

LIONTRUST UK ETHICAL FUND

Fund sustainability and impact report: Q2, 2020





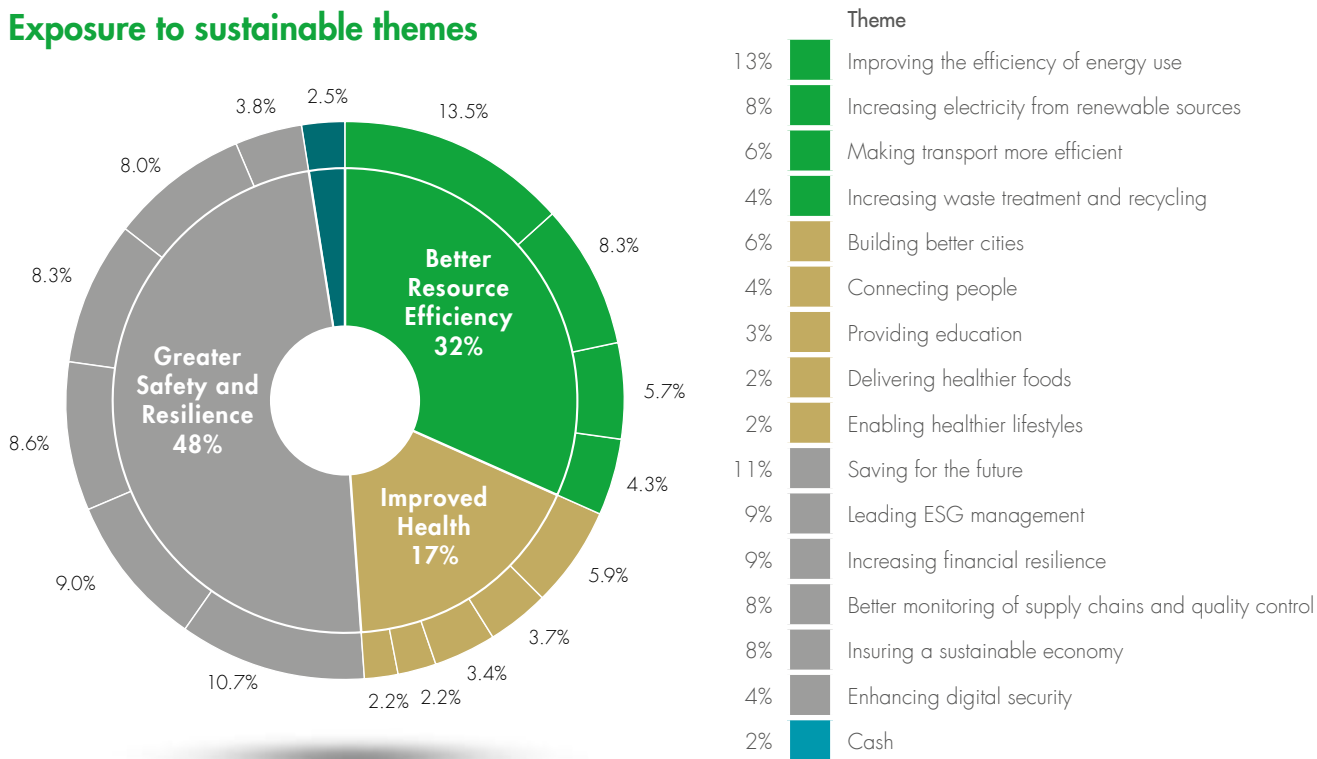
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Exposure to positive sustainability investment trends

We look to invest in companies which are making a positive contribution to our economy by making our economy either cleaner, healthier or safer. Exposure to 15 of our 20 investment themes investment themes is shown below.

Exposure to sustainable themes



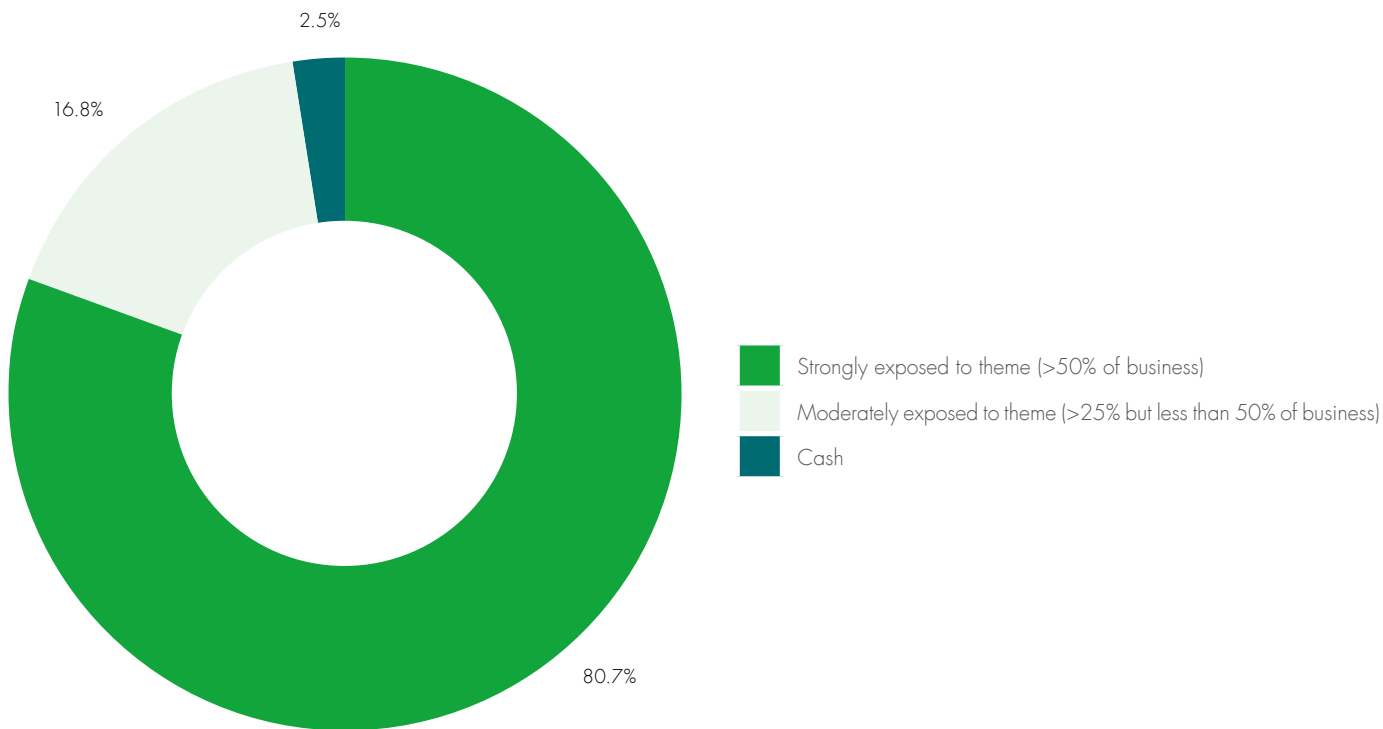
Source: Liontrust / Factset, 30 June 2020

Exposure to positive sustainability investment trends

Sustainable investment themes: how much of business is exposed

This analysis shows what proportion of the company is exposed to the sustainable investment themes: 78.3% of the fund is invested in companies that are strongly exposed to the positive investment theme with more than 50% of the business exposed to the theme;

19.2% of the fund is invested in companies that are moderately exposed to the positive investment theme with between 25% and 50% of the business exposed to the theme.



Source: Liontrust / Factset, 30 June 2020

Alignment with UN Sustainable Development Goals

This analysis shows how the Sustainable investment themes are linked to the United Nations Sustainable Development Goals (SDGs).

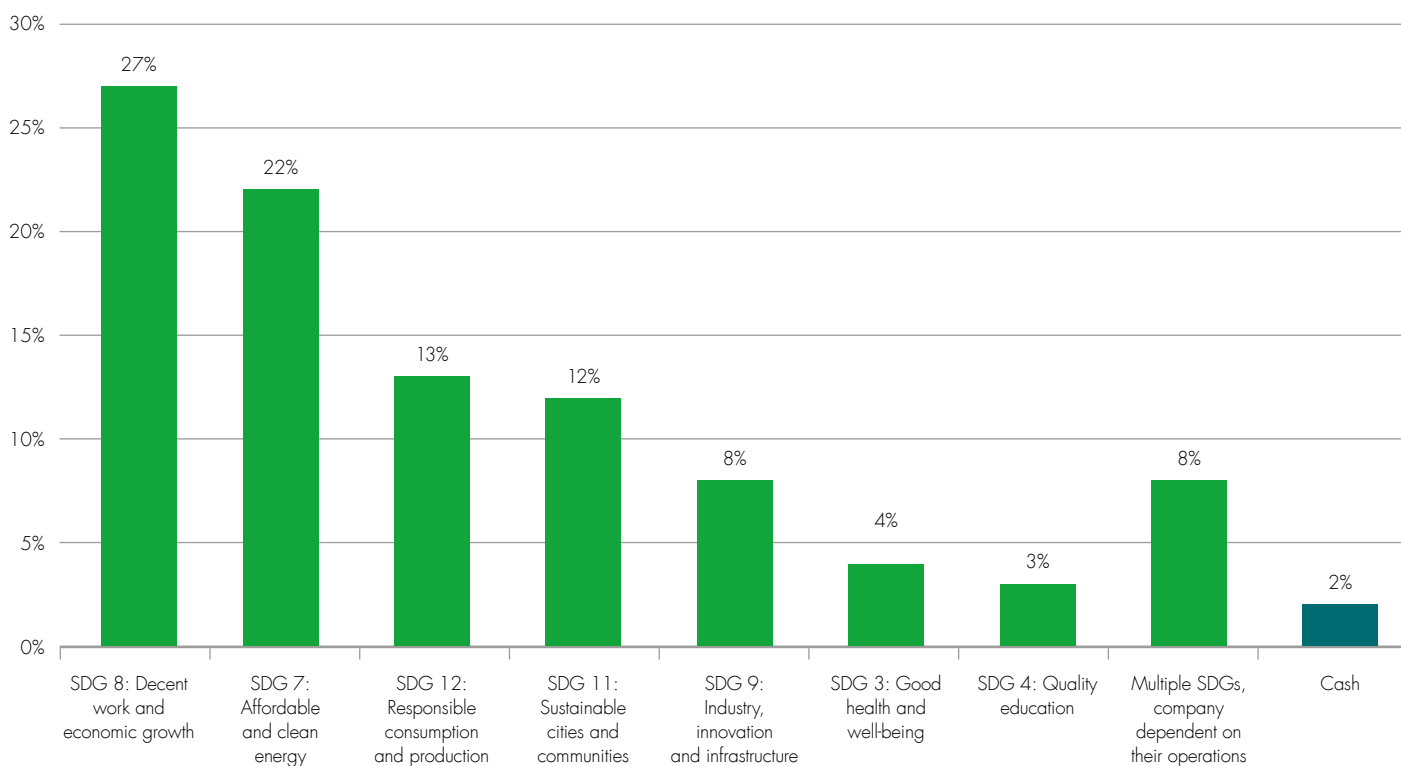
All of the Sustainable investment themes are linked to SDGs and the underlying Key Performance Indicator they relate to have been identified in the SDG text. A more detailed discussion on impact and how the Sustainable investment themes are aligned with the

SDG's is available in the SF Annual Review 2019 on pages 20-28: www.liontrust.co.uk/sustainable

The fund has most exposure to SDG 8: Decent work & economic growth (27%); SDG 7: Affordable & clean energy (22%); SDG 12: Responsible consumption and production (13%) and SDG 11: Sustainable cities and communities (12%).

The fund is exposed to 7 of the 17 UN SDGs.

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

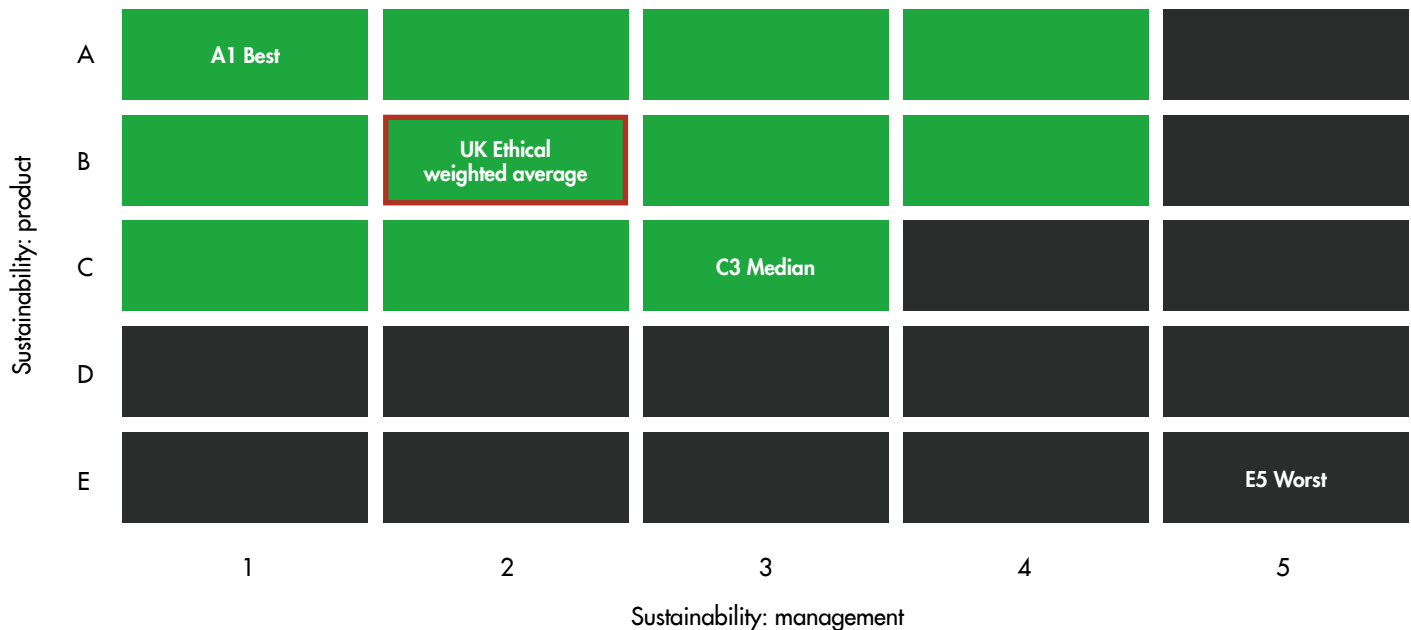


Source: Liontrust / Factset, 30 June 2020

Assessment of how sustainable companies are: Sustainability Matrix Rating

We assess every company using our proprietary Sustainability Matrix Rating which measures how sustainable the 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.

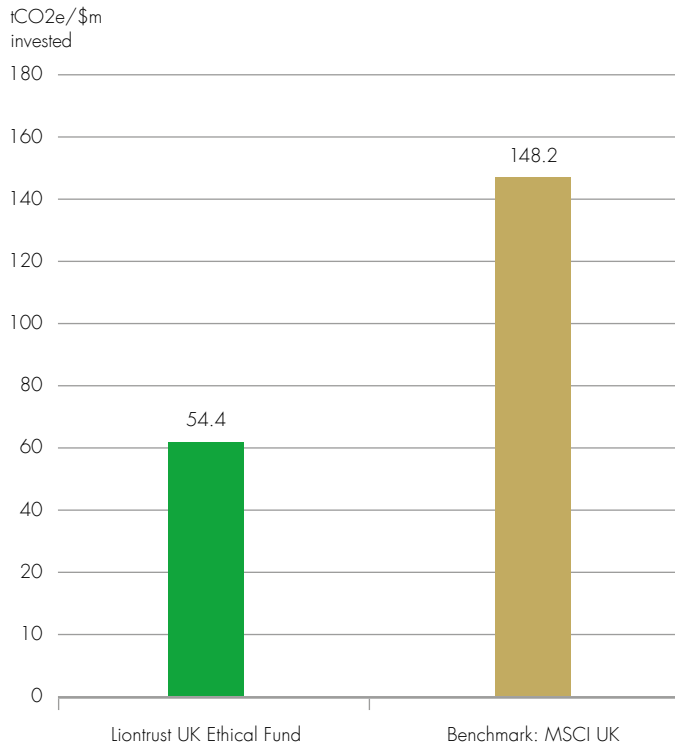


Source: Liontrust / Factset, 30 June 2020

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

Carbon emissions of fund as compared to the conventional benchmark

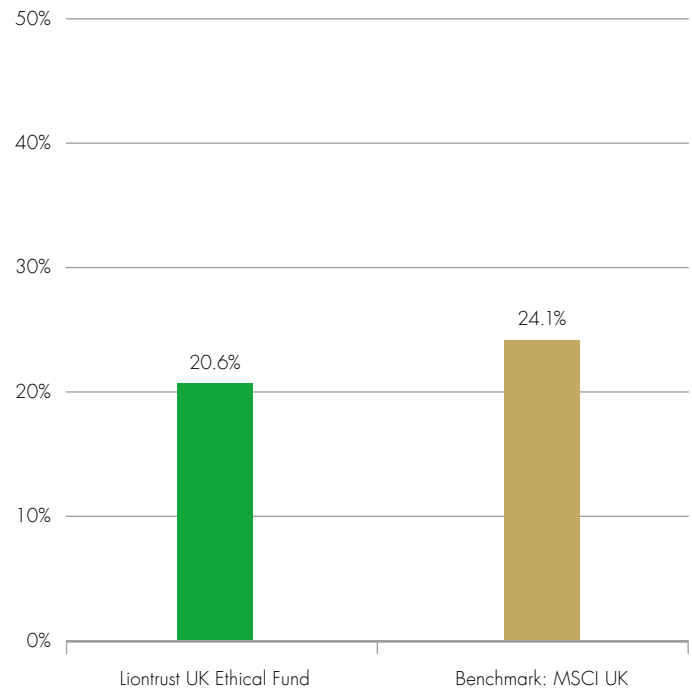
This analysis shows the investments in the fund emit 63% less carbon emissions (tCO₂e) than the market it invests in.



Source: MSCI Carbon analytics as at 30 June 2020.

Companies offering clean technology solutions

This analysis shows that the fund holds 20.6% of companies which MSCI have determined are providing clean technology solutions helping reduce emissions. This is 3.5% less than the market this fund invests in.



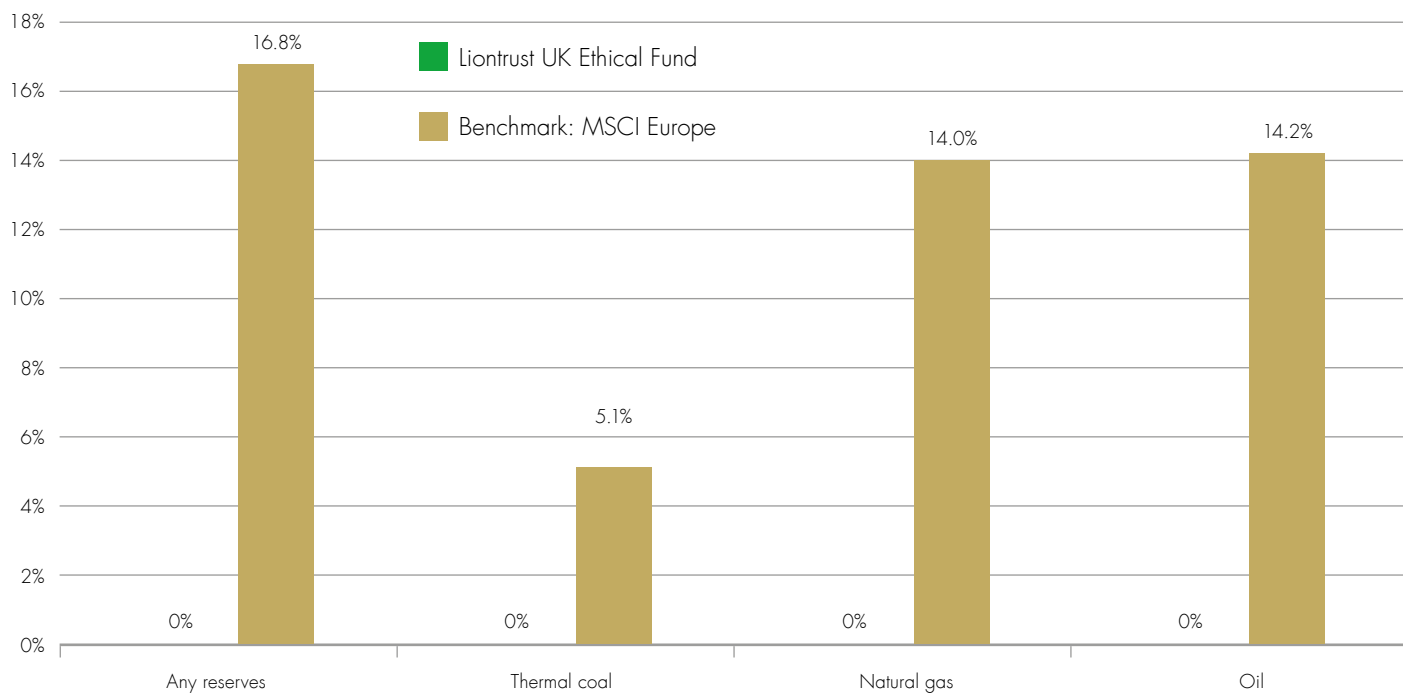
Source: MSCI Carbon Analytics as at 30 June 2020.

Weight of holdings owning fossil fuels

Weight of companies owning fossil fuel reserves

Liontrust UK Ethical Fund = zero exposure

This analysis shows the fund holds no companies which have fossil fuel reserves: 0% exposure to any fossil fuel reserves; 0% exposure to thermal coal reserves; 0% exposure to natural gas reserves; and 0% exposure to oil reserves.



Source: MSCI Carbon Analytics as at 30 June 2020; carbon emissions data available for 84.7% of the fund and 100% of the benchmark

All Fund holdings

Alphabetical list showing all holdings in the fund along with their sector, our Sustainability Matrix Rating and Sustainable Investment theme. The fund is invested in 39 companies.

Company name	Sector	Sustainability Matrix	Sustainable investment theme
AJ BELL PLC	Financials	B2	Saving for the future
Capital for Colleagues PLC	Financials	A2	Leading ESG management
CERES POWER HOLDINGS PLC	Industrials	A3	Improving the efficiency of energy use
COMPASS GROUP PLC	Consumer Discretionary	C1	Leading ESG management
COUNTRYSIDE PROPERTIES PLC	Consumer Discretionary	B2	Building better cities
CREST NICHOLSON HOLDINGS PLC	Consumer Discretionary	B3	Building better cities
DFS FURNITURE PLC	Consumer Discretionary	C2	Leading ESG management
DISTRIBUTION FINANCE CAPITAL HOLDINGS PLC	Financials	B2	Increasing financial resilience
GB GROUP PLC	Information Technology	B2	Increasing financial resilience
GREENCOAT UK WIND PLC	Utilities	A3	Increasing electricity from renewable sources
HALMA PUBLIC LIMITED COMPANY	Information Technology	A1	Better monitoring of supply chains and quality control
HARGREAVES LANSDOWN PLC	Financials	B3	Saving for the future
HELIOS TOWERS PLC	Communication Services	A4	Connecting people
INTERTEK GROUP PLC	Industrials	B3	Better monitoring of supply chains and quality control
JOHN LAING GROUP PLC	Industrials	A3	Increasing electricity from renewable sources
KINGSPAN GROUP PUBLIC LIMITED COMPANY	Industrials	A1	Improving the efficiency of energy use
Learning Technologies Group PLC	Information Technology	A2	Providing education
LEGAL & GENERAL GROUP PLC	Financials	B2	Insuring a sustainable economy
LONDON STOCK EXCHANGE GROUP PLC	Financials	B2	Increasing financial resilience
Mortgage Advice Bureau (Holdings) PLC	Financials	B3	Increasing financial resilience

Continues on the next page

All Fund holdings

Company name	Sector	Sustainability Matrix	Sustainable investment theme
NATIONAL GRID PLC	Utilities	B2	Improving the efficiency of energy use
OXFORD INSTRUMENTS PLC	Information Technology	B2	Better monitoring of supply chains and quality control
PARAGON BANKING GROUP PLC	Financials	C1	Leading ESG management
PRUDENTIAL PUBLIC LIMITED COMPANY	Financials	B4	Insuring a sustainable economy
SDCL Energy Efficiency Income Trust PLC	Investment Trusts	A3	Improving the efficiency of energy use
SMART METERING SYSTEMS PLC	Information Technology	B3	Improving the efficiency of energy use
SMURFIT KAPPA GROUP PUBLIC LIMITED COMPANY	Materials	B1	Increasing waste treatment and recycling
Softcat PLC	Information Technology	B1	Enhancing digital security
ST. JAMES'S PLACE PLC	Financials	C2	Saving for the future
THE ETHICAL PROPERTY CO. LTD.	Real Estate	A2	Building better cities
THE GYM GROUP PLC	Consumer Discretionary	A1	Enabling healthier lifestyles
THE PRS REIT PLC	Real Estate	B2	Building better cities
THE RENEWABLES INFRASTRUCTURE GROUP LIMITED	Utilities	A2	Increasing electricity from renewable sources
THRIVE RENEWABLES BEOCHLICH	Investment Trusts	A2	Increasing electricity from renewable sources
Trainline PLC	Consumer Discretionary	B2	Making transport more efficient
Treatt PLC	Materials	B2	Delivering healthier foods
TruFin PLC	Financials	B4	Increasing financial resilience
US Solar Fund PLC	Investment Trusts	A3	Increasing electricity from renewable sources
Cash	- cash -	- cash -	- cash -

Source: Liontrust / Factset, 30 June 2020



Key risks

Past performance is not a guide to future performance. Do remember that the value of an investment and the income generated from them can fall as well as rise and is not guaranteed, therefore, you may not get back the amount originally invested and potentially risk total loss of capital.

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