



SUSTAINABLE INVESTMENT

IMAX presentation

Peter Michaelis & Mike Appleby

November 2024

For professional investors and advisers only

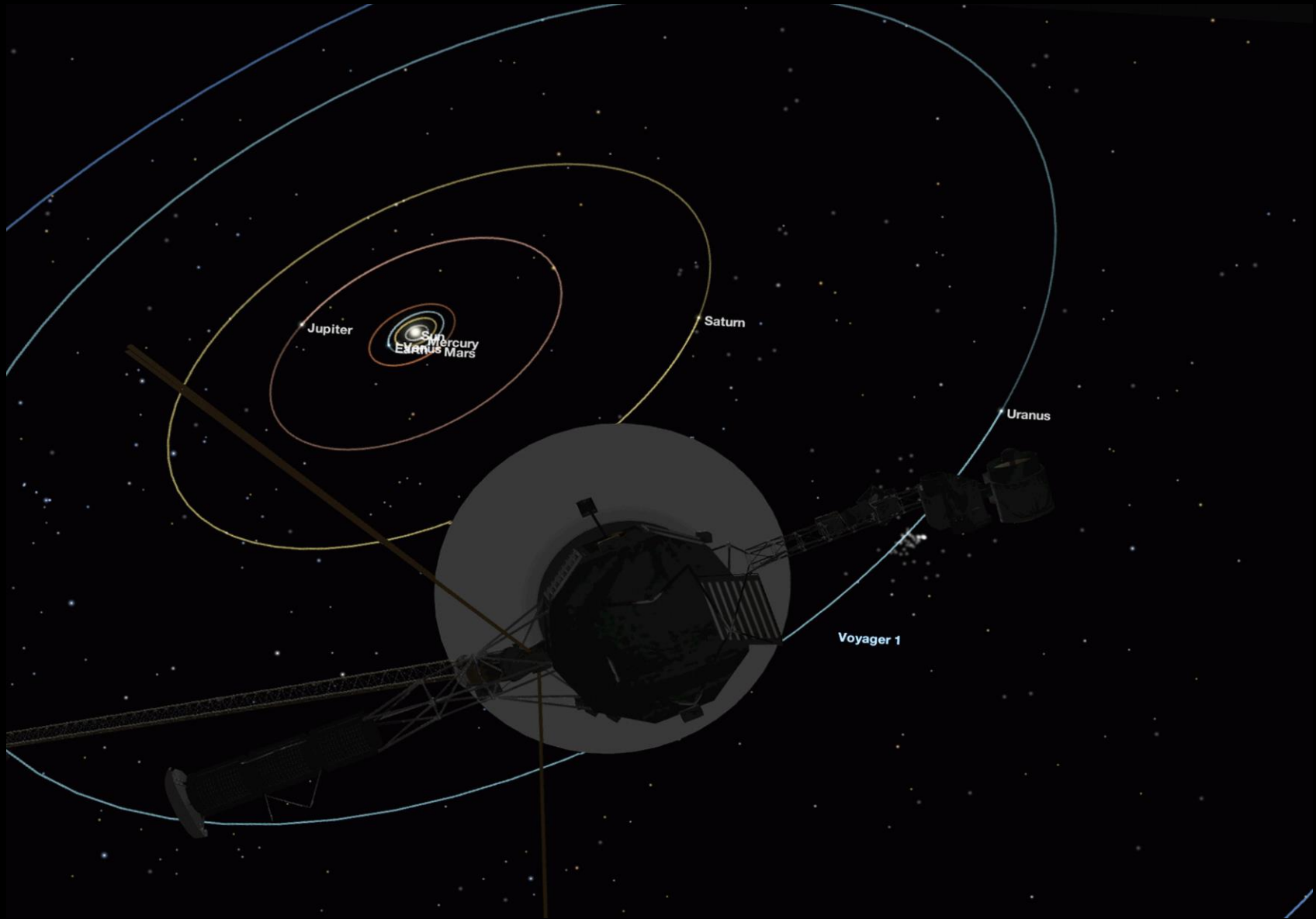


Why we already have the science to deliver a sustainable world

Peter Michaelis

Mike Appleby



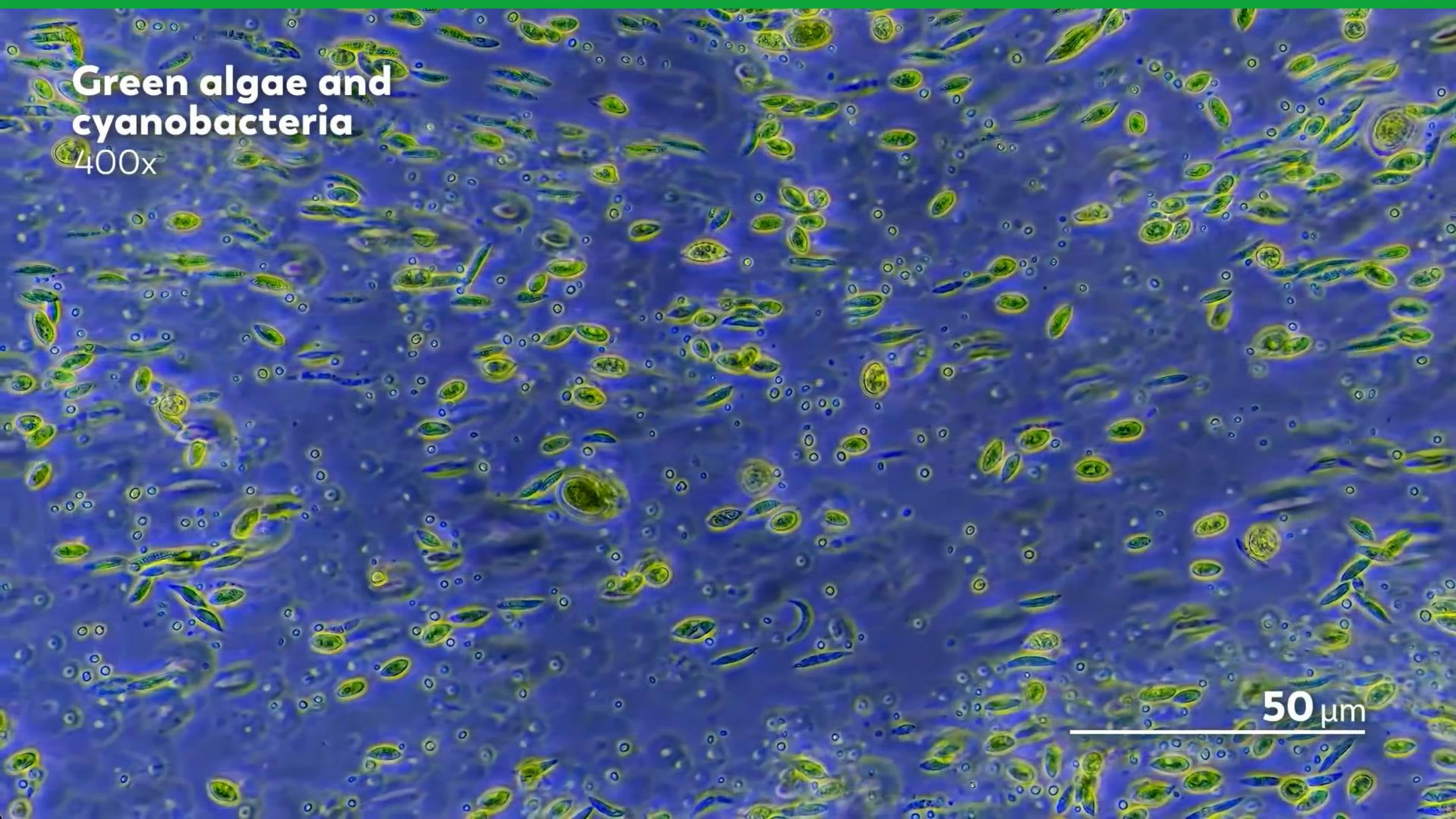






Green algae and cyanobacteria

400x

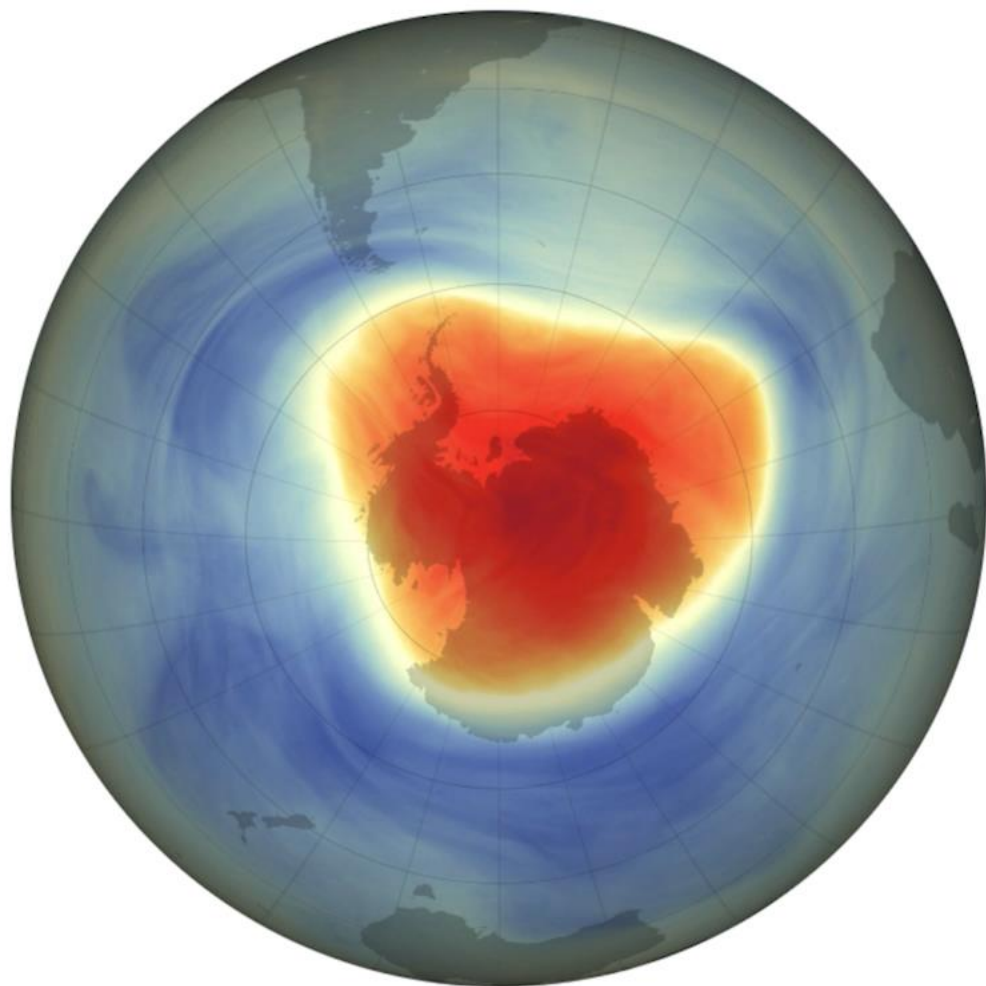


50 μm



Ozone Hole Continues Healing in 2024

September 28, 2024



The area of depleted ozone over the Antarctic ranked the seventh smallest since recovery began in 1992.

Image of the Day for October 31, 2024

Instrument:

Model

[Image of the Day](#)

[Atmosphere](#)

View more Images of the Day:

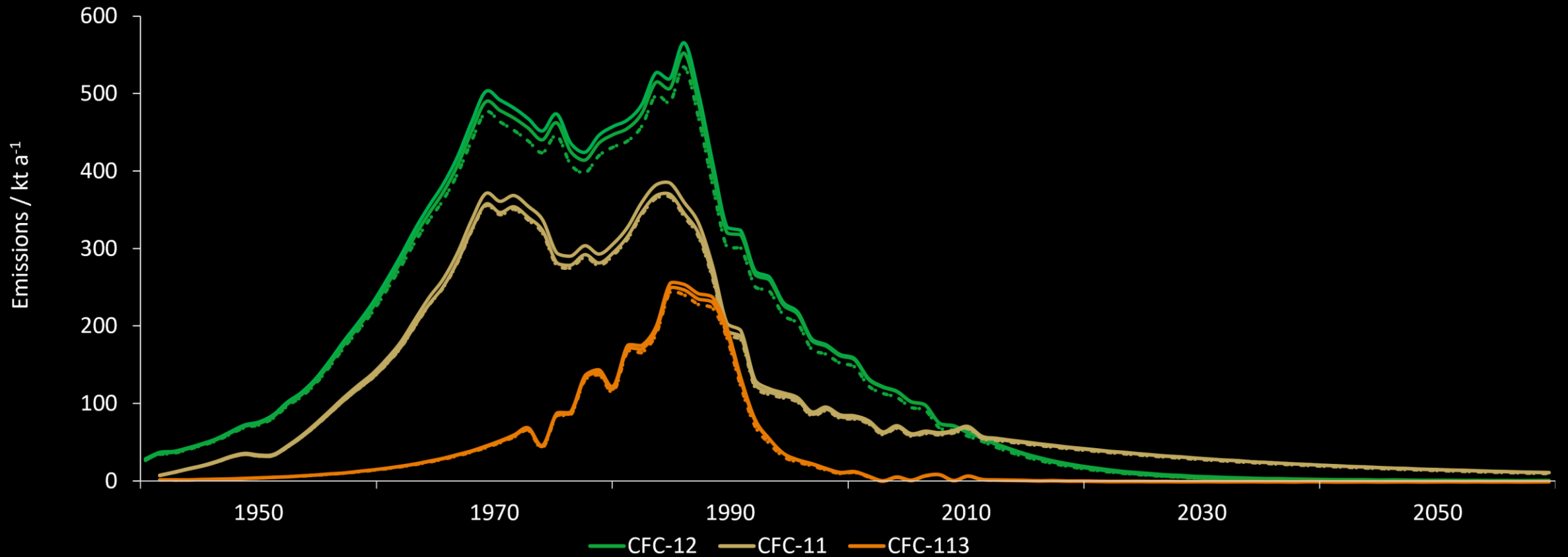


Oct 30, 2024



Nov 1, 2024

CFC Concentrations in the atmosphere



Source: S. J. Allin et al.: Chlorine isotope composition in atmospheric, CFC-11, CFC-12 and CFC-113. Emissions estimates for CFC-11 (gold), CFC-12 (green) and CFC-113 (orange), based on global tropospheric mole fractions (SPARC, 2013). Each species is represented by three lines. The two emissions estimates from this study (solid lines) are produced using the stratosphere–troposphere exchange flux calculations of Holton (1990) and Appenzeller et al. (1996), with the latter giving slightly higher emissions. These are compared to values from Velders and Daniel (2014) (dashed lines)

How progress happens



INNOVATIVE

FAST-GROWING

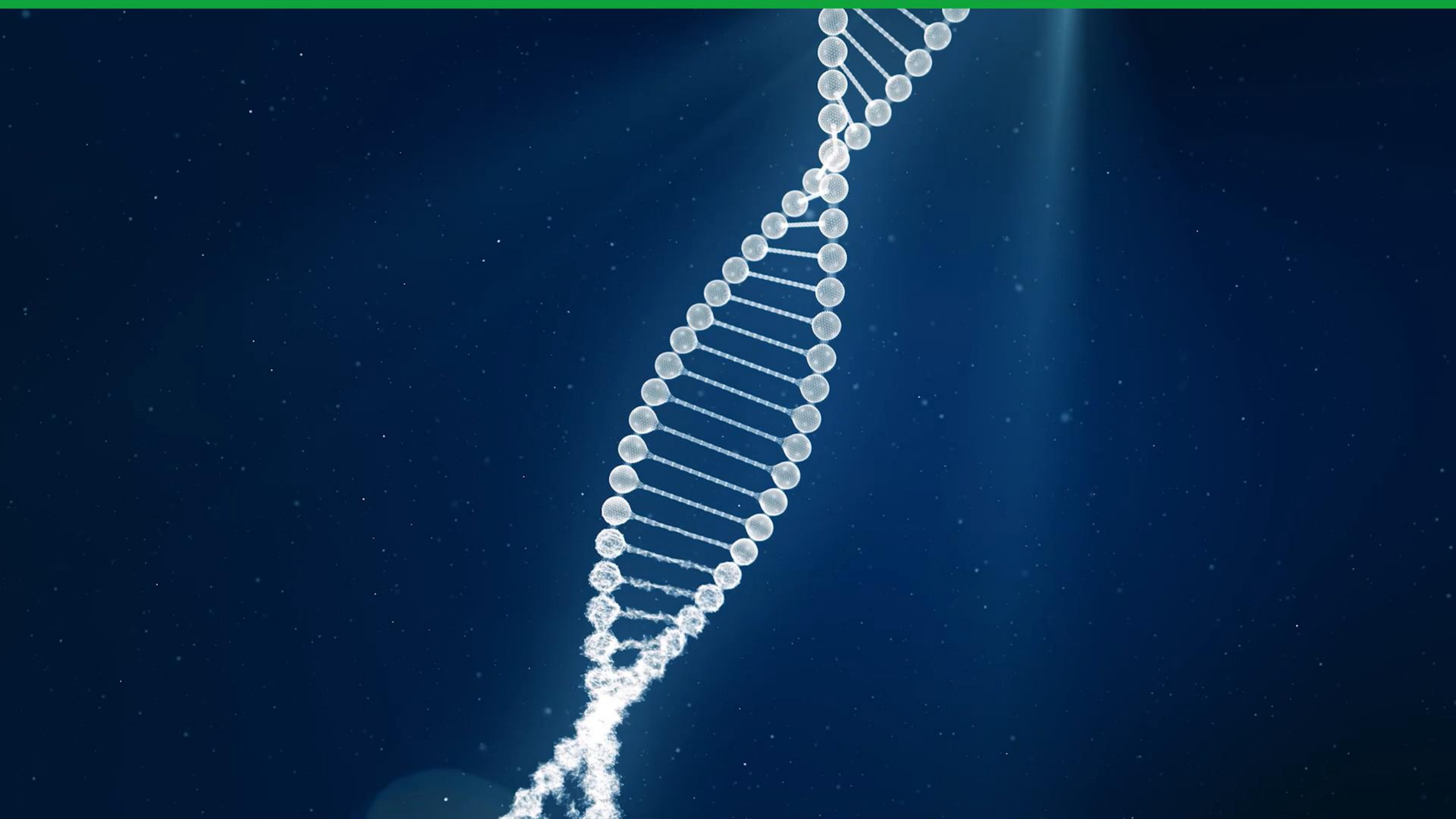
HIGH MARKET SHARES



Revolution in healthcare



Transformation of our energy system



Genome sequencing



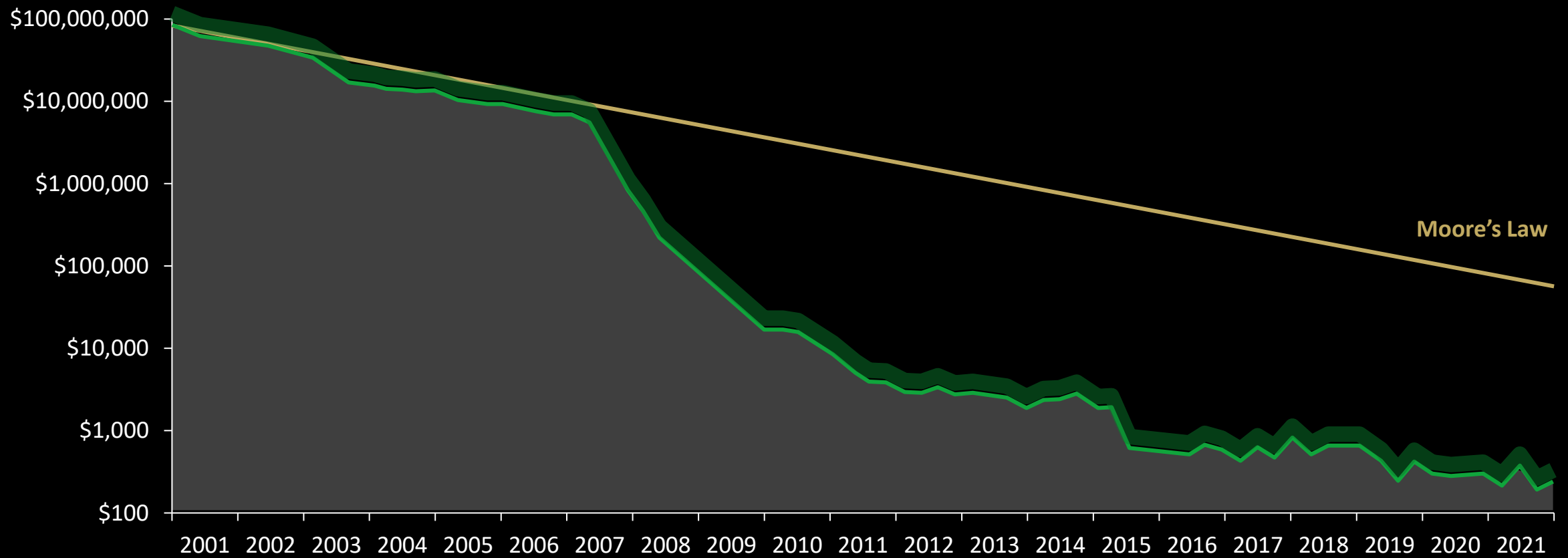
March 2000



April 2003

Cost to sequence Human Genome

Cost per Human Genome

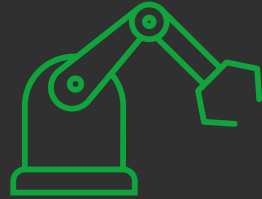


Source: National Human Genome Research Institute, Cost per genome data – 2021

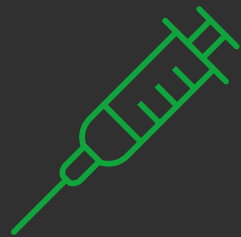


Research & development

ThermoFisher
SCIENTIFIC



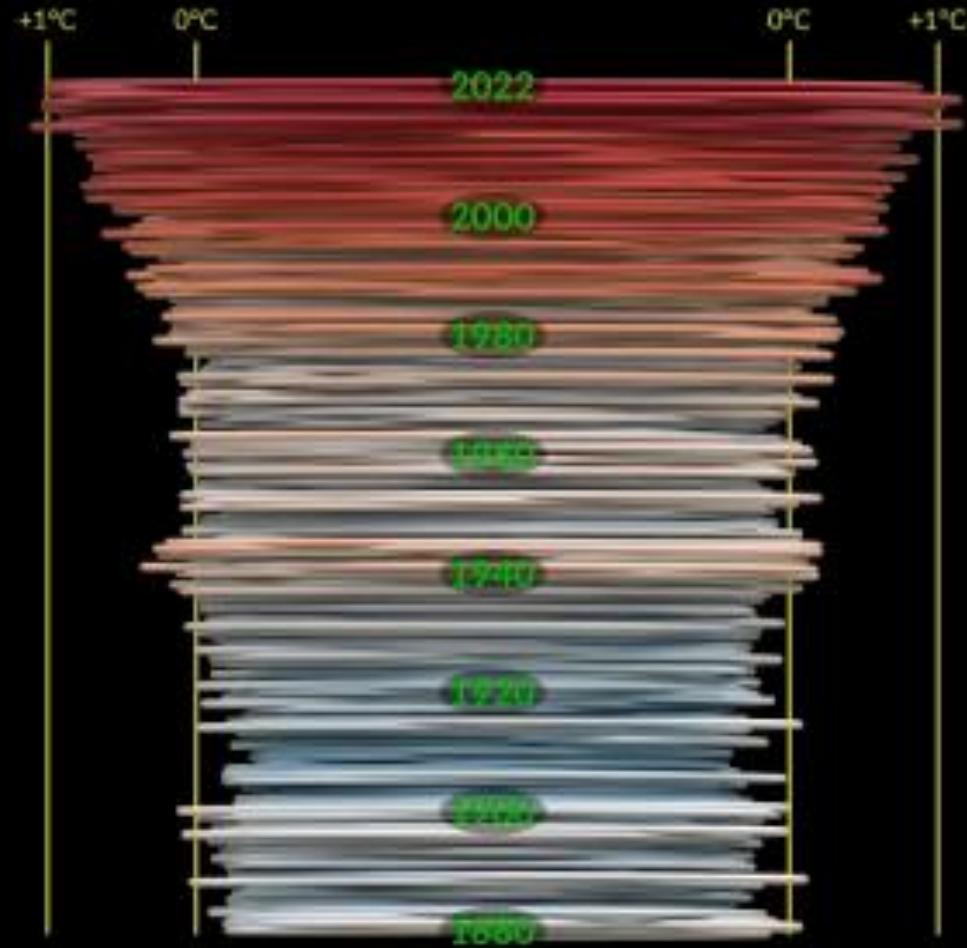
Diagnostics



Specialist delivery



The energy transition to lower carbon, smarter energy use



Decarbonisation

40%

Energy efficiency GHG reduction

90%

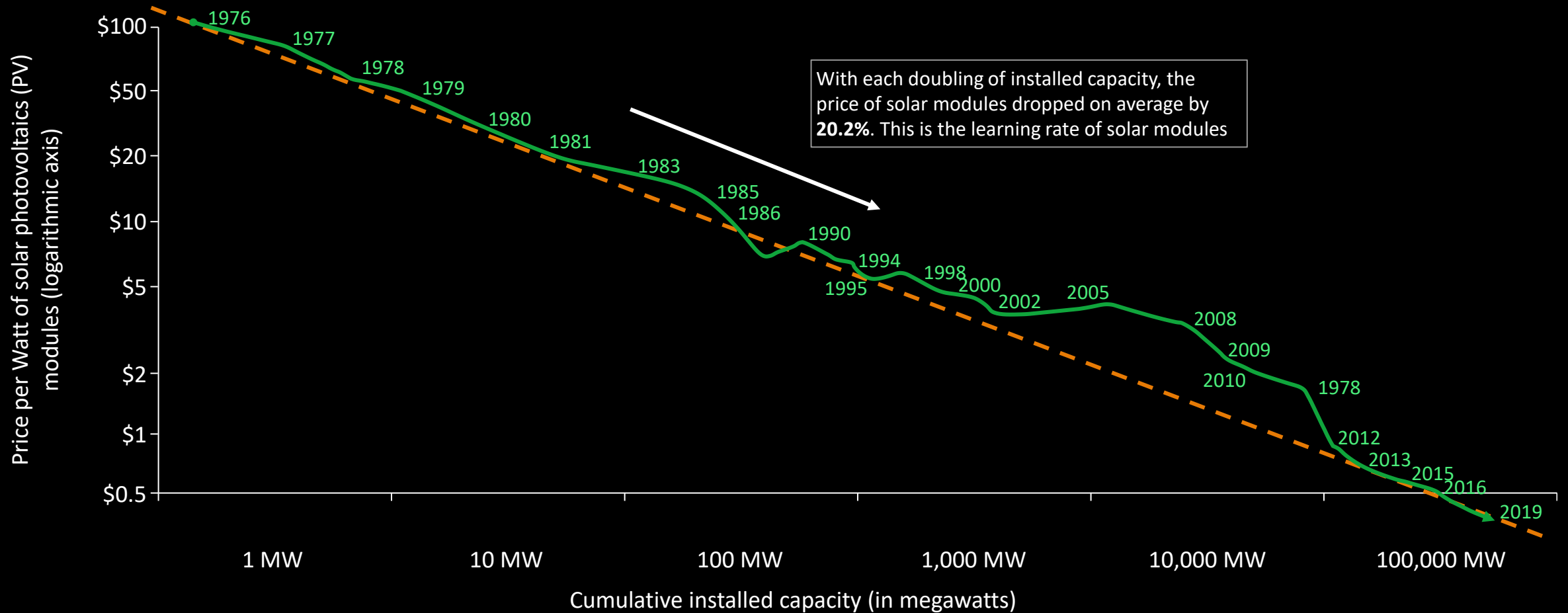
of technology needed is available today



Cost and learning curves for the solutions

Learning curve – solar

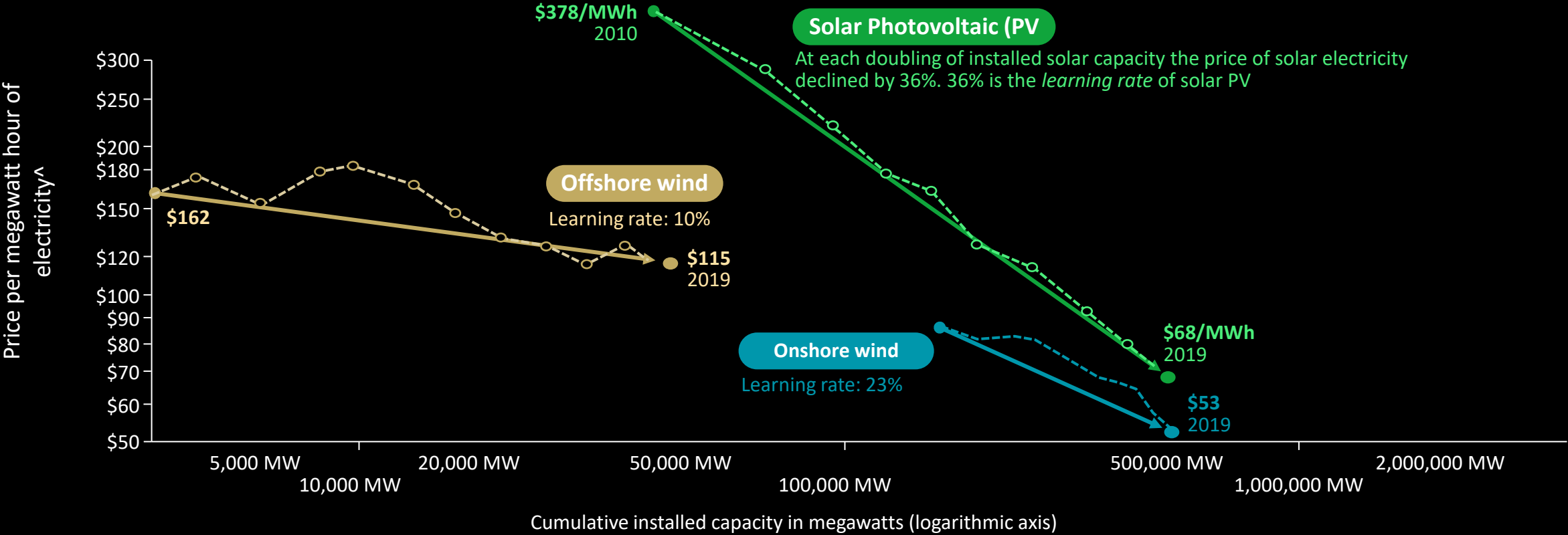
The price of solar modules declined by 99.6% since 1976[^]



Source: Lafond et al. (2017) and IRENA Database: the reported learning rate is an average over several studies reported by del La Tour et al (2013) in Energy. The rate remained very similar since then. OurWorldinData.org – Research and data to make progress against the world’s largest problems. [^]The prices are adjusted for inflation and presented in 2019 US\$

Wind and solar get cheaper

Electricity from renewables became cheaper as we increased capacity – electricity from nuclear and coal did not

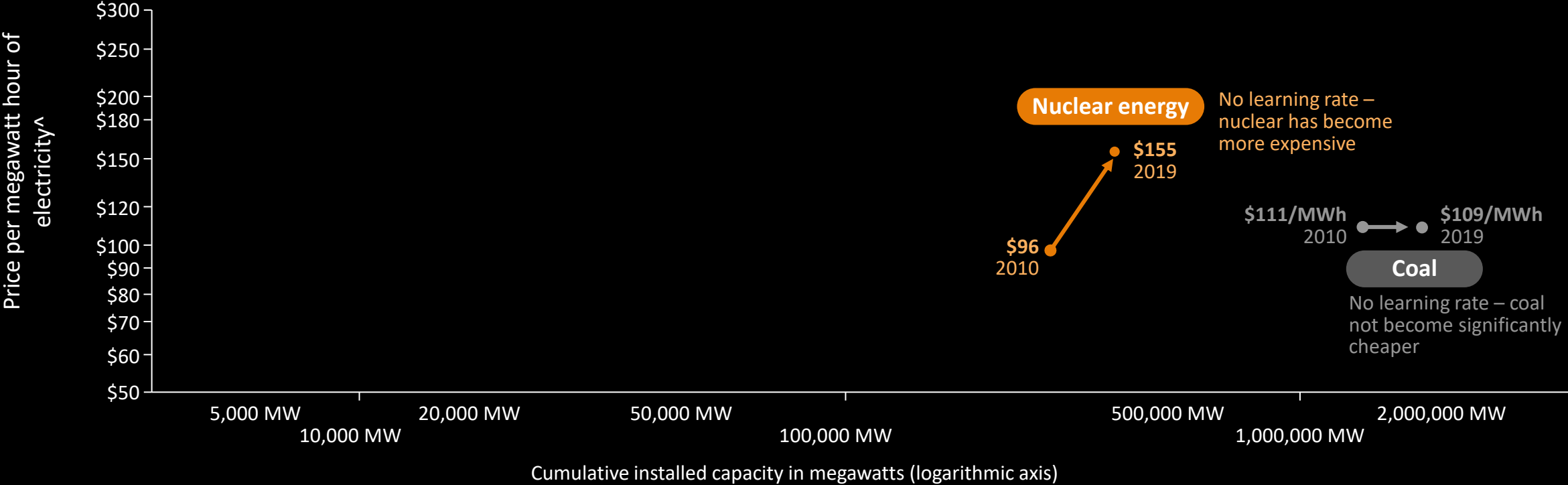


while fossil fuels don't

Source: IRENA 2020 for all data on renewable sources; Lazard for the price of electricity from nuclear and coal – IAEA for nuclear capacity and Global Energy Monitor for coal capacity. Gas is not shown because the price between gas peaker and combined cycles differs significantly, and global data on the capacity of each of these sources is not available. The price of electricity from gas has fallen over this decade, but over the longer run it is not following a learning curve. OurWorldinData.org – Research and data to make progress against the world's largest problems

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Source: IRENA 2020 for all data on renewable sources; Lazard for the price of electricity from nuclear and coal – IAEA for nuclear capacity and Global Energy Monitor for coal capacity. Gas is not shown because the price between gas peaker and combined cycles differs significantly, and global data on the capacity of each of these sources is not available. The price of electricity from gas has fallen over this decade, but over the longer run it is not following a learning curve. OurWorldinData.org – Research and data to make progress against the world's largest problems

Cumulative wind and solar

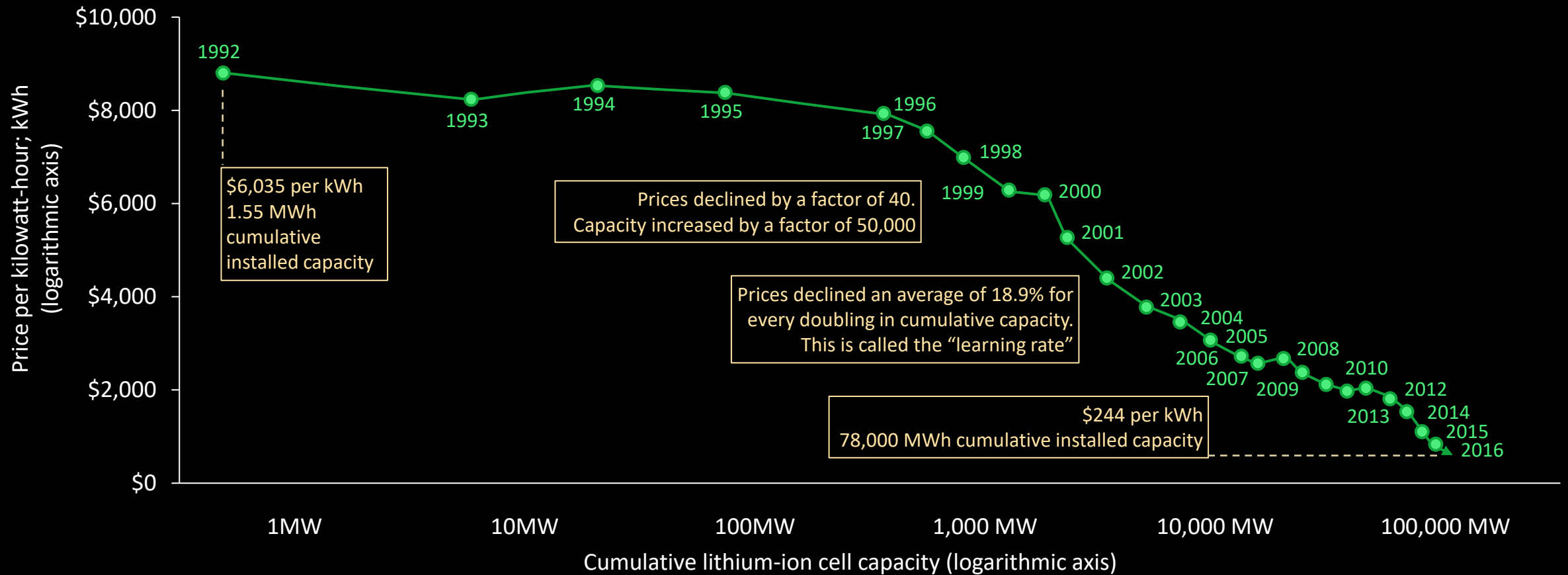
Modern renewable energy generation by source, World



Source: Ember (2024); Energy Institute - Statistical Review of World Energy (2024), [OurWorldinData.org/renewable-energy](https://www.ourworldindata.org/renewable-energy) | CC BY. ^1. Watt-hour: A watt-hour is the energy delivered by one watt of power for one hour. Since one watt is equivalent to one joule per second, a watt-hour is equivalent to 3600 joules of energy. Metric prefixes are used for multiples of the unit, usually: - kilowatt-hours (kWh), or a thousand watt-hours. - Megawatt-hours (MWh), or a million watt-hours. - Gigawatt-hours (GWh), or a billion watt-hours. - Terawatt-hours (TWh), or a trillion watt-hours.

Lithium-ion learning curve

Price and market size of lithium-ion batteries since 1992[^]

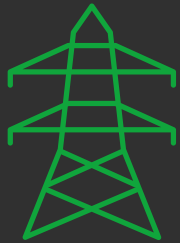


Source: Micah Ziegler and Jessika Trancik (2021). Re0-examining rates of lithium-ion battery technology improvement and cost decline. OurWorldinData.org – Research and data to make progress against the world’s largest problems. Licensed under CC-BY by the author Hannah Ritchie. ^Prices are adjusted for inflation and given in 2018 US-\$ per kilowatt-hour (kWh).



Renewables: wind

Vestas



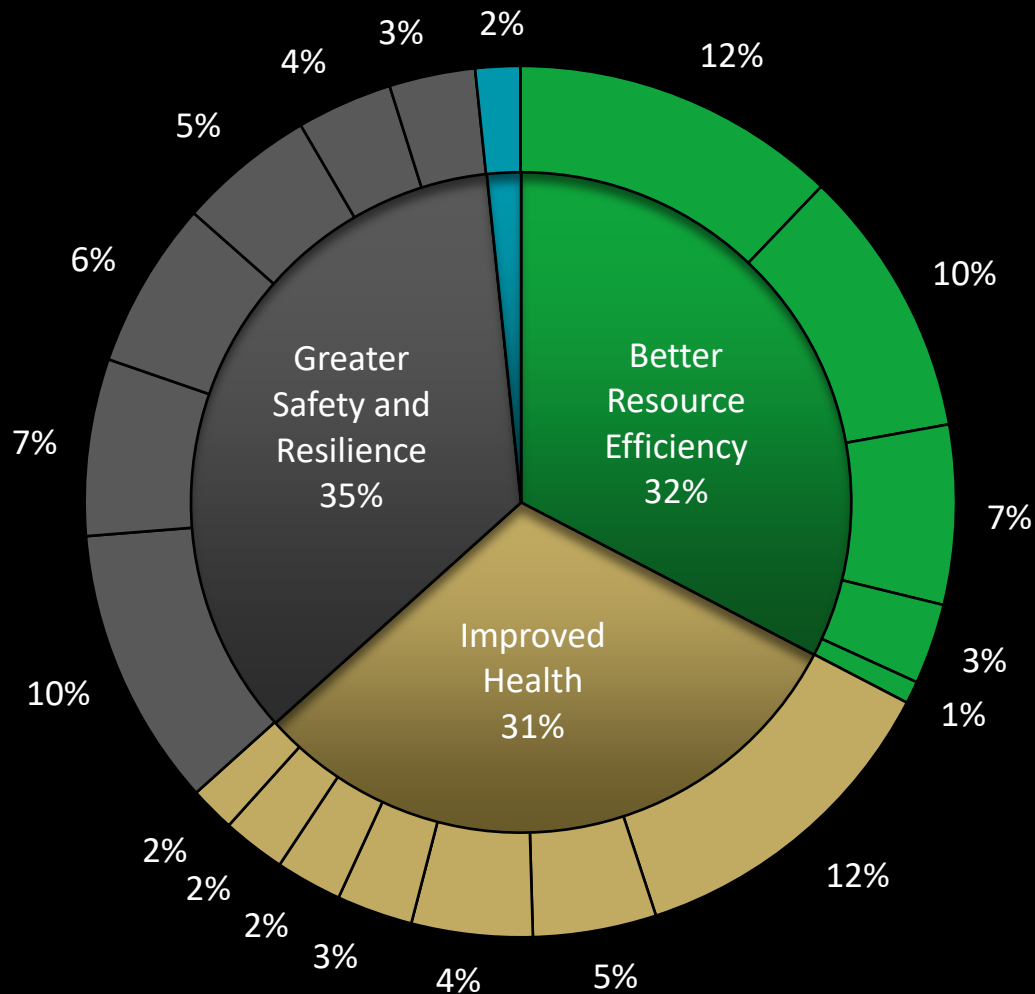
Stronger and smarter grids

national**grid**
Greater Gabbard



Source: Liontrust, 2024

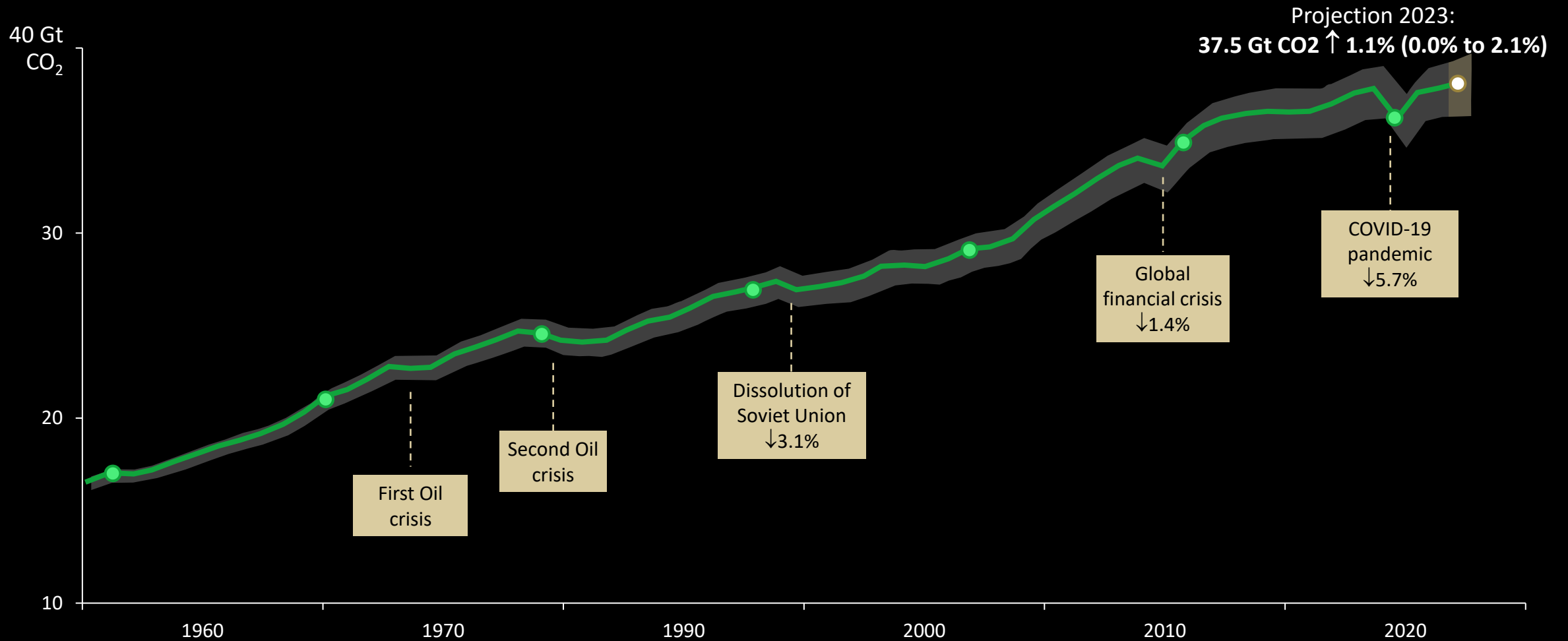
Thematic exposure: SF Global Growth



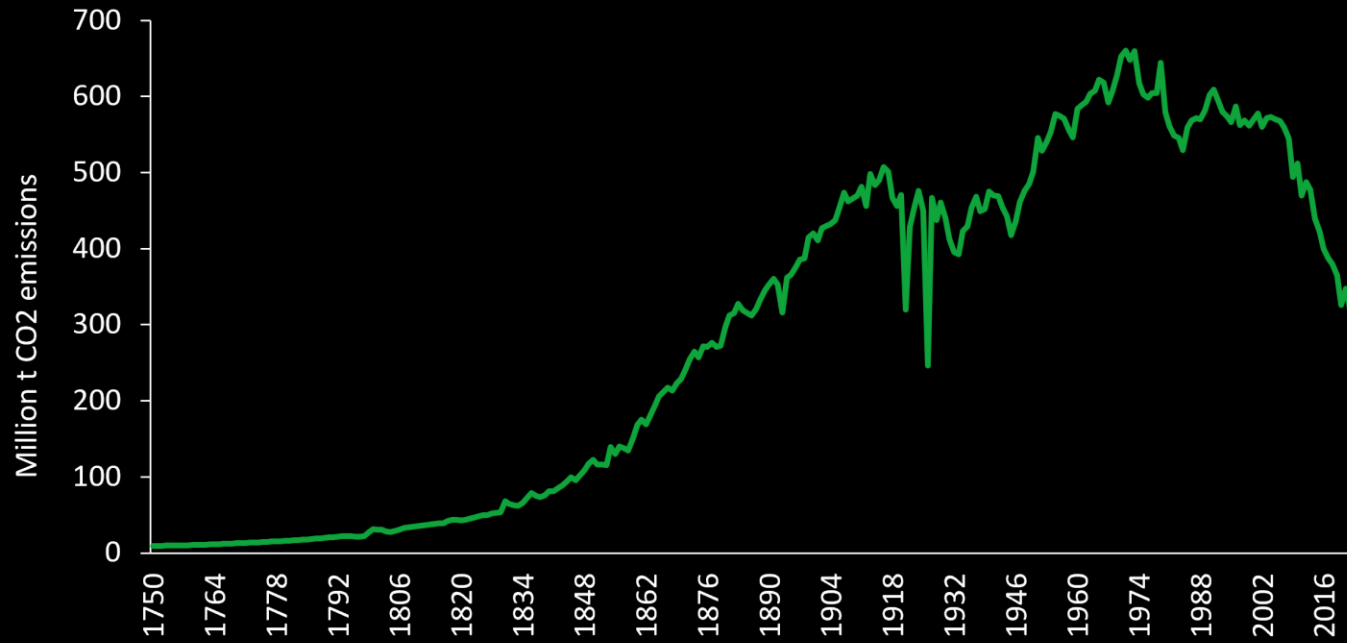
Source: Liontrust, Factset, as at 30.09.24. SMEs = Small- to Medium-sized enterprise; ESG = Environmental, Social & Governance

Outlook

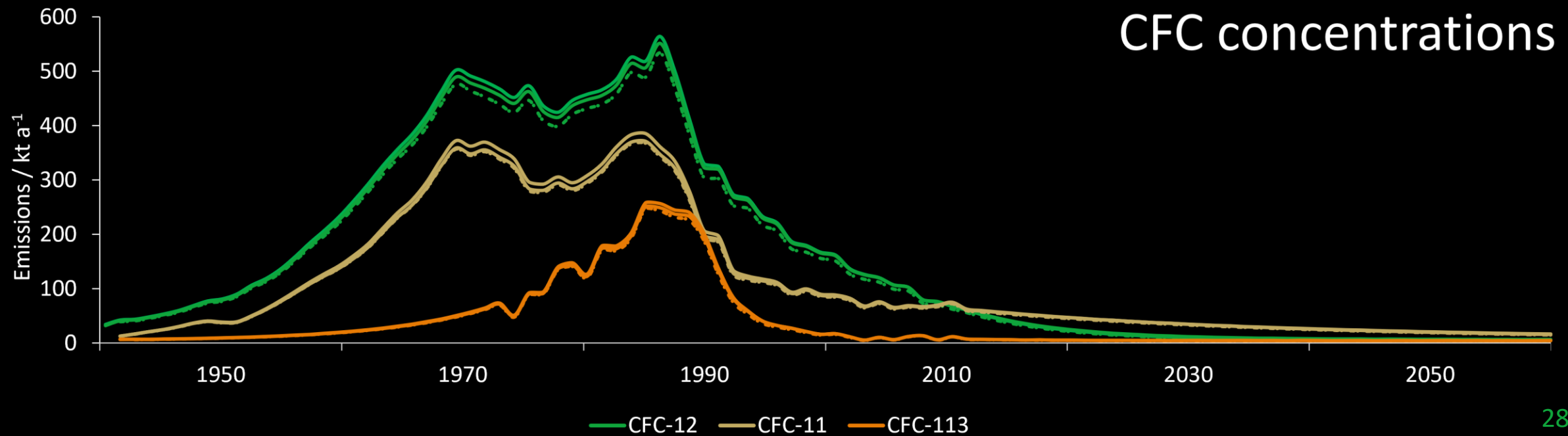
Global CO₂ emissions (fossil and land use) from the past three Global Carbon Budgets



Source: Data from the Global Carbon Project. Friedlingstein et al. ESSD 2023



UK CO₂ emissions



CFC concentrations

22 areas of predictable and resilient growth

Better Resource Efficiency



- Improving the efficiency of energy use
- Improving the management of water
- Increasing electricity generation from renewable resources
- Improving the resource efficiency of industrial and agricultural processes
- Delivering a circular materials economy
- Making transportation more efficient or safer

Improved Health



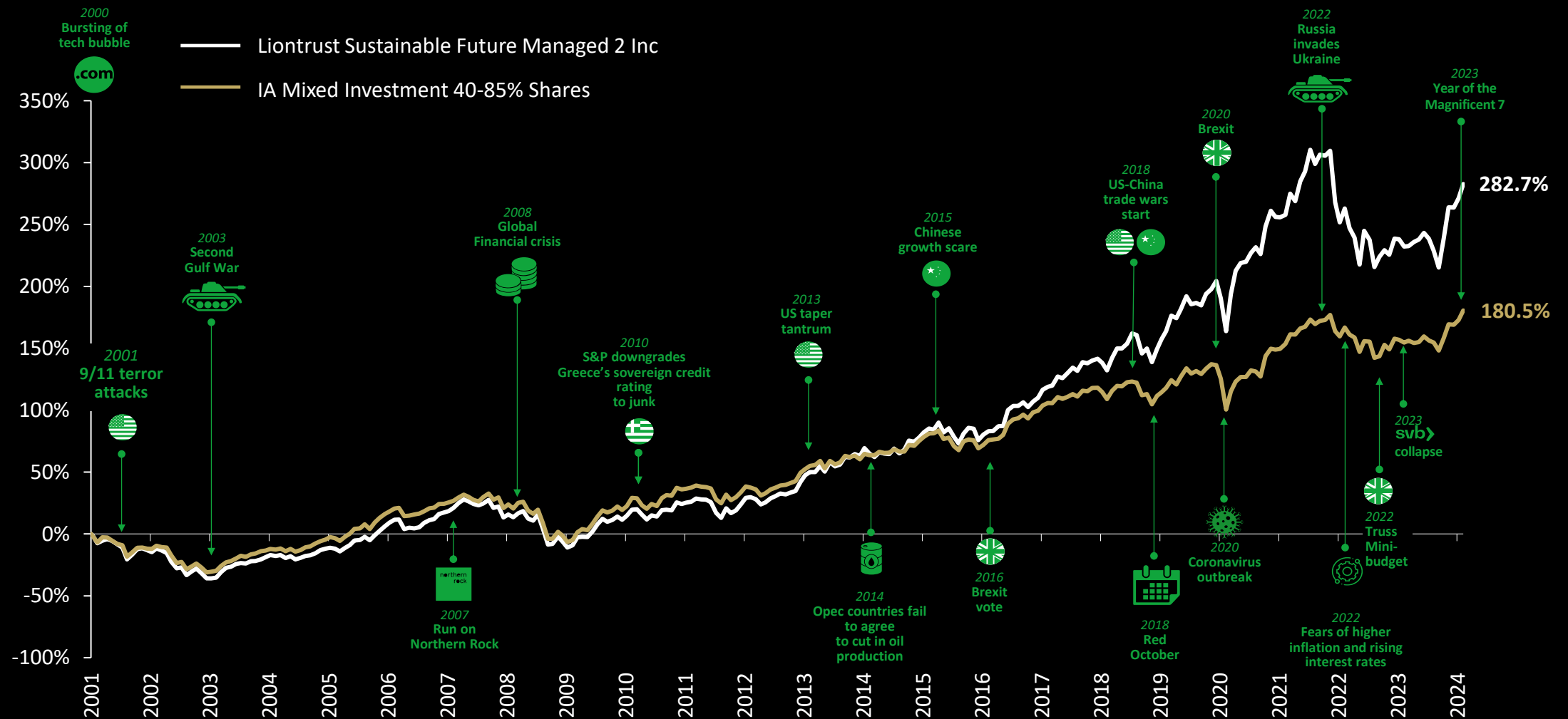
- Enabling innovation in healthcare
- Building better cities
- Connecting people
- Providing affordable healthcare
- Providing education
- Enabling healthier lifestyles
- Delivering healthier foods
- Encouraging sustainable leisure

Greater Safety & Resilience



- Enhancing digital security
- Insuring a sustainable economy
- Saving for the future
- Enabling SMEs
- Financing housing
- Transparency in financial markets
- Better monitoring of supply chains and quality control
- Leading ESG management

Market events | We focus on themes & fundamentals



Source: FE Analytics, data as at 19.02.01 – 29.03.24. Liontrust SF Managed Fund versus a comparator benchmark, IA Mixed Investment 40-85% Shares, primary share class, total return (net of fees, interest/income reinvested). All use of company logos, images or trademarks in this presentation are for reference purposes only

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to the Key Risks slide for more information.

Liontrust Sustainable Future | Quartile Performance

9 out of 10
Funds

1st

&

2nd

quartile
over 10 years

	10Y		10Y
Liontrust SF Defensive Managed 2 Inc IA Mixed Investment 20-60% Shares	1 st	Liontrust SF Corporate Bond 2 Inc IA Sterling Corporate Bond	1 st
Liontrust SF Cautious Managed 2 Inc IA Mixed Investment 40-85% Shares	2 nd	Liontrust SF Monthly Income Bond B Gr Inc IA Sterling Corporate Bond	1 st
Liontrust SF Managed 2 Inc IA Mixed Investment 40-85% Shares	1 st	Liontrust SF UK Growth 2 Acc IA UK All Companies	1 st
Liontrust SF Managed Growth 2 Acc IA Flexible Investment	1 st	Liontrust UK Ethical 2 Acc IA UK All Companies	2 nd
Liontrust SF Global Growth 2 Acc IA Global	2 nd	Liontrust SF European Growth 2 Acc IA Europe Excluding UK	4 th

Source: FE Analytics as at 30.09.24, generated 07.10.24

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Discrete performance

To previous quarter 12 months ending (%)	Sep-24	Sep-23	Sep-22	Sep-21	Sep-20
Liontrust Sustainable Future Cautious Managed 2 Inc	13.5	2.2	-19.3	15.0	8.8
IA Mixed Investment 40-85% Shares	13.9	5.1	-10.2	16.6	-0.2
Liontrust Sustainable Future Corporate Bond 2 Inc	14.3	11.3	-26.1	2.4	4.0
IBOXX GBP Corporate All Maturities	10.7	8.7	-23.6	0.3	4.3
IA Sterling Corporate Bond	10.9	7.3	-20.5	1.3	4.2
Liontrust Sustainable Future Defensive Managed 2 Inc	12.5	1.9	-19.9	11.7	7.5
IA Mixed Investment 20-60% Shares	12.0	4.2	-10.6	12.2	-1.2
Liontrust UK Ethical 2 Acc	20.0	-2.2	-29.3	31.9	-2.7
MSCI UK	12.2	14.2	3.8	25.8	-19.8
IA UK All Companies	14.2	12.8	-15.3	32.4	-12.8
Liontrust Sustainable Future European Growth 2 Acc	16.4	6.3	-34.4	24.1	16.9
MSCI Europe ex UK	14.5	19.0	-12.8	20.9	-0.5
IA Europe Excluding UK	14.6	18.7	-16.1	22.4	3.1
Liontrust Sustainable Future Global Growth 2 Acc	17.1	2.7	-18.9	23.6	26.3
MSCI World	20.5	11.5	-2.9	23.5	5.2
IA Global	16.2	7.8	-8.9	23.2	7.2
Liontrust Sustainable Future Managed 2 Inc	15.9	4.1	-20.9	20.3	15.7
IA Mixed Investment 40-85% Shares	13.9	5.1	-10.2	16.6	-0.2
Liontrust Sustainable Future Managed Growth 2 Acc	16.8	3.1	-18.5	22.7	27.0
IA Flexible Investment	13.0	4.2	-9.2	18.3	0.9
Liontrust Sustainable Future Monthly Income Bond B Gr Inc	14.2	9.9	-22.4	4.7	3.7
iBoxx Sterling Corporates 5-15 years	12.4	9.8	-25.4	0.4	4.5
IA Sterling Corporate Bond	10.9	7.3	-20.5	1.3	4.2
Liontrust Sustainable Future UK Growth 2 Acc	20.6	3.0	-30.4	30.2	-0.3
MSCI UK	12.2	14.2	3.8	25.8	-19.8
IA UK All Companies	14.2	12.8	-15.3	32.4	-12.8

Source: FE Analytics, as at 30.09.24, primary share class, total return (net of fees, interest/income reinvested). Funds versus comparator benchmarks

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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.

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.

The Funds managed by the Sustainable Future Team:

- Are expected to conform to our social and environmental criteria.
- May hold overseas investments that 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 a Fund.
- May hold Bonds. 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.
- May encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.
- May invest in companies listed on the Alternative Investment Market (AIM) which is primarily for emerging or smaller companies. The rules are less demanding than those of the official List of the London Stock Exchange and therefore companies listed on AIM may carry a greater risk than a company with a full listing.
- May invest in smaller companies and may invest a small proportion (less than 10%) of the Fund in unlisted securities. There may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the fund to defer or suspend redemptions of its shares.
- May, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and 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 use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.
- The use of 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.
- Outside of normal conditions, may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- May be exposed to Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Do not guarantee a level of income.

The risks detailed above are reflective of the full range of Funds managed by the Sustainable Future Team and not all of the risks listed are applicable to each individual Fund. For the risks associated with an individual Fund, please refer to its Key Investor Information Document (KIID)/PRIIP KID.

Disclaimer

For investment professionals

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