

LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND FUND

Fund sustainability report: Q4, 2023

Marketing communication





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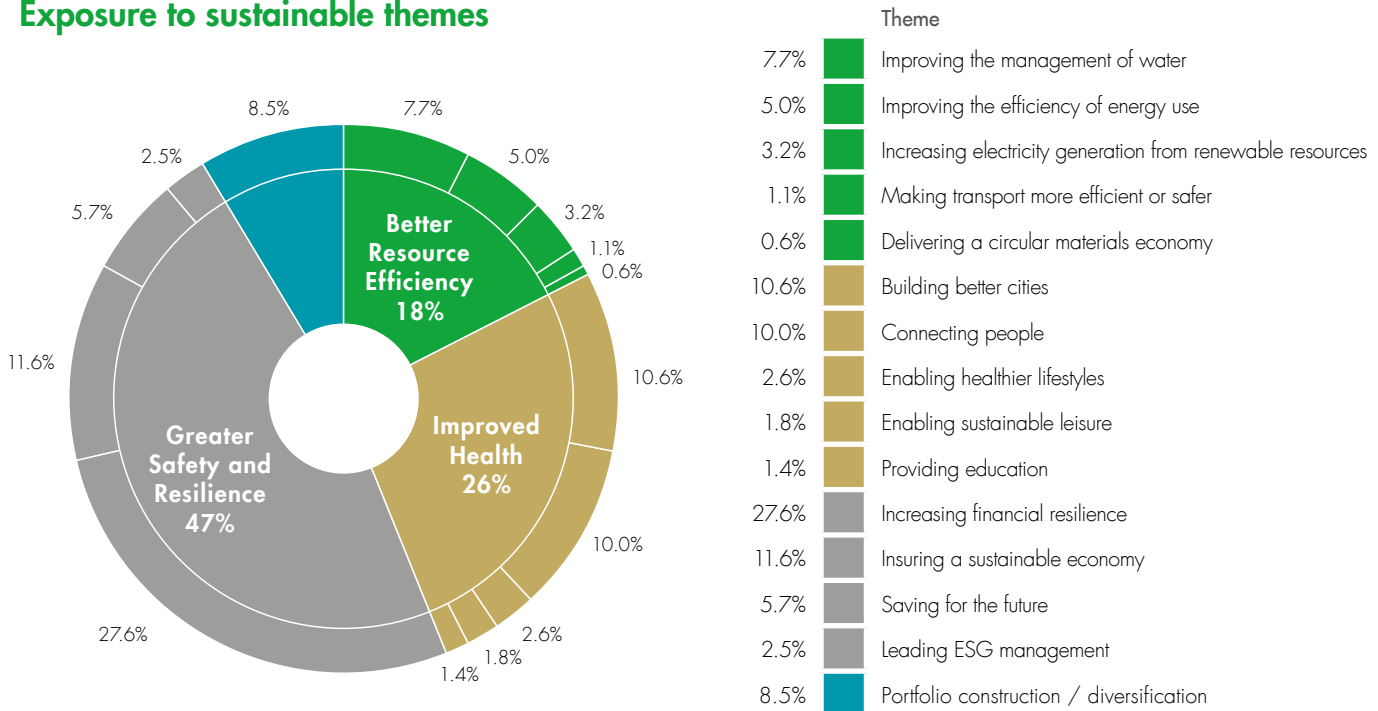
Exposure to positive sustainability investment trends

Consistent with the available opportunities in investment grade corporate bonds and our approach that seeks to invest in resilient companies, our fixed income funds typically have a high allocation to the Greater safety and resilience mega trend. For more detail on the sustainable themes, see liontrust.co.uk/sustainable

Within this trend, the two sub themes with the greatest exposure are *Increasing financial resilience* and *Insuring a sustainable economy*. The fund's exposure to both Banks and Insurance generally sits within these themes and is a significant component. Typically, the exposure within the *Increasing financial resilience* theme is to banks that are well capitalised and have a focus on retail and small and medium-sized enterprises (SME) lending coupled with resilient and

prudent lending practices. We believe that high quality lending and banking activities is important to a resilient economy. Typically, the exposure within the *Insuring a sustainable economy* theme is to insurance companies. Insurance facilitates economic growth by giving people the confidence to invest in themselves, their lives or their businesses. The leading insurance companies expend time and resources researching the issues such as climate change in order to make them more efficient when it comes to pricing risk. Through this research they become better underwriters with a greater ability to advise their clients on potential risks, while also fully integrating their analysis in order to make better investments. We believe that these leading companies again create more resilient, sustainable economies.

Exposure to sustainable themes



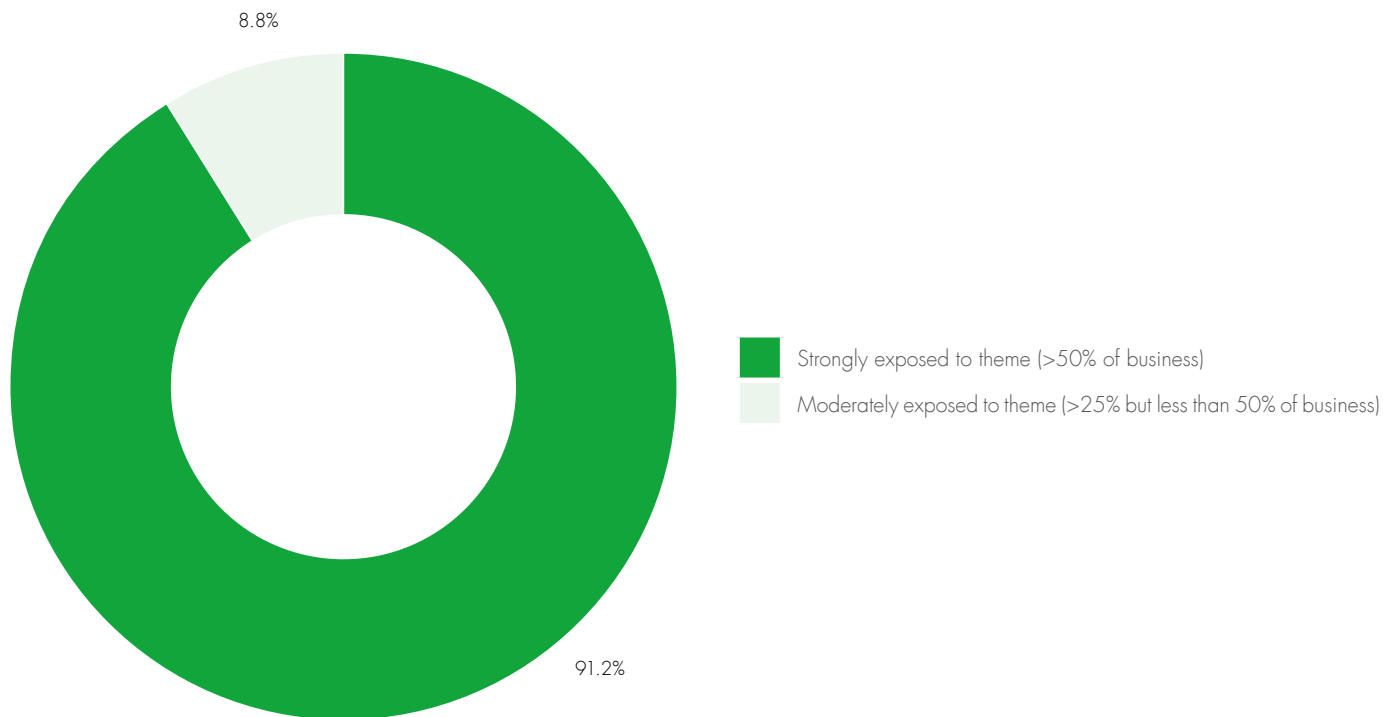
Data as at 31 December 2023. Chart is thematic exposure to corporate bonds only, Government bonds and cash excluded

Exposure to positive sustainability investment trends

Sustainable investment themes: how much of business is exposed

This analysis shows what proportion of companies held in the fund is exposed to the sustainable investment themes: 91.2% of the fund is invested in companies that are strongly exposed to our themes

(which means more than 50% of the business's revenues); 8.8% of the fund is invested in companies that are moderately exposed to our themes, which means between 25% and 50% of revenues.



Source: Liontrust / Facstet as at 31 December 2023

Alignment with UN Sustainable Development Goals (SDGs)

All of the Sustainable investment themes are linked to SDGs and the underlying Key Performance Indicator they relate to have been identified in the SDG text.

A more detailed discussion on impact and how the Sustainable investment themes are aligned with the SDGs is available in the SF Annual Review (www.liontrust.co.uk/fund-managers/sustainable-investment/sustainable-documents).

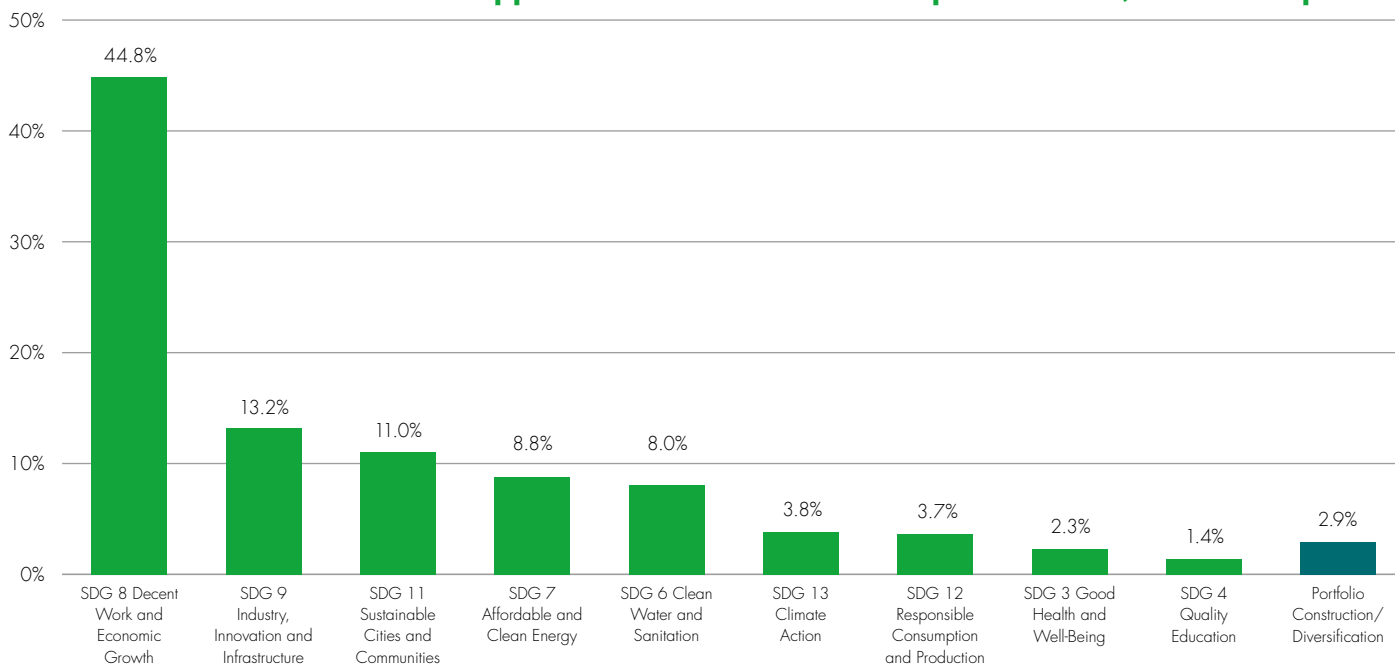
The fund has most exposure to SDG 8: Decent work and economic growth (44.8%); SDG 9: Industry, innovation and infrastructure (13.2%); and SDG 11: Sustainable cities and communities (11.0%).

Whilst our methodology is to assign what we believe to be the most prevalent SDG or the SDG that the company has the most impact on, we believe that the companies we have exposure to can have an impact on multiple SDGs.

For example, many holdings in the Banking industry come under SDG 8: Decent work and economic growth as we believe that through the banks lending practices they facilitate economic growth. However, given several of the banks we own have exposure to retail (mortgage), they could therefore be classified or have positive impact on SDG 11: Sustainable cities and communities.

The fund has exposure to nine of the 17 UN SDGs.

Sustainable investment themes mapped to UN Sustainable Development Goals (% of fund exposure)

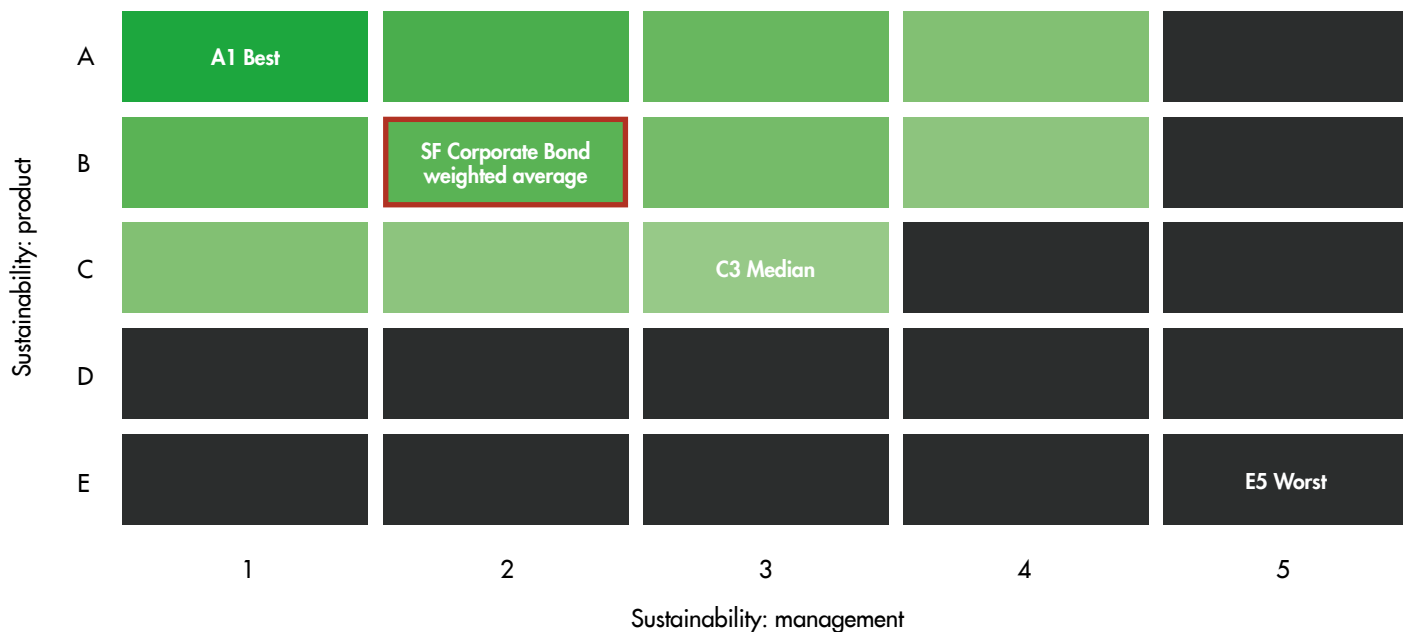


Source: Liontrust / Facset as at 31 December 2023. Data is representative of corporate bonds only and excludes government bonds and cash www.un.org/sustainabledevelopment

Assessment of how sustainable companies are: Sustainability Matrix Rating

We assess every company using our proprietary Sustainability Matrix Rating, which measures how sustainable its products and services are as well as how well they manage the material environmental, social and governance (ESG) matters related to their business.

The weighted average Sustainability Matrix rating for the fund is B2 (marked in red in the figure below). This shows the fund is invested in companies whose products and services are more sustainable and whose management of ESG aspects of their business is better than the market it invests in. There are no companies in the fund which are rated in the ineligible grey area of the Sustainability matrix.

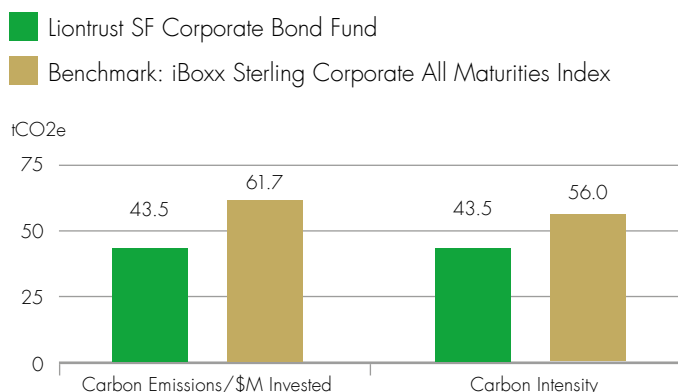


Source: Liontrust / Factset, 31 December 2023

Climate change: portfolio data on carbon, solutions and fossil fuels

Carbon emissions of fund compared to conventional benchmark

We can see from the chart below that the investments in the fund emit 29.5% less carbon (tCO₂e) than the market it invests in. This independent analysis includes direct emissions forming scope 1 and scope 2 emissions only*.



Source: MSCI Carbon Analytics and Liontrust 31 December 2023. The iBoxx Sterling Corporate All Maturities Index is one of two comparator benchmarks for this fund. Carbon emissions data available for 59.9% of the fund and 71.0% of the benchmark. *Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources controlled or owned by an organisation (associated with fuel combustion in boilers, furnaces, vehicles and so on). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 3 (all indirect emissions, not included in scope 2, that occur in the value chain of the reporting company) is important but not currently available in a consistent data set with enough coverage to be included in this independent analysis.

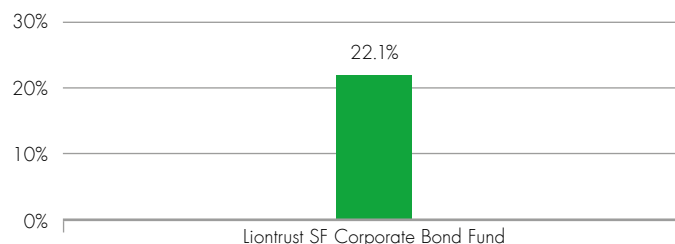
	Carbon Footprint (tCO ₂ e / \$m invested)	Carbon Intensity (tCO ₂ e/\$m sales)	Weighted Average Carbon Intensity (tCO ₂ e/\$m sales)	Carbon Emissions Data Availability (Market value)
Liontrust SF Corporate Bond Fund	43.5	42.7	70.8	59.9%
Benchmark: iBoxx Sterling Corporate All Stock	61.7	56.0	87.7	71.0%
Fund relative to benchmark	-29%	-24%	-19%	

Source: MSCI Carbon Analytics as at 31 December 2023. At the issuer level, Carbon Intensity is the ratio of annual scope 1 and 2 carbon emissions to annual revenue.

Companies offering clean technology solutions

This analysis shows that the fund holds 22.1% of companies that MSCI has determined are providing clean technology solutions.

Owing to the nature of the fixed income asset class, many investments are to more developed stable companies. Therefore, is it difficult to obtain material exposure to companies overly exposed to cleantech. Usually our exposure to cleantech solutions will be as a result of investment within a larger more developed utility.



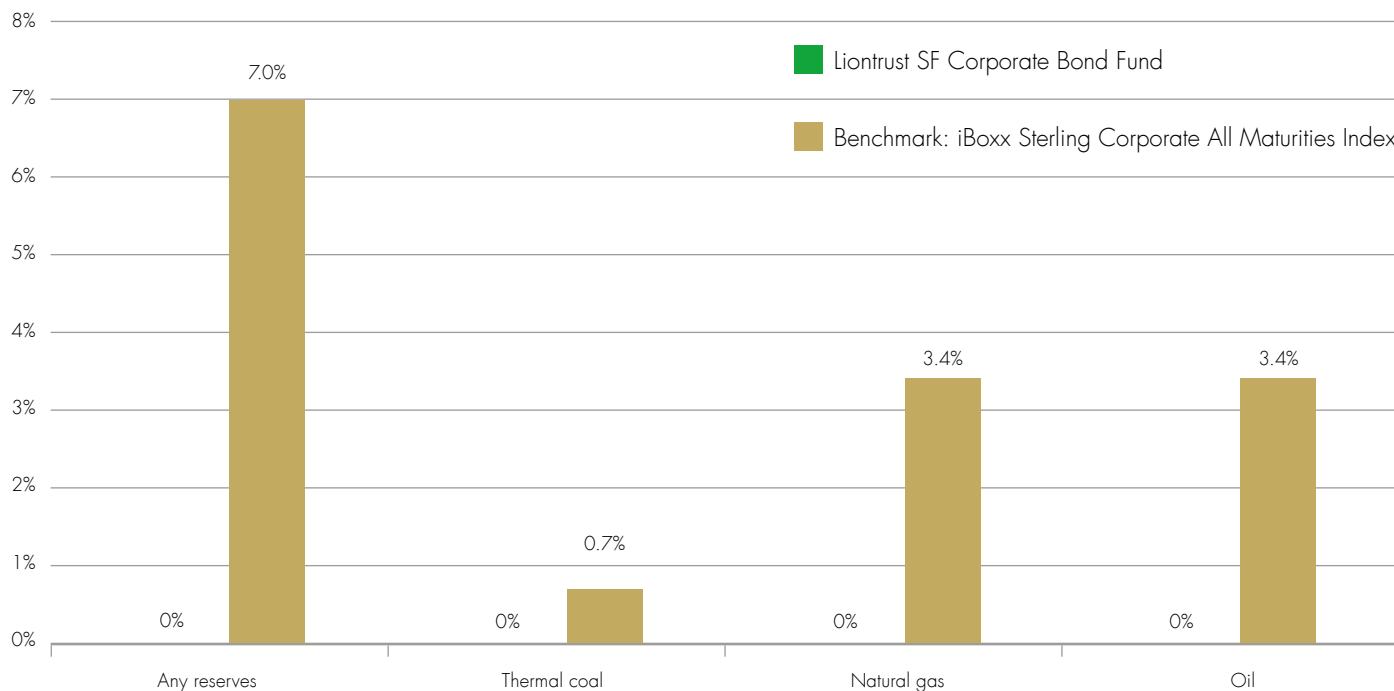
Source: MSCI Carbon Analytics and Liontrust 31 December 2023

Weight of holdings owning fossil fuels

Weight of companies owning fossil fuel reserves

Based on the third-party available data (which covers 59.9% of the fund's holdings and 71.0% of the benchmark), the fund holds no exposure to fossil fuel reserves. Our own additional analysis

concludes that we are not holding companies with significant exposure to fossil fuel reserves in any companies not covered by this data set. Fossil fuel reserves include coal, gas, and oil reserves.

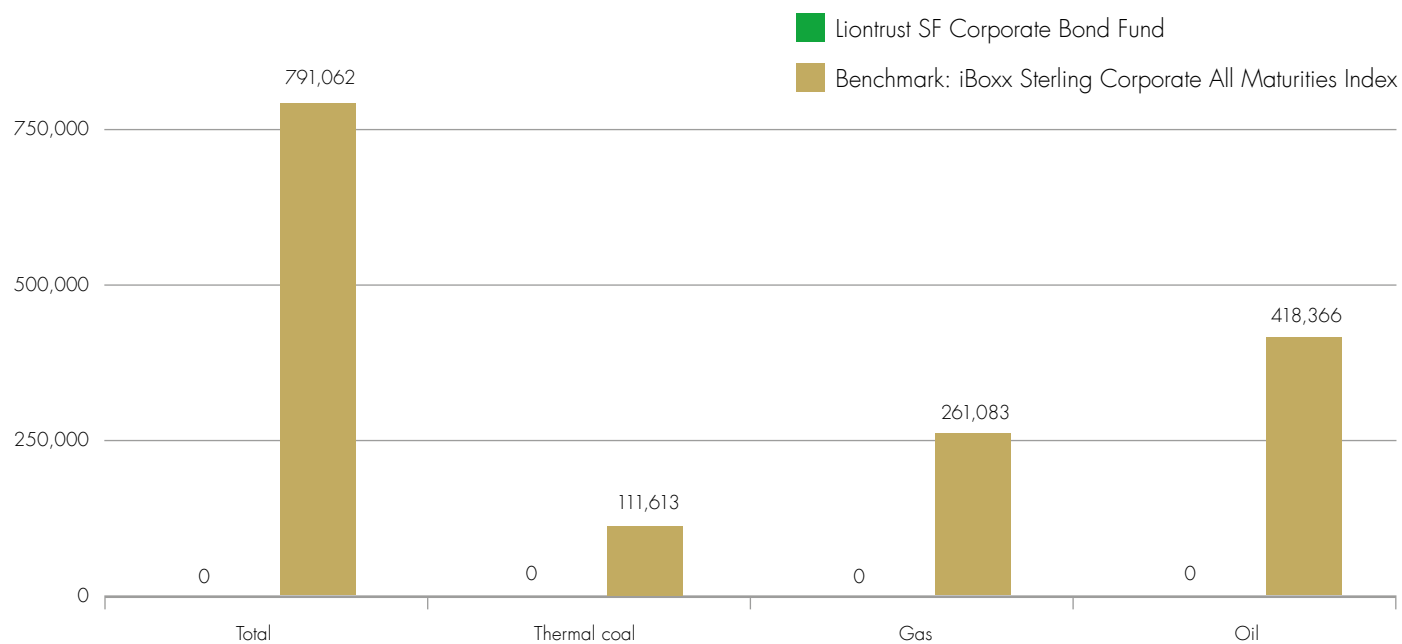


Source: MSCI Carbon Analytics and Liontrust 31 December 2023. The iBoxx Sterling Corporate All Maturities Index is one of two comparator benchmarks for this fund

Potential emissions from fossil fuel reserves

Tons CO₂e

1,000,000



Source: MSCI Carbon Analytics and Liontrust 31 December 2023. The iBoxx Sterling Corporate All Maturities Index is one of two comparator benchmarks for this fund.

All Fund holdings

Alphabetical list showing all holdings in the fund along with their sector, our Sustainability Matrix Rating and Sustainable investment theme.

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
3i Group Plc	Financials	C1	Increasing Financial Resilience	3i is a private equity company that invests predominantly in retail, infrastructure, healthcare, technology and industrial. They have strong responsible investment policies and firm exclusion on no-go areas.
Anglian Water (Osprey) Financing Plc	Utilities	A2	Improving Management Of Water	Anglian Water is the 4th largest of the 10 water and sewerage companies in England & Wales by regulatory capital value. It provides water and wastewater services to around 6.3m customers in the south east of England. Anglian water invests significant amounts of capital expenditure to maintain and improve its network infrastructure, reducing the risk of leakage from the network, which is vitally important given the impact of climate change.
Annington Funding Plc	Real estate	A3	Building Better Cities	Annington is one of the UK's largest private residential landlords, with more than 40,000 homes across the country. The company is holding to address the UK's housing crisis through the provision of affordable housing at a significant discount to market rents, whilst also refurbishing and redeveloping around 500 properties per annum for sale or rent at competitive prices to help make home buying a more realistic option for a larger proportion of the population. Having access to shelter is one of the most basic human needs alongside food and clothing, with companies that provide high quality affordable housing therefore part of a sustainable society.
AT&T Inc.	Communication Services	B3	Connecting People	AT&T engages in the provision of telecommunications, media and technology services, primarily to consumers and businesses in the US, whilst its Latin America arm provides entertainment and wireless as well. It also operates Warner Media which produces and distributes films, television and gaming. The company is currently in the process of refocussing its primarily on communications services, which play a pivotal role in the transition to digital infrastructure, promoting digital inclusion and reducing the digital divide across underserved segments of the population, improving quality of life for people in developed and emerging countries, enabling other sectors of the economy to function effectively (e.g. healthcare, education etc.) and helping customers reduce their emissions and stay connected.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Aviva Plc	Insurance	B2	Insuring A Sustainable Economy	Aviva PLC is an international insurance company that provides all classes of general and life assurance, including fire, motor, marine, aviation, and transport insurance. The Company also supplies a variety of financial services, including unit trusts, stockbroking, long-term savings, and fund management. Contributing to a sustainable economy through the reduction of risk and the mitigation of financial impact for the policy holder, thereby producing a safety net for people and business in times of catastrophe. Also contributing to a sustainable economy through the adoption of more responsible investment policies and assisting people save for their future.
Barclays PLC	Banks	C3	Increasing Financial Resilience	Barclays PLC is a global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management, and investment management services.
Blackstone Property Partners Europe Holdings SARL	Real estate	C3	Portfolio Construction/ Diversification	Blackstone Property Partners Europe is an open-ended private equity fund focussed on "core plus" real estate investments, with its €13.3 million portfolio predominantly focussed on logistics assets, as well as the office and residential segments across 14 countries. Logistics real estate landlords play an increasingly pivotal role in global supply chains, particularly given the recent acceleration in the shift to e-commerce which requires 3 times more warehouse and logistics space than traditional brick-and-mortar business models, hence improving the sustainability credentials of these properties is becoming increasingly important. A 2021 study revealed that online shopping and home delivery from urban & core fulfilment centres holds substantial environmental advantages over traditional brick-and-mortar retail including: 36% fewer overall GHG emissions, 50% fewer transport-related emissions, and a 10% reduction in carbon footprint per package.
bLEND Funding PLC	Housing Associations	A2	Building Better Cities	The Housing Finance Corporation (THFC). Throughout its history THFC has demonstrated its commitment to the social purpose of housing associations by innovating new products to achieve the best possible terms of funding, allowing its 160+ HA borrowers to grow and meet the demand for affordable housing. As a not-for-profit, the Group's surpluses are retained and reinvested to ensure THFC can continue to provide competitively priced funding for HAs long into the future. BLEND Funding Plc and Affordable Housing Finance Plc are both wholly own subsidiaries of THFC and are issuing entities in their own right.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
BNP Paribas S.A.	Banks	B4	Increasing Financial Resilience	BNP Paribas SA attracts deposits and offers commercial, retail, investment, and private and corporate banking services. The Bank also provides asset management and investment advisory services to institutions and individuals in Europe, the United States, Asia, and the emerging markets. Well diversified financial institution by product, with over 60% of revenues being generated from higher rated revenue streams, i.e. retail banking, SME lending and insurance. ESG is fully integrated throughout all of their business units as they believe that this will result in better lending and hence higher returns over the long term.
BPCE SA	Banks	B3	Insuring A Sustainable Economy	BPCE operates as a bank. The Bank provides personal banking, insurance, loans, real estate financing, asset management, investment solutions, payments, and other financial services.
Bunzl Finance Plc	Industrial Goods & Services	C1	Portfolio Construction/ Diversification	BUNZL provides outsourcing and distribution/logistics solutions, essentially acting as a "one-stop-shop" supplier for non-food consumables, sourcing and procuring products, consolidating/storing in their warehouses before delivering to customers. Road logistics providers are broadly neutral to sustainable development, given their negative environmental externalities, which are balanced against global economic and societal models demanding transport/delivery of goods throughout the world, with road transport carrying over 70% by volume and more than 90% by value of global goods, supporting global economic development.
Cadent Finance Plc	Utilities	C2	Improving The Efficiency Of Energy Use	Cadent Finance Plc engages in provision of natural gas distribution services. Cadent Gas Ltd (formally National Grid Gas Distribution having fully divested from the business in 2019) is the largest regulated gas distributor in the UK, owning four of the eight regulated gas distribution networks (North West England, West Midlands, East of England and North London). Cadent are responsible for the safe and efficient transportation of gas to the customer through pipelines and equipment. They own and operate >131,000km of lower-pressure gas mains with a RAV of £10.2bn, serving almost 50% of the UK's gas customers, 11m homes and businesses.
Cellnex Finance Co. SA	Telecommunications	B2	Connecting People	Cellnex is a leader in telco and broadcasting infrastructure in Europe and enables MNOs to use its infrastructure rather than have its own footprint of passive infrastructure, which can free up MNO balance sheets and increase investment in active investments. 5G will further boost network capacity and density, necessary for the continued exponential growth in data and our reliance on the digital economy.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Clarion Funding PLC	Housing Associations	A1	Building Better Cities	The mission of Clarion Housing Group is to provide good quality, affordable homes and neighbourhoods to people failed by the market. With 125,000 properties and more than 350,000 residents, they are the largest housing association in the country. They are a developer as well as a landlord - building thousands of affordable homes every year and invest in residents and their communities through Clarion Futures and their charitable foundation.
Compass Group PLC	Travel & Leisure	C1	Leading Esg Management	Compass Group provides catering services globally; it serves 5.5 billion meals a year and employs 600k people across 55k client locations.
Cooperatieve Rabobank UA	Banks	B1	Increasing Financial Resilience	Cooperatieve Rabobank U.A. operates as a bank, offering personal, wholesale, international, and retail banking services. Cooperatieve Rabobank has historical ties to the food and agriculture sectors, accounting for circa 50% of corporate lending. The organisation has a stated mission of making a significant contribution to welfare and prosperity in the Netherlands as well as aiming to make a substantial contribution to feeding the world sustainably. Moreover, the majority of their corporate lending is to SME, consistent with aim of supporting economic growth in the Netherlands.
CPUK Finance Ltd.	Financials	B1	Encouraging Sustainable Leisure	Center Parcs (UK) Group Ltd is a leading short break holiday business in the UK and Ireland, operating through six holidays villages (Sherwood Forest in Nottinghamshire; Elveden Forest in Suffolk; Longleat Forest in Wiltshire; Whinfell Forest in Cumbria; Woburn Forest in Bedfordshire; and Longford Forest in County Longford, Ireland). The concept of Center Parcs is to bring families / friends together in a relaxed holiday environment at their UK villages. This has a positive impact due to the reduction in carbon footprint of holidaying domestically as opposed to abroad. CP has successfully reduced its CO2 emission target in 2020 and expects to reduce their emissions by a further 30% through their anaerobic digestion power plant and increasing their electric vehicle fleet.
Deutsche Telekom International Finance BV	Telecommunications	B3	Connecting People	DT is the German incumbent telecommunications operator, providing services in Germany, the United States and Europe through its fixed and mobile networks for both consumers and businesses. The company plays a pivotal role in the transition to digital infrastructure, with the leading fiber optic network in nearly all of its markets, which forms a critical part of a sustainable economy through promoting digital inclusion and reducing the digital divide across underserved segments of the population, improving quality of life for people in developed and emerging countries, enabling other sectors of the economy to function effectively (e.g. healthcare, education etc.) and helping customers reduce their emissions and stay connected.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Direct Line Insurance Group Plc	Insurance	B2	Insuring A Sustainable Economy	Direct Line Insurance Group plc provides personal and commercial insurance and services. The Company offers a range of insurance products including automobile, home, travel, pet, property, and accident insurance. Direct Line Insurance serves private customers and business clients online and by phone throughout the United Kingdom, Germany, and Italy. Contributing to a sustainable economy through the reduction of risk and the mitigation of financial impact for the policy holder, thereby producing a safety net for people and business in times of catastrophe. Also contributing to a sustainable economy through the adoption of more responsible investment policies.
DWR CYMRU (Financing) Ltd.	Utilities	A1	Improving Management Of Water	Welsh Water is the 6th largest water and sewerage company in England & Wales, providing high quality drinking water and environmental services to 3.1m customers and 110,000 business customers. Welsh Water invests significant amounts of capital expenditure to maintain and improve its network infrastructure, reducing the risk of leakage from the network, which is vitally important given the impact of climate change. Their 2020-25 business plan involves incurring £2.5bn of capital investment in its network. They collect, treat and safely return wastewater to rivers and seas, protecting public health and the environment.
Greater Gabbard OFTO Plc	Financials	A1	Increasing Electricity From Renewable Sources	Greater Gabbard's principal activity is to provide electricity transmission services that connect the offshore windfarm to the UK's onshore National Grid through, with the windfarm's 140 turbines powering around 500,000 homes each year. The company is a key contributor to a more sustainable economy, given its pivotal role in increasing the proportion of electricity generated from renewable sources.
HSBC Holdings Plc	Banks	C1	Increasing Financial Resilience	HSBC is a global bank that provides a variety of international banking and financial services, including retail and corporate banking, trade, trusteeship, securities, custody, capital markets, treasury, private and investment banking, and insurance. Its diverse business model and high levels of capital and liquidity make this one of most financially resilient banks in the UK. In addition to supported global economic growth through SME lending, HSBC is committed to supporting the transition to a lower carbon economy through market leading levels of sustainable finance/lending.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Infrastrutture Wireless Italiane SpA	Communication Services	B2	Connecting People	INWIT is Italy's leading towers operator, providing passive infrastructure transmission equipment for telecommunications operators. It invests in new technologies to improve network coverage and density, in order to meet the greater capacity requirements from rising demand for mobile data services and ensure stable and reliable connections. The company plays a crucial role in accelerating the transition towards digital infrastructure, which forms a critical part of a sustainable economy through promoting digital inclusion and reducing the digital divide across underserved segments of the population, improving quality of life for people in developed and emerging countries, enabling other sectors of the economy to function effectively (e.g. healthcare, education etc.) and helping customers reduce their emissions and stay connected.
ING Group NV	Banks	B2	Increasing Financial Resilience	ING Groep is a global financial institution, providing retail and wholesale banking services to private clients, small businesses, large corporations, financial institutions, and governments.
Investec Plc	Banks	B3	Increasing Financial Resilience	Investec plc is an international specialist bank and asset manager, provides corporate and investment banking, private banking, securities trading, asset management, property trading and management and trade finance services. Investec has significant exposures to the segments of financial services that we deem to be positive, namely SME/mortgage lending and asset & wealth management. Moreover, Investec are considered market leaders in their approach to integrating ESG, both through their exclusionary policies but also through its strong commitment to lend to green projects.
Legal & General Group Plc	Insurance	B1	Saving For The Future	Legal and General manages capital and associated risks in order to provide customers with pension income and long term savings. It benefits from the rise in defined contribution pensions and the de-risking of workplace institutional pensions. They are a beneficiary of the Saving for the Future theme, helping individuals to provide for their retirement in an efficient and cost effective way. As a major investor it is encouraging to see their commitment to align their assets with Paris Objectives on decarbonisation. In addition we welcome their direct investment in social housing, EV charging infrastructure and renewable energy projects. It is sensitive to underlying economic conditions, but we believe it is undervalued and has strong long term prospects.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Liberty Living Finance Plc	Real estate	A2	Providing Education	Unite is the UK's largest owner, manager and developer of affordable, safe and secure student accommodation, providing beds for over 76,000 students with a develop pipeline to 2023 aiming to add an additional 4,000 beds to its portfolio. Through the provision of affordable accommodation they are enabling the provision of higher education, which in turn drives greater levels of socioeconomic mobility as well as fostering research & development and innovation. Furthermore the company also supports numerous initiatives to support underprivileged students to attain higher education via free accommodation scholarships.
Lloyds Banking Group Plc	Banks	B1	Increasing Financial Resilience	Lloyds Banking Group plc, through subsidiaries and associated companies, offers a range of banking and financial services in the UK, including mortgages, pensions, asset management, insurance services, corporate banking, and treasury services. As well as being the leading lender to SME/start-ups in the UK that is a key driver of long term economic growth, Lloyds also is one of the largest mortgage providers in the UK thus enabling home ownership. It has developed a strong commitment to carbon reduction, both within the bank and its loan book, targeting to cut emissions within its loan book by 50% by 2030.
London & Quadrant Housing Trust Ltd.	Financials	A2	Building Better Cities	London & Quadrant Housing Trust provides housing facilities. The Company offers affordable homes, moving home, rent, supported housing, advice, repairs, and maintenance services. London & Quadrant Housing Trust serves customers in the United Kingdom.
Motability Operations Group Plc	Financials	B2	Enabling Healthier Lifestyles	Motability Operations Group PLC provides transit services. The Company provides finance for the acquisition of vehicles under hire purchase agreement for disabled people.
National Express Group Plc	Travel & Leisure	A2	Making transportation more efficient or safer	The company operates bus, coach and rail services, with an exceptional record on safety and progressive on environmental improvements. It helps to make cities less congested and air cleaner.
National Gas Transmission plc	Utilities	C3	Improving The Efficiency Of Energy Use	National Gas Transmission provides natural gas transmission and distribution services. It operates through three segments: gas transmission, gas distribution, and gas metering.
National Grid Electricity Transmission Plc	Utilities	B2	Improving The Efficiency Of Energy Use	National Grid engages in the transmission and distribution of electricity and gas to millions of customers and communities.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
NatWest Group Plc	Banks	B2	Increasing Financial Resilience	Natwest is a UK focused bank that operates both retail and commercial operations, providing consumer loans, asset and invoice finances, commercial and residential mortgages, credit cards, and financial planning services, as well as life insurance. Natwest's corporate lending is focused on the areas that we view as being most beneficial to sustained economic growth, namely SME lending, leasing and factoring and traditional retail banking. They aim to reduce carbon within their corporate loan book by at least 50% by 2030.
NatWest Markets Plc	Banks	B2	Increasing Financial Resilience	Natwest is a UK focused bank that operates both retail and commercial operations, providing consumer loans, asset and invoice finances, commercial and residential mortgages, credit cards, and financial planning services, as well as life insurance.
Next Plc	Consumer Discretionary	C2	Portfolio Construction/ Diversification	Next Plc owns and operates retail stores offering fashionable accessories for men, women and children along with homeware items. Next are committed to reducing their environmental impact in operations and supply chain. The company have a strong focus on responsible sourcing ensuring materials are responsibly sourced through good working conditions with respect for the environment. Next are members of the British Retail Consortium (creating an economic and policy environment enabling retail businesses to thrive and consumers to benefit), Sustainable Clothing Action Plan 2020, The Microfibre Consortium (development of solutions for the textile industry to minimise fibre fragmentation from manufacturing and product life cycle), the Leather Working Group (supporting sustainable leather manufacturing) and joined the Zero Discharge of Hazardous Chemicals roadmap to zero programme in 2018.
Optivo Finance Plc	Housing Associations	A1	Building Better Cities	One of the largest housing providers in the UK and a member of the G15 group of London's largest housing associations. Over 45,000 homes across London, the South East and the Midlands, giving 90,000 people somewhere affordable to call their own.
Orsted A/S	Utilities	A1	Increasing Electricity From Renewable Sources	Ørsted A/S engages in the provision of renewable energy solutions and is the world's largest developer and operator of offshore wind. Ørsted has firmly embraced the energy transition, transforming its business over the last decade to becoming the global leader in offshore wind. They have installed 9.9GW of renewable energy capacity, expanding their geographical footprint, generating enough energy to power more than 15 million people's energy requirement, helping to avoid 11.3m tonnes of carbon emissions. In 2021 energy generated from renewable sources accounted for 89% of Ørsted's total energy generation and this is set to expand as they continue to invest significantly in wind and solar generation projects. Ørsted is a major player in the global green energy transformation.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Peabody Capital No, 2 Plc	Housing Associations	A3	Building Better Cities	Peabody is one of the largest housing associations within the UK. It benefits society by providing affordable housing whilst also develops properties in order to help alleviate the housing shortage.
Pension Insurance Corp. Plc	Insurance	B2	Saving For The Future	Pension Insurance Corp. Plc provides risk management solutions and insurance products. The firm offers pension insurance buyouts, buy-ins, and longevity insurance solutions. Its clients include companies, multinationals, and the public sector. Contributing to a sustainable economy by de-risking clients pension portfolio and assisting clients saving for their future. Also contributing to a sustainable economy through the adoption of more responsible investment policies.
PGH (Cayman)	Insurance	B3	Insuring A Sustainable Economy	"Phoenix Group Holdings PLC operates as a holding company. The Company, through its subsidiaries, provides life insurance and pension funds services. Phoenix Group Holdings serves customers in the United Kingdom. Contributing to a sustainable economy by de-risking clients pension portfolio and assisting clients saving for their future. Also contributing to a sustainable economy through the adoption of more responsible investment policies."
Phoenix Group Holdings Plc	Insurance	B3	Insuring A Sustainable Economy	Phoenix Group Holdings PLC operates as a holding company. The Company, through its subsidiaries, provides life insurance and pension funds services. Phoenix Group Holdings serves customers in the United Kingdom. Contributing to a sustainable economy by de-risking clients pension portfolio and assisting clients saving for their future. Also contributing to a sustainable economy through the adoption of more responsible investment policies.
Places for People Homes Limited	Financials	A2	Building Better Cities	Places for People provides housing facilities. The Company owns and manages over 209,000 properties from invessness to thuro with an average discount to market rent of 40-50%.
Places For People Treasury Plc	Real Estate	A2	Building Better Cities	Places for People provides housing facilities, owning and managing over 240,000 properties.
Prologis International Funding II	Real Estate	C2	Portfolio Construction/ Diversification	Prologis is the world's leading owner, operator and developer of logistics real estate, offering 984 million square feet of lettable space across 19 countries.
Prudential Plc	Financials	B3	Insuring A Sustainable Economy	Prudential has finally restructured itself to be just the Asian life insurer we have long wanted to see. It is focused on providing Health and Protection products to the as yet largely underpenetrated region.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Rentokil Initial Plc	Industrials	B2	Enabling Healthier Lifestyles	The company is a global leader in commercial pest control and hygiene services. It provides fully integrated facilities management and essential support services to government and commercial sector. Their purpose is to protect people from pest-borne diseases and from risks of poor hygiene. It utilizes innovative technologies and is invested in finding alternatives to eliminate the harmful effects of pest control chemicals and adapt more sustainable solutions. The company strives to be a world class employer with over 46,000 employees, upholds strict Health&Safety standards and encourages progression and development of its workforce.
Rothsay Life Plc	Insurance	B2	Saving For The Future	Rothsay Life operates as a holding company, through its subsidiaries, it provides life insurance and pension funds services.
Scottish Hydro Electric Transmission Plc	Utilities	B1	Increasing Electricity From Renewable Sources	SSE Plc engages in the generation, transmission, distribution, and supply of electricity.
Severn Trent Utilities Finance Plc	Utilities	A1	Improving Management Of Water	Severn Trent Plc engages in the provision of clean water and waste water treatment services and develops renewable energy solutions. Severn Trent aims to provide clean and safe drinking water to its customers and is committed to invest £6.6bn over the next AMP, on new and existing pipes, treatment works and reservoirs. The investment aims to improve river quality, increase water supply, as well as to protect homes from flooding. It's objectives include reducing scope 1 & 2 emissions by 46% by 2031 (2020 baseline), obtain 100% energy from renewable sources by 2030 and have a 100% electric vehicle fleet by 2030.
South Eastern Power Networks Plc	Utilities	B2	Improving The Efficiency Of Energy Use	UK Power Networks is the UK's largest electricity distribution network (DNO), covering >29,000km ² , delivering power to 8.3m homes and businesses via network in London, the east and south east of England, serving c19m customers. The business invests significant capital in maintaining and improving its network, to ensure reliability and delivery of electricity in a safe and efficient manner. The company's green action plan targets waste reduction, water usage, carbon emissions whilst aiming to increase biodiversity at many of their locations.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Southern Gas Networks Plc	Utilities	C2	Improving The Efficiency Of Energy Use	Scotia Gas Networks Ltd is one of the UK's largest gas distribution networks, providing natural gas services (transporting 139.031 TWh of gas through 75,000km of pipes) to 5.9m customers, operating across Scotland, Southern England and Northern Ireland. It owns and operates two of the eight UK gas distribution networks, Southern Gas Networks (RAV of £4.1bn) and Scotland Gas Networks (RAV of £1.8bn). The two networks are managed as one entity, although they have separate regulatory licenses, they remain legally separate and independent of each other. They continue to make significant investments in their network to maintain reliability and safety, and to ensure network compatibility for developments in green gas (hydrogen).
SP Transmission Plc	Utilities	B2	Increasing Electricity From Renewable Sources	Iberdrola is a leading global utility, engaging in the generation, distribution, trading, and marketing of electricity. It operates through the following businesses: Networks, Liberalized, Renewables and Other Businesses. The Networks business engages in the transmission and distribution of energy businesses, as well as those of any other regulated nature. The Liberalized business includes wholesale and retail of electricity in Spain, Portugal, the United Kingdom, Mexico and Continental Europe. The Renewables business involves the generation of electricity from renewable energy sources worldwide. The Other Businesses segment consists of group's supply and gas storage up to the moment of sale and other non-energy businesses. Iberdrola has a clear strategy focused on the energy transition, having invested over euro 100bn since 2000 in renewable energy and in their transmission network. A further investment of euro 75bn over the next 5 years will see a doubling of Iberdrola's renewable energy capacity, accelerating the move towards a low carbon economy.
Standard Chartered Plc	Banks	C2	Increasing Financial Resilience	Standard Chartered PLC is an international banking group operating principally in Asia, Africa, and the Middle East offering products and services in the personal, consumer, corporate, institutional and treasury areas. It specialises in facilitating both domestic and international trade in over 60 countries, including a number of under-banked EM countries, thus contributing to the economic growth profile across the globe.
Suez SA	Utilities	B3	Delivering A Circular Materials Economy	Suez is the largest waste management and the second-largest water treatment company in France.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Thames Water Utilities Finance Plc	Utilities	A3	Improving Management Of Water	Thames Water is the largest water and sewerage companies in England and Wales by both RCV and number of customers served. It provides drinking water to around 9m customers and sewerage services to around 15m customers. It engages in research on water and wastewater treatment is focused on providing sustainable and practical solutions to achieve water quality. It also develops technology to manage and maintain its water distribution and sewerage networks. Thames Water invests significant amounts of capital expenditure to maintain and improve its network infrastructure, reducing the risk of leakage from the network, which is vitally important given the impact of climate change.
UNITE Group Plc	Real Estate	A2	Providing Education	Unite is the UK's largest owner, manager and developer of affordable, safe and secure student accommodation, providing beds for over 76,000 students with a develop pipeline to 2023 aiming to add an additional 4,000 beds to its portfolio. Through the provision of affordable accommodation they are enabling the provision of higher education, which in turn drives greater levels of socioeconomic mobility as well as fostering research & development and innovation. Furthermore the company also supports numerous initiatives to support underprivileged students to attain higher education via free accommodation scholarships.
United Utilities Water Finance Plc	Utilities	A1	Improving Management Of Water	United Utilities Group Plc cover the North West of England providing water (42,000km water pipes) and sewerage services (78,000km wastewater pipelines) to domestic (c7m) and business customers (c200,000), delivering 1.8bn ltrs of clean water daily. UU is the second largest water and sewerage company in England and Wales, with an RCV of £11.8bn. UU invests significant amounts of capital expenditure to maintain and improve its network infrastructure, reducing the risk of leakage from the network, which is vitally important given the impact of climate change.
Veralto Corporation	Industrials	B4	Improving Management Of Water	"Veralto is a US business which operates in two areas: 60% of the business relates to the management of water including instrumentation to measure water quality, water treatment equipment and membranes. The remainder of the business is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines."

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Verizon Communications Inc.	Communication Services	B2	Connecting People	Verizon is one of the world's largest providers of communications products and services to consumers and businesses, providing consumer wireless and wireline communications services, video and data services, and security and managed network services, helping people to stay connected and conduct businesses across the globe utilizing their robust network infrastructure. The company plays a pivotal role in the transition towards digital infrastructure, with the leading 5G network in the US, which forms a critical part of a sustainable economy through promoting digital inclusion and reducing the digital divide across underserved segments of the population, improving quality of life for people in developed and emerging countries, enabling other sectors of the economy to function effectively (e.g. healthcare, education etc.) and helping customers reduce their emissions.
Vodafone Group Plc	Communication Services	B2	Connecting People	Vodafone is one of the largest telecommunications operators globally with operations in 21 countries. It serves both consumers and businesses, providing mobile, fixed line, voice and converged services as well as ICT solutions. The company plays a crucial role in facilitating the transition towards digital infrastructure, an essential component of a more sustainable economy as it promotes digital inclusion and reduces the digital divide across underserved segments of the population, improves quality of life for people in developed and emerging countries, enables other sectors of the economy to function effectively (e.g. healthcare, education etc.) and helps customers to reduce carbon emissions and stay connected. It's presence in emerging markets provides crucial digital infrastructure in countries where reliable physical infrastructure is absent, enabling economic growth and reducing the digital divide.
Whitbread Group Plc	Consumer Discretionary	C2	Encouraging Sustainable Leisure	Whitbread Plc engages in the operation of a chain of hotels, restaurants, and coffee shops. It operates through the Premier Inn segment, which provides services in relation to accommodation and food. Its brands include Premier Inn, Beefeater, Table Table, Brewers Fayre, Cookhouse & Pub, and Thyme. Whitbread Plc engages in the operation of a chain of hotels, restaurants, and coffee shops predominately in the UK. Whitbread are committed to sustainability, targeting net-zero on scope 1 and 2 emissions by 2050. They have science based target to reduce emissions by 50% by 2025 (40% reduction so far). Their owned sites are powered 100% by renewable energy. Their carbon emission reduction targets, coupled with green bond issuance, reduction in single use plastics, providing healthier food options and more demonstrates the importance of sustainability to Whitbread.

Source: Liontrust / Factset, 31 December 2023

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme	What this company does and how it contributes to a more sustainable economy
Yorkshire Building Society	Banks	B1	Building Better Cities	Yorkshire Building Society provides banking services, offering offering saving accounts, mortgages, savings, insurance, life plans, credit cards, loans, and travel products. It's financial resilience is supported by it's not for profit mutual structure that incentivises management to follow a lower risk culture and de-emphasises profitability measures. The company and has developed products specifically accommodate first time buyers, new build mortgages and Help to Buy mortgages.
Yorkshire Water Services Odsal Finance Ltd.	Utilities	A2	Improving Management Of Water	Kelda Group Plc provides water and sewerage services to domestic and business customers across Yorkshire. It's main subsidiary is Yorkshire Water which manages the collection, treatment and distribution of c 1.3bn ltrs of drinking water daily and just less than 1 bn ltrs of waste water collected, treated, and returned safely back into the environment across a network of >31,800km. The company serves c5m domestic customers and c 140,000 business premises. Yorkshire Water invest significant amounts of capital expenditure in its network to continue to supply safe drinking water to a growing population, whilst minimising their impact on the environment.
Zurich Finance (Ireland) DAC	Insurance	B2	Insuring A Sustainable Economy	Zurich Insurance Group AG provides insurance-based financial services. The Company offers general and life insurance products and services for individuals, small businesses, commercial enterprises, mid-sized and large corporations, and multinational companies. Contributing to a sustainable economy through the reduction of risk and the mitigation of financial impact for the policy holder, thereby producing a safety net for people and business in times of catastrophe. Also contributing to a sustainable economy through the adoption of more responsible investment policies and assisting people save for their future.

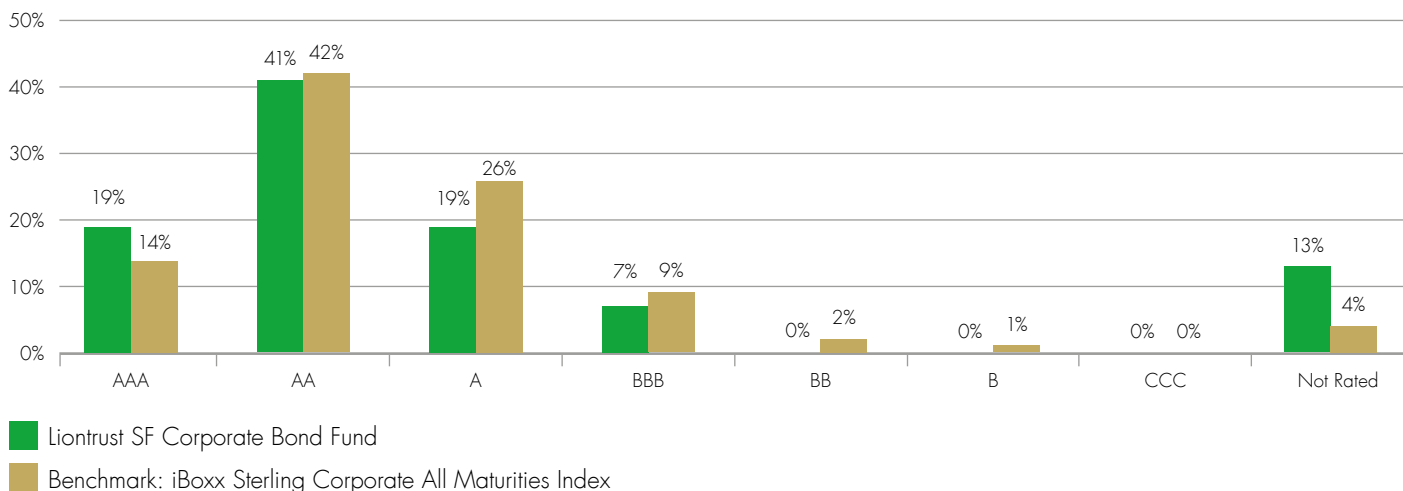
Other third party ESG measures

We are often asked to provide data on how our Sustainable Future funds are ranked by third party ESG data providers.

When the portfolio is independently analysed by MSCI, we can see the ESG scoring matches the iBoxx Sterling Corporate All Maturities Index benchmark with an AA rating but when we decompose the portfolio score into its constituent E, S and G scores, the fund outperforms on all fronts.

MSCI rating distribution

Below is the rating breakout of the fund. We can see that the fund has a significantly higher weight towards higher-rated companies and is underweight the lower-rated companies. Ratings in the fund are compared to the benchmark using the third party data provider (MSCI Analytics)



Source: MSCI Analytics and Liontrust, 31 December 2023. The iBoxx Sterling Corporate All Maturities Index is one of two comparator benchmarks for this fund. *The Active column for ESG Quality Scorecard (scores) uses following logic: ((Portfolio Score/Benchmark Score)-1)*100

ESG risk exposure

ESG quality scorecard			
	Portfolio	Benchmark	Active*
ESG Quality Score (0-10)	7.8	7.3	6.5%
Environmental Score	7.0	7.4	-4.4%
Social Score	5.2	4.9	5.8%
Governance Score	6.7	6.0	11.6%

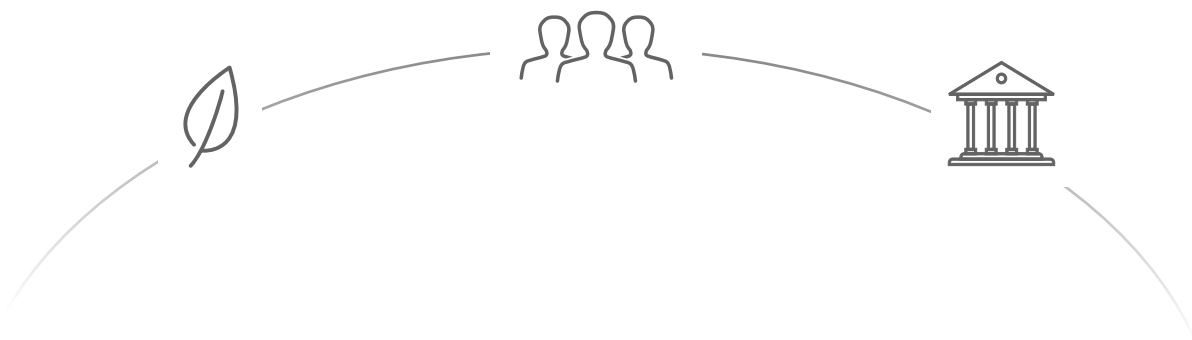
Additional ESG metrics

We have committed to disclose additional ESG data for investors in the SF Funds. The following data relating to social, governance and human rights metrics has been requested by investors or sustainability labels. We have engagement and voting policies designed to improve the social, governance, environmental and human rights aspects for the companies in which the fund invests.

Data availability is improving. For example, in the case of staff turnover, where data availability was as low as 20-25% when we first started disclosing this in 2019, it has now nearly doubled. Our engagement priority is to encourage companies to participate in the Workforce Disclosure Initiative, which aims to target companies to report more information on how they manage staff and we believe is contributing to this increased disclosure on social metrics.

For human rights, we use data on the United Nations Global Compact as a proxy. The UN Global Compact is a set of principles to minimise unintended negative impacts in terms of harm to the environment and society and includes a significant amount relating to labour rights and human rights.

We have committed to disclose additional data related to the sustainability aspects of the fund, which we will disclose as part of our reporting cycle every six months.



Additional ESG metrics

Social: staff turnover

	Social: staff turnover	Data coverage	
		% weight	Number of companies
Liontrust SF Corporate Bond Fund	5.5%	57.2%	54.9%
Benchmark: iBoxx Sterling Corporate All Maturities Index	6.6%	59.4%	54.7%
Fund relative to benchmark	-1.0%		

Governance: % women on board

	% women on board	Data coverage	
		% weight	By number
Liontrust SF Corporate Bond Fund	34.9%	87.2%	89.0%
Benchmark: iBoxx Sterling Corporate All Maturities Index	36.5%	95.7%	93.6%
Fund relative to benchmark	-1.7%		

Governance: <30% women on board

	<30% women on board (by number)	Data coverage	
		% weight	By number
Liontrust SF Corporate Bond Fund	4.7%	87.2%	89.0%
Benchmark: iBoxx Sterling Corporate All Maturities Index	17.5%	95.7%	93.6%
Fund relative to benchmark	-12.8%		

Governance: number of women on board

	Number of women on board	Data coverage	
		% weight	By number
Liontrust SF Corporate Bond Fund	4.02	87.2%	89.0%
Benchmark: iBoxx Sterling Corporate All Maturities Index	4.64	95.7%	93.6%
Fund relative to benchmark	-0.62		

Source: MSCI ESG Manager as 31 December 2023. Data coverage includes the % coverage of companies reporting ESG metric and % of fund covered by available data

Additional ESG metrics

Governance: board independence

	% Independent board	Data coverage		Proportion with <50% independent board (by weight)
		% weight	By number	
Liontrust SF Corporate Bond Fund	65.6%	80.1%	80.5%	1.2%
Benchmark: iBoxx Sterling Corporate All Maturities Index	72.4%	89.5%	85.5%	3.6%
Fund relative to benchmark	-6.9%			-2.5%

Governance: Joint CEO & Chairman

	Joint CEO & Chairman (by weight)	Data coverage	
		% weight	By number
Liontrust SF Corporate Bond Fund	2.6%	100.0%	100.0%
Benchmark: iBoxx Sterling Corporate All Maturities Index	11.9%	100.0%	100.0%
Fund relative to benchmark	-9.3%		

Human Rights: UN Global Compact Signatory

	% Signatories to UN Global Compact (by weight)	Data coverage	
		% weight	By number
Liontrust SF Corporate Bond Fund	45.7%	59.2%	54.9%
Benchmark: iBoxx Sterling Corporate All Maturities Index	56.2%	74.2%	67.5%
Fund relative to benchmark	-10.5%		

Human Rights: UN Global Compact Status

				Data coverage	
	Pass	Watch List	Fail	% weight	By number
Liontrust SF Corporate Bond Fund	99.3%	0.7%	0.0%	89.7%	91.5%
Benchmark: iBoxx Sterling Corporate All Maturities Index	92.8%	6.8%	0.4%	97.0%	95.5%
Fund relative to benchmark	6.5%	-6.1%	-0.4%		

Source: MSCI ESG Manager as 31 December 2023

Key risks

Past performance does not predict future returns. You may get back less than you originally invested. We recommend this fund is held long term (minimum period of 5 years). We recommend that you hold this fund as part of a diversified portfolio of investments

All investments will be expected to conform to our social and environmental criteria.

Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result. The creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.

Overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.

The Fund can invest in derivatives. Derivatives are used to protect against currency, credit or interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions.

The Fund uses derivative instruments that may result in higher cash levels. Cash may be deposited with several credit counterparties (e.g. international banks) or in short-dated bonds. A credit risk arises should one or more of these counterparties be unable to return the deposited cash.

The Fund may encounter liquidity constraints from time to time. Participation rates on advertised volumes could fall reflecting the less liquid nature of the current market conditions.

Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.

The decision to invest in a fund should take into account all the characteristics and objectives of the fund (inclusive of sustainability features) as described in the prospectus.

The level of targeted income is not guaranteed. The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an

impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

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