTA@statestreet.com, by phone at +353 1 242 5568 or by fax at +353 1 438 9582.

Please note that Shareholders' personal data will be retained by the ICAV for the duration of their investment and otherwise in accordance with the ICAV's legal obligations including, but not limited to, the ICAV's record retention policy.

The ICAV is a data controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by shareholders in confidence and in accordance with the Data Protection Legislation. Note that Shareholders have the right to lodge a complaint with the Office of the Data Protection Commissioner if they believe that the processing of their data has been unlawful.

Supplemental Information – Fund Performance Data (unaudited)

Share Class	Class CCY	Inception Date	Fiscal YTD 01/07/19-30/06/20	Calendar 01/01/19-31/12/19	Since Inception
Class A US\$ Accumulating	USD	25/08/2015	(3.79)	4.64	2.06
Class A US\$ Distributing Plus (Q)	USD	25/08/2015	(3.79)	4.64	2.04
Class A Accumulating Euro (Hedged)	EUR	25/08/2015	(6.13)	1.52	(8.20)
Class A Euro Distributing Plus (Q) (Hedged)	EUR	25/08/2015	(6.13)	1.53	(8.04)
Class E Euro Accumulating (Hedged)	EUR	28/08/2017	(5.83)	1.96	(9.14)
Class F US\$ Accumulating	USD	17/01/2018	(2.86)	5.67	(2.56)
Class R US\$ Accumulating	USD	24/05/2016	(2.86)	5.68	7.99
Class R US\$ Distributing Plus (Q)	USD	24/05/2016	(2.86)	5.62	8.10
Class R Euro Accumulating (Hedged)	EUR	24/05/2016	(5.21)	2.53	(2.01)
Class R Euro Distributing Plus (Q) (Hedged)	EUR	24/05/2016	(5.22)	2.50	(1.89)
Class X Euro Accumulating (Hedged)	EUR	16/12/2015	(5.56)	2.13	(3.09)
Premier Class US\$ Accumulating	USD	25/08/2015	(3.06)	5.43	5.64
Premier Class US\$ Distributing Plus (Q)*	USD	25/08/2015	–	–	–
Premier Class Accumulating Euro (Hedged)	EUR	25/08/2015	(5.41)	2.27	(4.79)
Premier Class Euro Distributing Plus (Q) (Hedged)	EUR	25/08/2015	(5.43)	2.26	(4.31)

* Class terminated on 14th February 2020.

