

LIONTRUST SUSTAINABLE FUTURE ICVC

Interim Report &
Financial Statements (unaudited)

For the period:
1 February 2024
to
31 July 2024

Managed in accordance with
The Liontrust Sustainable Future Process

LIONTRUST FUND PARTNERS LLP

LIONTRUST 

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* Collectively these comprise the Authorised Corporate Director's Report (herein referred to as the ACD's Report) along with the Investment objective and policy, Investment review, Portfolio Statement and Material portfolio changes of each Sub-fund.

Management and Administration

Management and Administration

The Authorised Corporate Director ("ACD") of Liontrust Sustainable Future ICVC (the "Company") is:

Liontrust Fund Partners LLP

The registered office of the ACD and the Company is 2 Savoy Court, London, WC2R 0EZ.

The ACD is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the ACD is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

Depository

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

Independent Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Administrator and Registrar

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London
EC4V 4LA

Authorised by PRA and regulated by the FCA and the PRA.

Management and Administration (continued)

Company Information

The Company is an investment company with variable capital under regulation 12 of the Open-Ended Investment Company Regulations 2001, incorporated in England and Wales under registered number IC 89 and authorised by the Financial Conduct Authority on 29 January 2001. At the period end the Company offered nine Sub-funds, the Liontrust Sustainable Future Managed Growth Fund, the Liontrust Sustainable Future Cautious Managed Fund, the Liontrust Sustainable Future Corporate Bond Fund, the Liontrust Sustainable Future Defensive Managed Fund, the Liontrust Sustainable Future European Growth Fund, the Liontrust Sustainable Future Global Growth Fund, the Liontrust Sustainable Future Managed Fund, the Liontrust Sustainable Future UK Growth Fund and the Liontrust UK Ethical Fund (the "Sub-funds").

The Company is a UCITS scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("COLL") and is structured as an umbrella company so that different Sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund. Each share class has the same rights on a winding up of the Company. Investment of the assets of each of the Sub-funds must comply with the FCA's COLL and the investment objective and policy of the relevant Sub-fund.

Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps are required on all reports & accounts published after 13 January 2017. During the period to 31 July 2024 and at the balance sheet date, the Sub-funds did not use SFT's or total return swaps, as such no disclosure is required.

Assessment of Value

The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Sub-funds and the other UK-domiciled funds managed by Liontrust will be conducted as at 30 June each year, with a publication deadline of end of October. The assessment of value report can be viewed on the Liontrust website www.liontrust.co.uk/learning/assessment-of-value.

Task Force on Climate-Related Disclosures (TCFD) Product Reports

Under the rules of the Financial Conduct Authority (FCA), Liontrust is required to publish information annually on product level (fund) TCFD disclosures so that investors may have a better understanding of the climate-related risks and opportunities associated with the Sub-funds and their underlying holdings. This report is published in line with the requirements of the FCA and TCFD. The Product Reports can be viewed within the individual Fund pages on the Liontrust website (www.liontrust.co.uk/our-funds).

Holdings in Other Funds of the Company

As at 31 July 2024, the following Sub-funds held shares in other Sub-funds within the Liontrust Sustainable Future ICVC.

Sub-fund	Shares held	Holding	Market value (£'000)
Liontrust Sustainable Future Cautious Managed Fund	Liontrust Sustainable Future Corporate Bond Fund	5,367,575	5,182
Liontrust Sustainable Future Defensive Managed Fund	Liontrust Sustainable Future Corporate Bond Fund	12,123,650	11,704

Management and Administration (continued)

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £27.0 billion in assets under management (AUM) as at 30 June 2024 and that takes pride in having a distinct culture and approach to managing money. What makes Liontrust distinct?

- The Company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Edinburgh and Luxembourg.
- We believe in the benefits of active fund management over the long-term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have eight fund management teams investing in Global Equities, Global Fixed Income, Sustainable Investment and Multi-Asset portfolios and funds.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from investing in companies and funds for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Consumer Duty outcomes and rules as well as the Principles of Treating Customers Fairly (TCF), and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP, Liontrust Fund Partners LLP and Liontrust Portfolio Management Limited which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust Europe S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

Conflict in Ukraine

The ongoing war in Ukraine and the resultant geopolitical tensions including sanctions imposed on Russia and retaliatory action taken by Russia against foreign investors, continue to impact global financial markets (including stock, currency and commodities markets). Economic sanctions and the fallout from the conflict are affecting companies operating in a wide variety of sectors worldwide, including energy, financial services and defence, amongst others. As a result, the performance of the Sub-funds may be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

Member's Statement

In accordance with COLL 4.5.8BR, we hereby certify the Interim Report and the Financial Statements were approved by the management committee of members of the ACD and authorised for issue on 26 September 2024.



Antony Morrison

Member

26 September 2024

Notes applicable to the financial statements of all Sub-funds

for the period from 1 February 2024 to 31 July 2024

Accounting Policies

Basis of accounting

The financial statements of the Company comprise the financial statements of each of the Sub-funds and have been prepared on a going concern basis in accordance with UK Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the IMA (now known as the Investment Association) in May 2014 (the "SORP"), updated in June 2017.

The accounting and distribution policies applied are consistent with those disclosed within the annual report & financial statements for the year ended 31 January 2024.

Sustainable Future Cautious Managed Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Cautious Managed Fund aims to deliver income and capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest globally and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

Allocations to equities, fixed income, and cash will vary over time depending on market circumstances. Asset allocation limits will remain in line with the following asset allocation ranges:

Equity – 40-60 %

Fixed income – 20-50%

Cash – 0-20%

The Sub-fund may also invest in collective investment schemes including other Liontrust Funds (up to 10% of Sub-fund assets), other transferable securities, money market instruments, warrants and deposits. The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Cautious Managed Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Income) returned 4.4% over the period under review, versus the 6.6% IA Mixed Investment 40-85% Shares sector average (the comparator benchmark)*.

Over the period under review, global equities continued to be driven by the theme of rapid Artificial Intelligence (AI) investment growth, particularly within the US. There was a notable divergence in performance within the technology sector, with a number of software names down, often in double digits. From a style perspective, these trends played further into the narrow performance leadership from mega-cap technology stocks. The sheer size of both the market cap of these companies, and the large movements higher in their share prices, has made keeping up with the index very challenging for active managers. This contributed to relative underperformance from mid and small caps stocks, an area to which the Sub-fund retains an overweight position.

Combined with this, some portfolio holdings were negatively affected by an emerging narrative that software investment, which is such a key driver of overall business efficiency improvements, was beginning to stall, as business owners preferred to focus on AI opportunities. This was primarily driven by some disappointing numbers from a number of large software bellwethers, with Salesforce's quarterly numbers the catalyst. At the same time, Apple's announcement that it was targeting on-device AI led to strong performance across AI and those connected to smartphones.

Higher bond yields in both the UK and the US were a headwind to our infrastructure portfolio, and the rate-sensitive nature of these long duration assets led to a fall in the majority of the names in the portfolio. The Canadian Solar Infrastructure Fund, Aquila Renewables and Asian Energy Impact Trust were the worst performers. We believe the sector should benefit from falling long term rates, but the technical headwinds created by a lack of flows into natural buyers for these funds remains an issue. Consolidation and share buybacks are options being considered by management teams across this sector.

Asset Allocation for the period was neutral. Overall, we moved to reduce the overweight infrastructure position, and reallocated this to increase the overweight in global equities. We remain overweight global equities, UK equities, credit and infrastructure, and fund this from underweight government bonds and cash.

We continue to believe in the quality of the companies held within our portfolios. In aggregate, they are performing well operationally and are on attractive valuations. This gives us confidence for the future outlook for our funds and investors.

Turning to the portfolio positives, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Shares in UK bank **NatWest** rose after beating earnings estimates for Q1 as lending and deposits increased. Also held under our *Enabling SMEs* theme, NatWest reported pre-tax operating profit of £1.3 billion, compared with consensus estimates of £1.28 billion.

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. It aims to reduce carbon within its corporate loan book by at least 50% by 2030 and has potentially interesting initiatives around mortgages for energy efficiency improvements in housing.

Also among the top performers was **Veralto** – a company held under our *Improving the management of water* theme. 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 is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines.

Sustainable Future Cautious Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Veralto generated net earnings for the second quarter of \$203 million, ahead of expectations, while also raising guidance for the full year, reflecting stronger operational execution and a more positive outlook on its end markets. In 2024, it now expects to achieve adjusted earnings per share of between \$3.37 and \$3.45, up from its prior guidance of \$3.25 to \$3.34.

Among the detractors within equities, **St James's Place** was a very frustrating investment given it is a clear beneficiary of our *Saving for the Future* theme. However, in spite of the strong demand in the UK for financial and investment advice, the company has executed poorly. This culminated in it being slow to react to the changes in Consumer Duty, and latterly poor record keeping around charging for advice. This has left the business exposed to legal recourse from clients and damage limitation in terms of reputation. We decided to exit the company over the period. While we can see attractive value in the shares in some scenarios, the unpredictability of the near term means we see better opportunities elsewhere.

Shares in **EdwardsLifeSciences**, the developer and supplier of patient-focused medical innovations for heart disease and critical care monitoring, dropped after it dampened expectations for heart valve replacement sales growth. Edwards said it expects full-year sales growth of 5% to 7% for its transcatheter aortic valve replacement (TAVR) treatment, down from the 8% to 10% forecast earlier.

Also among the detractors for the period was Japanese staffing and service company **TechnoPro**, which is held under our *Improving the efficiency of energy use* theme. Despite beating Q2 sales and operating profit estimates, shares in the company fell due to the company's outlook that increased hiring costs may present a headwind in the second half of the year.

A number of changes were made to the equity portfolio during the period. We initiated positions in **ASM International, Siemens, Microsoft, West Pharmaceutical Services** and **ServiceNow**. ASM International, the market leader in Atomic Layer Deposition (ALD) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. ALD is a critical process for customers to produce chips in a Gate-All-Around (GAA) architecture, which enables an improvement in energy efficiency of approximately 25%.

Industrial manufacturing company Siemens was added to our *Improving the resource efficiency of industrial and agricultural processes* theme. Siemens has restructured itself into just four main divisions: Digital Industries; Smart Infrastructure; Healthineers and Mobility. These help to drive improvements in resource efficiency; electricity use; diagnostics and health; and mass transport (trains). We believe each of these divisions will grow as our economies become more sustainable.

Microsoft is exposed to our *Improving the resource efficiency of industrial and agricultural processes* theme, Microsoft's software and services empowers businesses all over the world to be more efficient. Through its cloud offering it reduces the environmental costs of businesses to run compute power and storage, and through its cyber security products it protects businesses from being hacked.

West Pharmaceutical Services is held under our *Enabling innovation in healthcare* theme, designing and producing high quality integrated containment and delivery systems for injectable drugs and healthcare products. Key customers include biologic, pharma, diagnostic and medtech companies. The focus here is on quality – excellence in manufacturing, scientific and technical expertise to ensure delivery of safe and efficacious drug products to patients. West's expertise and high quality standards facilitate the delivery of medicine to patients around the world and offers innovation and expertise to help maintain the quality and efficacy of very impactful drug types like biologics injectables and cell and gene therapies.

Lastly, ServiceNow was added to the *Improving the resource efficiency of industrial and agricultural processes* theme. ServiceNow builds workflow tools for companies to automate previously manual tasks. This reduces waste and by freeing up employee time thus helping makes companies more efficient.

Turning to the portfolio disposals, **Adobe** was sold during the review period. We are concerned that generative AI competition may begin to eat away at the virtual monopoly that Adobe enjoys in its creative cloud business. This follows the failed attempt to acquire competitor Figma, for which it offered an eye watering high multiple, suggesting some desperation by the management team. We see the Adobe investment thesis at risk on a five-year view.

Sustainable Future Cautious Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

We sold **Evotec** following the abrupt departure of its CEO, Werner Lanthaler. Evotec said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in Evotec shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

We also sold **Illumina** as the business moves to spin off the Grail business. We are concerned the core Illumina business is experiencing a step change in the elasticity of demand for its products. As it's dropped the price of sequencing a single genome, customers are potentially using that to improve their own margins, rather than it leading to significant growth in the number of genomes they sequence. Competition has also increased, and Illumina's dominance of the sequencing market has been attacked from China and across the world.

We also exited **Kerry Group**, a dairy cooperative which was established in 1972 and has evolved to become one of the largest and most technologically advanced ingredients and flavours technology companies. The question remains whether Kerry reduces the harm of ultra-processed food (UPF) while keeping it affordable, or if it enables an unsustainable system that requires fundamental reform. For the moment, we don't have an answer to this as the company discloses on the nutrient-based traffic light system, of which it is >50% green traffic lighted. But if there is a big backlash with regards to UPF coming, implicating Kerry, we believe it is prudent to move Kerry to the sidelines until we have a better understanding on this issue.

IP Group, a long-term holding which helps develop innovative companies at universities in the UK, was also sold from the portfolio. While it has had success with the likes of Oxford Nanopore, the pace of commercialisation has been disappointing. We exited our position in favour of other early-stage investment companies like Molten Ventures.

Finally, we exited **Equinix** due to concerns that practices it has related to overselling power may become a headwind as power demand related to AI grows exponentially. We were also concerned following the abrupt departure of the CEO, which we view as a risk to the investment thesis.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Sustainable Future Cautious Managed Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Microsoft
 United Kingdom Gilt 1.5% 31/7/2053
 Siemens
 ASM International
 ServiceNow
 BPCE 5.375% 22/10/2031
 West Pharmaceutical Services
 HSBC 6.8% 14/9/2031
 Paylocity
 Sage

Sales

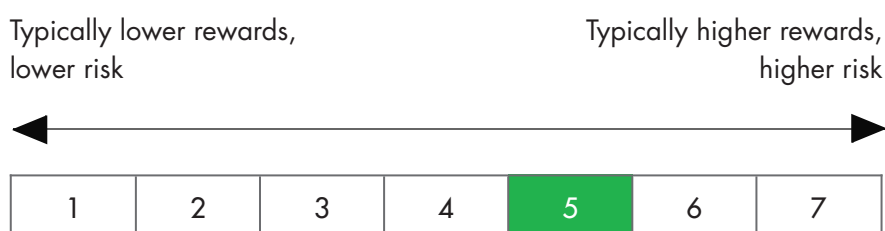
United Kingdom Gilt 0.875% 31/7/2033
 ASML
 Lloyds Banking 6.625% 2/6/2033
 Adobe
 Direct Line Insurance 4% 5/6/2032
 Equinix REIT
 Ansys
 Intuitive Surgical
 Alphabet
 Intertek

Sustainable Future Cautious Managed Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator ("SRRI") is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 5 primarily because of its exposure to a diversified portfolio of Global equities and bonds.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund.
 - 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.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.

Sustainable Future Cautious Managed Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- There is no guarantee that a total return will be generated over a three year time period or within another time period.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the Prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future Cautious Managed Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Income	1.8593	1.6906
Class 3 Net Income	1.9140	1.7354

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Income	467,512,971	705,219	150.84
Class 3 Net Income	49,816,379	77,415	155.40
31 January 2024			
Class 2 Net Income	545,964,641	792,964	145.24
Class 3 Net Income	53,181,646	79,462	149.42
31 January 2023			
Class 2 Net Income	700,034,128	1,009,347	144.19
Class 3 Net Income	60,036,129	88,802	147.91
31 January 2022			
Class 2 Net Income	677,803,580	1,094,342	161.45
Class 3 Net Income	54,377,805	89,825	165.19

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (56.13%)	451,954	57.75
	DENMARK (1.72%)	13,077	1.67
76,060	Ringkjøbing Landbobank	10,502	1.34
133,391	Vestas Wind Systems	2,575	0.33
	GERMANY (0.83%)	10,430	1.33
165,496	Infineon Technologies	4,465	0.57
41,731	Siemens	5,965	0.76
	IRELAND (1.78%)	14,752	1.89
142,866	Experian	5,242	0.67
70,458	Kingspan	5,129	0.66
126,998	Smurfit WestRock	4,381	0.56
	JAPAN (1.78%)	11,373	1.45
1,965	Canadian Solar Infrastructure Fund	956	0.12
22,500	Keyence	7,665	0.98
185,000	TechnoPro	2,752	0.35
	NETHERLANDS (2.41%)	18,639	2.39
5,145	Adyen	4,901	0.63
11,091	ASM International	5,920	0.76
10,912	ASML	7,818	1.00
	SWEDEN (1.32%)	12,569	1.60
233,652	Avanza Bank	4,079	0.52
31,719	Spotify Technology	8,490	1.08
	SWITZERLAND (1.41%)	13,011	1.67
99,295	Alcon	7,321	0.94
22,511	Roche	5,690	0.73
	UNITED KINGDOM (19.73%)	159,964	20.43
317,682	3i	9,937	1.27
189,858	Admiral	5,227	0.67
975,854	AJ Bell	4,474	0.57
97,198	Ashtead	5,433	0.69

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
76,979	AstraZeneca	9,516	1.22
4,307,616	Atrato Onsite Energy	3,050	0.39
288,454	Compass	6,911	0.88
2,010,923	ConvaTec	4,710	0.60
72,581	Croda International	2,933	0.37
1,089,158	DFS Furniture	1,300	0.17
22,334	Ferguson	3,848	0.49
412,562	GSK	6,236	0.80
660,845	Gym	954	0.12
1,688,650	Haleon	5,904	0.75
169,253	Halma	4,502	0.58
2,196,670	Helios Towers	2,777	0.35
13,006,462	Home REIT^	1,817	0.23
63,346	Intertek	3,196	0.41
2,588,064	Legal & General	5,997	0.77
72,629	London Stock Exchange	6,878	0.88
1,598,669	Mobico	898	0.11
1,094,154	Molton Ventures	4,076	0.52
2,399,727	NatWest	8,833	1.13
670,056	Oxford Biomedica	2,476	0.32
974,538	Paragon Banking	7,835	1.00
302,780	Porvair	1,980	0.25
1,267,682	PRS REIT	1,039	0.13
630,612	Rentokil Initial	2,994	0.38
1,028,692	Rotork	3,720	0.48
225,335	Sage	2,447	0.31
287,106	Softcat	4,665	0.60
97,301	Spectris	2,954	0.38
40,601	Spirax-Sarco Engineering	3,666	0.47
1,482,291	Trainline	5,046	0.64
172,705	Unilever	8,247	1.05
486,822	Wise	3,488	0.45
UNITED STATES OF AMERICA (25.15%)		198,139	25.32
31,137	Advanced Drainage Systems	4,296	0.55
70,318	Agilent Technologies	7,743	0.99
60,362	Alphabet	8,134	1.04
40,227	American Tower REIT	6,897	0.88

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
16,834	Ansys	4,103	0.52
26,888	Autodesk	5,180	0.66
61,440	Bright Horizons Family Solutions	5,751	0.73
25,186	Brown & Brown	1,950	0.25
49,024	Cadence Design Systems	10,211	1.30
93,419	Charles Schwab	4,741	0.61
45,986	Ecolab	8,257	1.06
78,662	Edwards Lifesciences	3,861	0.49
14,736	Intuit	7,419	0.95
18,259	Intuitive Surgical	6,314	0.81
37,235	IQVIA	7,138	0.91
38,195	Masimo	3,179	0.41
28,573	Microsoft	9,303	1.19
18,459	Morningstar	4,555	0.58
146,448	Nasdaq	7,714	0.99
942	NVR	6,289	0.80
14,422	Palo Alto Networks	3,645	0.47
46,692	Paylocity	5,456	0.70
60,023	PayPal	3,073	0.39
49,354	PTC	6,830	0.87
8,356	ServiceNow	5,300	0.68
20,243	Thermo Fisher Scientific	9,657	1.23
21,478	TopBuild	8,014	1.02
33,037	Trex	2,152	0.28
114,231	Veralto	9,479	1.21
55,039	VeriSign	8,011	1.02
51,033	Visa 'A'	10,552	1.35
12,331	West Pharmaceutical Services	2,935	0.38
BONDS (39.97%)		305,631	39.05
UNITED KINGDOM GOVERNMENT BONDS (17.23%)			
£ 135,250,000	United Kingdom Gilt 0.875% 31/7/2033	104,012	13.29
£ 57,400,000	United Kingdom Gilt 1.5% 31/7/2053	29,680	3.79
UK STERLING DEBT SECURITIES (21.20%)		160,098	20.45
£ 2,300,000	3i 5.75% 3/12/2032	2,394	0.31

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (continued)			
£ 3,600,000	Anglian Water Osprey Financing 2% 31/7/2028	2,887	0.37
£ 1,000,000	Annington Funding 3.184% 12/7/2029	897	0.11
£ 1,200,000	Annington Funding 3.935% 12/7/2047	893	0.11
£ 3,400,000	AT&T 7% 30/4/2040	3,888	0.50
£ 3,400,000	Aviva 5.125% 4/6/2050	3,282	0.42
£ 1,650,000	Aviva 6.875% Perpetual	1,594	0.20
£ 3,500,000	Banco Santander 2.25% 4/10/2032	3,151	0.40
£ 3,000,000	Barclays 7.09% 6/11/2029	3,212	0.41
£ 4,100,000	Barclays 8.407% 14/11/2032	4,384	0.56
£ 2,700,000	Blackstone Property Partners Europe Sarl 2.625% 20/10/2028	2,397	0.31
£ 3,000,000	BNP Paribas 6% 18/8/2029	3,127	0.40
£ 4,000,000	BPCE 5.375% 22/10/2031	4,031	0.51
£ 3,395,000	Bunzl Finance 1.5% 30/10/2030	2,813	0.36
£ 3,900,000	Cadent Finance 2.25% 10/10/2035	2,861	0.37
£ 2,100,000	Clarion Funding 1.25% 13/11/2032	1,581	0.20
£ 2,650,000	Compass 4.375% 8/9/2032	2,632	0.34
£ 1,250,000	CPUK Finance 3.69% 28/2/2047	1,163	0.15
£ 2,250,000	Deutsche Telekom International Finance 8.875% 27/11/2028	2,625	0.33
£ 2,882,000	DWR Cymru Financing UK 2.375% 31/3/2034	2,075	0.26
£ 2,100,000	DWR Cymru Financing UK 2.5% 31/3/2036	1,598	0.20
£ 707,000	GlaxoSmithKline Capital 5.25% 19/12/2033	747	0.10
£ 3,100,000	HSBC 6.8% 14/9/2031	3,376	0.43
£ 3,000,000	HSBC 7% 7/4/2038	3,296	0.42
£ 3,500,000	Legal & General 4.5% 1/11/2050	3,252	0.42
£ 3,143,000	Liberty Living Finance 3.375% 28/11/2029	2,881	0.37
£ 6,300,000	Lloyds Banking 2.707% 3/12/2035	5,249	0.67
£ 2,074,000	Lloyds Banking 5.25% 4/10/2030	2,108	0.27
£ 2,950,000	Logicor Financing Sarl 2.75% 15/1/2030	2,515	0.32
£ 3,250,000	London & Quadrant Housing Trust 2% 20/10/2038	2,183	0.28
£ 1,249,000	London Stock Exchange 1.625% 6/4/2030	1,075	0.14
£ 3,400,000	M&G 5.625% 20/10/2051	3,285	0.42
£ 2,000,000	Motability Operations 3.625% 10/3/2036	1,761	0.22
£ 2,486,000	National Grid Gas 1.125% 14/1/2033	1,787	0.23
£ 7,700,000	Natwest 2.105% 28/11/2031	7,151	0.91
£ 3,350,000	Next 3.625% 18/5/2028	3,226	0.41
£ 3,600,000	Optivo Finance 2.857% 7/10/2035	2,854	0.36
£ 1,100,000	Orange 8.125% 20/11/2028	1,246	0.16
£ 4,933,000	Orsted 2.5% 18/2/3021	3,589	0.46

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (continued)			
£ 5,100,000	Pension Insurance 8% 13/11/2033	5,555	0.71
£ 5,500,000	Phoenix 5.625% 28/4/2031	5,308	0.68
£ 600,000	Places for People Homes 3.625% 22/11/2028	568	0.07
£ 300,000	Places for People Homes 5.875% 23/5/2031	311	0.04
£ 1,080,000	Places For People Treasury 6.25% 6/12/2041	1,154	0.15
£ 4,800,000	Rothsay Life 7.734% 16/5/2033	5,159	0.66
£ 2,967,000	Scottish Hydro Electric Transmission 5.5% 15/1/2044	2,945	0.38
£ 3,000,000	Severn Trent Utilities Finance 2.625% 22/2/2033	2,427	0.31
£ 1,203,000	Severn Trent Utilities Finance 5.875% 31/7/2038	1,226	0.16
£ 3,700,000	Societe Generale 5.75% 22/1/2032	3,742	0.48
£ 2,500,000	Southern Gas Networks 1.25% 2/12/2031	1,935	0.25
£ 2,143,000	Southern Housing 2.375% 8/10/2036	1,572	0.20
£ 1,986,000	United Utilities Water Finance 0.875% 28/10/2029	1,618	0.21
£ 4,900,000	Verizon Communications 3.375% 27/10/2036	4,123	0.53
£ 4,000,000	Vodafone 4.875% 3/10/2078	3,940	0.50
£ 2,600,000	Vodafone 5.9% 26/11/2032	2,773	0.35
£ 3,200,000	Whitbread 3% 31/5/2031	2,790	0.36
£ 2,667,000	Yorkshire Building Society 7.375% 12/9/2027	2,779	0.35
£ 3,300,000	Yorkshire Water Finance 1.75% 27/10/2032	2,419	0.31
£ 2,760,000	Zurich Finance Ireland Designated Activity 5.125% 23/11/2052	2,688	0.34
EURO DEBT SECURITIES (1.54%)		11,841	1.52
€ 5,200,000	Cellnex Finance 2% 15/2/2033	3,825	0.49
€ 4,000,000	Cooperatieve Rabobank UA 3.1% Perpetual	2,965	0.38
€ 3,500,000	Infrastrutture Wireless Italiane 1.75% 19/4/2031	2,640	0.34
€ 2,569,650	Stichting AK Rabobank Certificaten 6.5% Perpetual	2,411	0.31
COLLECTIVE INVESTMENT SCHEMES (4.11%)		23,883	3.05
IRELAND (0.87%)		7,942	1.02
660,000	Liontrust GF Sustainable Future US Growth Fund++	7,942	1.02
UNITED KINGDOM (2.96%)		15,941	2.03
5,208,102	Downing Renewables & Infrastructure Trust	4,062	0.52
795,077	Greencoat UK Wind	1,158	0.15
1,412,674	JLEN Environmental Assets	1,356	0.17
5,367,575	Liontrust Sustainable Future Corporate Bond Fund+	5,182	0.66

Sustainable Future Cautious Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
COLLECTIVE INVESTMENT SCHEMES (continued)			
UNITED KINGDOM (continued)			
2,471,288	SDCL Energy Efficiency Income Trust	1,636	0.21
3,723,436	Triple Point Energy Transition	2,547	0.32
Portfolio of investments		781,468	99.85
Net other assets		1,166	0.15
Total net assets		782,634	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Stocks shown as REITs represent Real Estate Investment Trust.

+ Managed by Liontrust Fund Partners LLP.

++ Liontrust Investment Partners LLP acts as Investment Adviser.

^ Suspended Security.

Sustainable Future Cautious Managed Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		34,393		(22,597)
Revenue	12,135		14,350	
Expenses	(3,450)		(4,207)	
Interest payable and similar charges	(1)		(5)	
Net revenue before taxation	8,684		10,138	
Taxation	(925)		(1,164)	
Net revenue after taxation		7,759		8,974
Total return before distributions		42,152		(13,623)
Distributions		(10,519)		(12,339)
Change in net assets attributable to shareholders from investment activities		31,633		(25,962)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		872,426		1,098,149
Amounts received on issue of shares	4,165		6,194	
Amounts paid on cancellation of shares	(125,590)		(103,136)	
		(121,425)		(96,942)
Change in net assets attributable to shareholders from investment activities		31,633		(25,962)
Closing net assets attributable to shareholders		782,634		975,245

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Cautious Managed Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	781,468	874,226
Current assets:		
Debtors	3,925	3,970
Cash and bank balances	11,010	7,231
Total assets	796,403	885,427
Liabilities		
Provision for liabilities	(3)	(3)
Creditors:		
Distribution payable	(9,646)	(9,169)
Other creditors	(4,120)	(3,829)
Total liabilities	(13,769)	(13,001)
Net assets attributable to shareholders	782,634	872,426

Sustainable Future Corporate Bond Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Corporate Bond Fund aims to deliver income with capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest a minimum of 80% in investment grade corporate bonds that are sterling denominated or hedged back to sterling and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

The Sub-fund may also invest in government bonds, collective investment schemes (up to 10% of Sub-fund assets), sub-investment grade bonds, other fixed income securities, money market instruments, warrants, cash and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Corporate Bond Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Income) returned 3.4% over the period under review, compared with the 2.6% return from the iBoxx Sterling Corporate All Maturities Index comparator benchmark and the average return from IA Sterling Corporate Bond sector, also a comparator benchmark, of 3.0%*.

The last six months can be characterised as a reversal of the moves seen at the end of 2023 – yields have moved higher, volatility remains elevated, and the incoming economic data has charted an unpredictable course. Latterly however, developments in that data have provided encouragement that supports our strategic view, though the path will no doubt be a bumpy one.

Earlier in the year, volatility was the driver behind higher yields, partly due to upside surprises in non-farm payrolls. This was largely revised down in the March data release. As the year progressed, this continued as the narrative of a US ‘no-landing’ scenario was one which gathered both pace and credence as the half progressed, particularly as the March inflation report, released in April, provided the third upside surprise in a row to both headline and core CPI. Core services ex-shelter, one of the Federal Reserve’s (Fed) preferred measures, was particularly firm and showed signs that this strength might have been becoming entrenched. Alongside a fairly modest loosening in the labour market, the strength in both spot inflation and in some of the pricing components of the survey data, led yields to rise markedly in April, with the US 10-year spiking almost 50 basis points (bps) higher. While some of the survey data seemed to soften, and measures of consumer health such as delinquency rates picked up meaningfully, the market has moved to push out the timing of the first rate cut. Indeed, at the Fed meeting in June, the ‘dot-plot’ suggested that the median voter saw only one rate cut in 2024, down from three at the previous projection. The May inflation report was more encouraging, however, and we think there are other tentative signs that the “US exceptionalism” narrative might diminish somewhat. Marked by volatility, 10-year yields rose over the first half of the year, ending the half over 50bps higher.

The UK started the year deterred by poor Gross Domestic Product (GDP) data and confirmation of being in a technical recession in late 2023. This proved to be short-lived and shallow, with improvements to GDP growth over the first half of the year. Since this subdued start, UK rates markets have largely, and somewhat frustratingly, behaved almost in lockstep with their US counterparts, despite economic data generally seeming more subdued and having started on a less sure footing. While growth has been firmer than expected, the inflation backdrop has been more mixed. Headline inflation reached the Bank of England’s (BoE) 2% target in the May report, although services inflation has remained somewhat stickier than both we and the Bank would have hoped. Given the ongoing signals from the labour market that seem to suggest further loosening ahead, we would expect to see that persistence dissipate over time. While the strength in services inflation had put laid to any hopes of a June cut to Bank rate, the BoE did leave the door open to an August move. Given the communications embargo due to the impending general election, the only tool available to the Monetary Policy Committee (MPC) was the published minutes of their meeting. Though the vote split remained at 7-2, they elected to use the minutes to guide the market on some key points: firstly, that a number of members had considered joining the two who had voted to reduce rates; secondly, broadening out their emphasis to a range of survey indicators which have shown weakness of late; and finally, highlighting the importance of the August Monetary Policy Report in outlining their views on the direction of travel. While the timing of the first cut and the minutiae of the MPC’s messaging are less important than the overall path for interest rates, this was nevertheless seen as an indication of the BoE’s willingness to begin to ease pressure on the monetary policy brake. UK gilt yields tightened by 17bps over the period.

The picture in Europe has been somewhat different, despite a similar narrative on the inflation side with services remaining stickier than many anticipated. Despite this, the European Central Bank became the first of the three central banks mentioned here to reduce rates, arguing that monetary policy remained restrictive. The cut itself was well-telegraphed from the start of the year, while the resulting message was one of absolute data-dependency, with no pre-commitment to any particular course of action from here. Given the range of views on the Governing Council, this pragmatic approach seemed designed to achieve such a compromise, and we wouldn’t be surprised to see the BoE adopt a similar approach following their first move. Late spring saw the Euro markets’ attention shift to political risk, as the surprise calling of snap elections saw a blowout in French-German spreads as markets priced greater fiscal uncertainty amid the likelihood of a more extreme style of government. By the end of July this largely dissipated as French elections resulted in a gridlock, reassuring markets as policy shifts would be difficult to implement. Bunds tightened by 14bps over the last six months, with a more certain election outlook supporting spreads.

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Amid this backdrop corporates have remained resilient. Continued disinflation and moderate growth have kept the economic environment stable. Despite tightening over most of the year so far on modest growth numbers, election concerns drove European spreads up in late June, leading to the index tightening 21bps over the last six months, having retracted underperformance in July on a more certain political outlook. Sterling spreads tightened slightly less, closing 18bps tighter over the period.

Election uncertainty and expectations for rate cuts also caused issuers to postpone coming to market towards the end of the first half, with issuance numbers down compared to the same period last year. Q2 2024 sterling issuance was the lowest since Q4 2021. Default rates did tick up over the last six months, as the effect of higher monetary policy continues to filter through the economy, but still remains below long run averages.

Duration

We started the period under review 1.25 years overweight UK relative to the benchmark, with yields standing at 3.79%. This was following a recent increase to our duration positioning by 0.25 years, following stronger-than-expected economic data released at the beginning of the year which pushed yields close to 4%. We kept our position to 1.25 years overweight until the end of July. Although the overall duration position remained stable, we initiated a cross-market trade, taking a 0.25 year long position in 10-year UK Gilt futures versus a corresponding 0.25 year short position in 10-year German Bund futures. The rationale behind this position is our view that Gilt yields are relatively further away from our fair value target than Bund yields are, while UK markets have exhibited a higher beta to the US than their German counterparts, a relationship we think should reverse as UK economic data weakens. We also sought to challenge the difference in market pricing for cuts in both economies, where UK pricing was more akin to the US than the Eurozone. The UK 10-year finished July at 4.97%, which remains above our fair value target of 2.5-3%.

Although headline inflation dropped to the BoE's 2% target in the May report, services inflation, a metric closely followed by the BoE, has fallen less than expected in all three prints over the last three months. This led to a sharp rise in yields towards the end of May, which was only partially offset by a rally in June which largely mirrored moves in the US treasury market. As a result, gilt yields widened over the past six months, which detracted from performance given our overweight duration positioning.

Credit performance

The Sub-fund's credit performance was positive over the first half, as spreads tightened. The sterling corporate index tightened by 18bps over the period.

In the US, strong earnings growth across the 'Magnificent Seven' drove market strength, and economic data for the Euro area surprised to the upside. In the UK, data was stronger-than-expected in the first half of 2024, with GDP increasing by 0.6% in the first quarter.

Within our portfolio, both sector and security selection were positive. These were only slightly offset by our allocation to Gilts. UK 10-year Gilt yields climbed by 17bps, to finish at 3.79% at the end of July.

In terms of sector allocation, the majority of outperformance came from our overweight to the banking and insurance sector as well as our underweight position to utilities. Our slight overweight to REITs also contributed positively.

Security selection was also positive, due to our overweight position to subordinated securities within banks and insurance, which fared well over the period. Within the banking sector, we have a neutral weighting to French banks, which were subject to spread widening due to the surprise political developments, and therefore did not suffer from relative underperformance. These however have subsequently recovered after the quarter-end with the lack of a clear majority. Also, legacy subordinated bank bonds were a strong contributor to performance. Call action later last year saw the market reprice the possibility of these legacy securities being called at par, benefitting our remaining position in **BNP**.

Within utilities, we benefitted from strong performance from our position to **Orsted** hybrids. Following impairments made last year, it released a turnaround plan in February with a clear direction to restoring financial security through asset farm-downs. It has also refocused capital expenditure going forwards and the bonds have done well on the higher certainty outlook. Also, we did benefit from not holding Thames Water bonds, which faced significant funding and operational risks with a recent default at the holding company.

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Regarding favoured sectors, we have not made any significant changes to positioning. We continue to see intrinsic value in financials and hence remain overweight in banks and insurance. However, we have been marginally reducing credit spread duration within financials and moving higher up in the capital structure, while still maintaining the overweight in subordinated securities. We have also retained our overweight in telecoms, as we like the sector from both a fundamental perspective and their ability to pass on costs to consumers. Our maintained underweight in utilities reflects our more cautious view on the sector's current valuation relative to the index. Similarly, we remain underweight consumers, as we believe they will face a more challenging outlook due to higher policy rates constricting disposable incomes.

Trades

Trading activity was high, tapering off in June as political uncertainty grew due to a snap election in France and upcoming elections in the UK and US, causing fewer issuers to come to market. Relative value trades were also high, as we reacted to spreads compressing throughout the year so far.

On a relative value basis, we performed switches within issuers like **Barclays**, and from **Standard Life** into **Santander**.

T2 subordinated securities within the insurance and banking sector outperformed at the start of the year. As a result, we have been moving up the capital structure in financials by rotating from tier 2 into senior paper within favoured issuers, like **HSBC** and **Lloyds**.

We reduced our position to BNP discount bonds (discos). Following HSBC's redemption of their last legacy bond, it has significantly outperformed other financials on expectations it will be called too.

Outside of financials, we diversified through adding a new holding of **Vonovia**, the largest listed residential landlord in Germany and Sweden, giving us exposure to large scale and diversification. Its low cyclicality and high occupancy leave it well positioned for an upcoming economic slowdown. We also participated in a new issue from **Severn Trent**, funded from our existing position. Despite stress in UK water, we feel as if Severn Trent are leaders in the sector and insulated from wider sectoral issues.

Elsewhere, we established a new position in **Motability**, which was funded by reducing our positions in **Verizon** and **Orange**. Motability operate the Motability Scheme, which allows people with disabilities to lease a car, scooter, or powered wheelchair in exchange for their mobility allowance. All profits are reinvested into the business. This supports continued investment in enhancing customer service, including subsidised adaptations, wheelchair accessible vehicles, and an increasing number of electric vehicles on offer. We also established a new position to **British Telecom** following positive newsflow regarding lower capital expenditure and stronger cash generation.

On disposals, we reduced idiosyncratic risk by completely exiting out of **Mobico**, having sold its hybrid bonds last year. We also made the decision to exit from **Thames Water** in February. Our analysis on Thames Water was part of a wider UK water sector engagement exercise and review. We met with each of our holdings and the higher leverage, poor operational performance and challenged outlook from Thames Water contributed to our decision to dispose of our holding. We reinvested the disposal proceeds into more defensive names at attractive valuations, such as **Suez** and **Vonovia**.

Outlook

European and UK corporates remain in a strong position with continued low leverage and ample liquidity. Interest coverage has fallen from its high, as the cost of funding has trended higher but remains well above its long-term average. We believe corporates are well positioned as we approach the period where monetary policy should be relaxed from its current restrictive levels. Considering how resilient corporates have been to rates above 4%, we would expect this to remain the case, even if rates were to be held at current levels for a prolonged period, which is not our base case scenario.

Although elevated services inflation has been a common theme across many developed market economies, we broadly expect those inflationary pressures to reduce in the coming months. Labour market loosening should aid this process, while the 'long and variable lags' of monetary policy transmission continue to work their way through the respective economies. Indeed, we are seeing ongoing signs of moderation in several economic indicators, particularly in the US and UK.

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Sub-fund review (continued)

In the US, inflation has been moderating after a series of strong prints, while measures of consumer delinquencies have risen sharply. In the UK, survey indicators have suggested falling inflation and wage expectations, while mortgage arrears have continued to tick up to levels not seen since 2016. Nonetheless, this moderation is occurring against a backdrop of fairly healthy economic fundamentals, and, as such, we are not anticipating a dramatic economic slowdown, but rather a gradual cooling which should allow central banks to ease policy.

Credit spreads have tightened over the first half of 2024, primarily due to supportive fundamentals and technical factors which have supported markets so far this year. Although further spread tightening potential is more limited at these levels, progress on inflation and a lowering of rates should provide ongoing support for corporate credit.

We therefore believe that current spreads offer sufficient compensation for fundamental risk, with all-in yields hovering around 5.5%, and investment-grade credit offering an attractive return profile given our outlook for both the asset class and the broader economy.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

HSBC 6.8% 14/9/2031
 National Grid Electricity Transmission 2% 16/9/2038
 United Kingdom Gilt 0.875% 31/7/2033
 British Telecommunications 6.375% 23/6/2037
 Barclays 6.369% 31/1/2031
 Motability Operations 3.875% 24/1/2034
 Motability Operations 4.25% 17/6/2035
 Santander UK 7.482% 29/8/2029
 Lloyds Banking 5.25% 4/10/2030
 Coventry Building Society 5.875% 12/3/2030

Sales

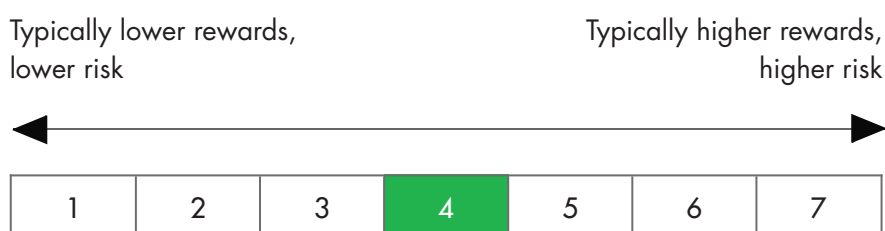
United Kingdom Gilt 0.875% 31/7/2033
 Cooperatieve Rabobank UA 4.625% 23/5/2029
 HSBC 7% 7/4/2038
 HSBC 8.201% 16/11/2034
 National Grid Electricity Transmission 5.272% 18/1/2043
 Barclays 8.407% 14/11/2032
 Motability Operations 2.375% 14/3/2032
 Lloyds Banking 6.625% 2/6/2033
 Mobico Group 2.375% 20/11/2028
 Standard Chartered 5.125% 6/6/2034

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund invests in investment grade corporate bonds that are sterling denominated or hedged back to sterling. The Sub-fund may also invest in other eligible asset classes as detailed within the prospectus.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 4 primarily for its exposure to a diversified portfolio of bonds along with a number of derivative positions.
- The SRRI may not fully take into account the following risks:
 - 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 Sub-fund.
 - 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.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- The Sub-fund uses derivative instruments that may result in higher cash levels. Outside of normal conditions, the Sub-fund may

Sustainable Future Corporate Bond Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

choose to hold higher levels of cash. 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.

- There is no guarantee that a total return will be generated over a three year time period or within another time period.
- The Sub-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.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the Prospectus which may be obtained from Liontrust (address page 1) or online at www.liontrust.co.uk.

Sustainable Future Corporate Bond Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a quarterly basis (31 March, 30 June, 30 September and 31 December). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Gross Income	1.4788	1.4414
Class 3 Gross Income	2.0706	2.0153
Class 6 Gross Accumulation	2.8955	2.7031

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Gross Income	349,410,622	250,222	71.61
Class 3 Gross Income	285,874,321	272,865	95.45
Class 6 Gross Accumulation	58,166,982	82,859	142.45
31 January 2024			
Class 2 Gross Income	388,659,852	275,847	70.97
Class 3 Gross Income	284,817,273	269,431	94.60
Class 6 Gross Accumulation	74,207,054	102,604	138.27
31 January 2023			
Class 2 Gross Income	356,240,970	247,411	69.45
Class 3 Gross Income	361,300,773	334,446	92.57
Class 6 Gross Accumulation	67,194,130	87,077	129.59
31 January 2022			
Class 2 Gross Income	400,436,008	328,686	82.08
Class 3 Gross Income	356,537,582	390,077	109.41
Class 6 Gross Accumulation	61,665,666	91,041	147.64

Sustainable Future Corporate Bond Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	UNITED KINGDOM GOVERNMENT BONDS (4.13%)	18,726	3.09
£24,350,000	United Kingdom Gilt 0.875% 31/7/2033	18,726	3.09
	UK STERLING DENOMINATED DEBT SECURITIES (84.97%)	507,538	83.75
£9,100,000	3i 5.75% 3/12/2032	9,472	1.56
£7,900,000	Anglian Water Osprey Financing 2% 31/7/2028	6,336	1.05
£8,200,000	Annington Funding 4.75% 9/8/2033	7,662	1.26
£12,450,000	AT&T 7% 30/4/2040	14,237	2.35
£8,000,000	Aviva 5.125% 4/6/2050	7,723	1.27
£7,666,000	Aviva 6.875% Perpetual	7,407	1.22
£7,100,000	Barclays 8.407% 14/11/2032	7,592	1.25
£7,600,000	Barclays 6.369% 31/1/2031	7,997	1.32
£5,806,000	Barclays 7.09% 6/11/2029	6,217	1.03
£10,700,000	Blackstone Property Partners Europe 4.875% 29/4/2032	9,872	1.63
£7,000,000	Blend Funding 2.922% 5/4/2056	4,547	0.75
£7,800,000	BNP Paribas 6% 18/8/2029	8,132	1.34
£8,200,000	BPCE 6.125% 24/5/2029	8,492	1.40
£7,400,000	British Telecommunications 6.375% 23/6/2037	8,031	1.33
£12,376,000	Bunzl Finance 1.5% 30/10/2030	10,253	1.69
£5,000,000	Cadent Finance 2.125% 22/9/2028	4,498	0.74
£9,150,000	Clarion Funding 1.25% 13/11/2032	6,891	1.14
£6,500,000	Compass 4.375% 8/9/2032	6,455	1.07
£6,500,000	Coventry Building Society 5.875% 12/3/2030	6,633	1.09
£8,050,000	Deutsche Telekom International Finance 7.625% 15/6/2030	9,289	1.53
£7,450,000	DWR Cymru Financing UK 2.5% 31/3/2036	5,669	0.94
£7,128,000	DWR Cymru Financing UK 2.375% 31/3/2034	5,133	0.85
£5,107,596	Greater Gabbard OFTO 4.137% 29/11/2032	4,935	0.81
£5,500,000	HSBC 8.201% 16/11/2034	6,065	1.00
£8,500,000	HSBC 6.8% 14/9/2031	9,258	1.53
£10,000,000	ING Groep 6.25% 20/5/2033	10,225	1.69
£8,000,000	Investec 1.875% 16/7/2028	7,186	1.19
£15,400,000	Legal & General 4.5% 1/11/2050	14,310	2.36
£9,749,000	Liberty Living Finance 3.375% 28/11/2029	8,936	1.47
£10,982,000	Lloyds Banking 2.707% 3/12/2035	9,150	1.51
£7,173,000	Lloyds Banking 6.625% 2/6/2033	7,378	1.22
£6,647,000	Lloyds Banking 5.25% 4/10/2030	6,755	1.11
£4,400,000	London & Quadrant Housing Trust 2% 20/10/2038	2,955	0.49
£9,800,000	M&G 5.625% 20/10/2051	9,467	1.56
£13,000,000	National Grid Electricity Transmission 2% 16/9/2038	8,687	1.43
£8,974,000	National Grid Gas 1.125% 14/1/2033	6,449	1.06
£5,000,000	Natwest 5.125% Perpetual	4,681	0.77

Sustainable Future Corporate Bond Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
UK STERLING DENOMINATED DEBT SECURITIES (continued)			
£11,000,000	Natwest 7.416% 6/6/2033	11,575	1.91
£4,500,000	Natwest Markets 6.375% 8/11/2027	4,709	0.78
£5,750,000	Next 3.625% 18/5/2028	5,537	0.91
£9,300,000	Optivo Finance 2.857% 7/10/2035	7,372	1.22
£9,735,000	Orsted 2.5% 18/2/3021	7,082	1.17
£6,450,000	Peabody Capital No 2 2.75% 2/3/2034	5,304	0.88
£4,200,000	Pension Insurance 5.625% 20/9/2030	4,085	0.67
£6,800,000	Pension Insurance 8% 13/11/2033	7,406	1.22
£2,300,000	Phoenix 5.625% 28/4/2031	2,220	0.37
£9,300,000	Phoenix 7.75% 6/12/2053	9,876	1.63
£6,468,000	Places for People Homes 5.875% 23/5/2031	6,703	1.11
£2,807,000	Places For People Treasury 6.25% 6/12/2041	3,000	0.49
£8,950,000	Rentokil Initial 5% 27/6/2032	8,885	1.47
£11,300,000	Rothsay Life 7.734% 16/5/2033	12,145	2.00
£6,300,000	Santander UK 7.482% 29/8/2029	6,796	1.12
£6,133,000	Scottish Hydro Electric Transmission 5.5% 15/1/2044	6,087	1.00
£6,416,000	Severn Trent Utilities Finance 5.875% 31/7/2038	6,539	1.08
£6,800,000	Societe Generale 5.75% 22/1/2032	6,877	1.13
£5,443,000	South Eastern Power Networks 6.375% 12/11/2031	5,971	0.99
£6,000,000	Southern Gas Networks 3.1% 15/9/2036	4,735	0.78
£4,000,000	SP Transmission 2% 13/11/2031	3,344	0.55
£8,200,000	Suez SACA 6.625% 5/10/2043	9,006	1.49
£9,000,000	United Utilities Water Finance 2.625% 12/2/2031	7,768	1.28
£16,200,000	Verizon Communications 3.375% 27/10/2036	13,631	2.25
£8,515,000	Vodafone 5.9% 26/11/2032	9,081	1.50
£6,300,000	Vonovia 5.5% 18/1/2036	6,156	1.02
£6,521,000	Whitbread 3% 31/5/2031	5,685	0.94
£9,000,000	Yorkshire Building Society 3.375% 13/9/2028	8,360	1.38
£5,800,000	Yorkshire Building Society 3.511% 11/10/2030	5,372	0.89
£5,400,000	Yorkshire Building Society 7.375% 12/9/2027	5,627	0.93
£2,952,000	Yorkshire Water Finance 6.454% 28/5/2027	2,946	0.49
£13,025,000	Zurich Finance Ireland Designated Activity 5.125% 23/11/2052	12,683	2.09
UK STERLING DENOMINATED FORWARD EXCHANGE CONTRACTS (0.08%)		557	0.09
£17,664,716	UK Sterling 17,664,716 Vs US Dollar 22,400,000 - 18/9/2024	233	0.04
£57,378,576	UK Sterling 57,378,576 Vs Euro 67,600,000 - 18/9/2024	324	0.05

Sustainable Future Corporate Bond Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	UK STERLING DENOMINATED OPEN FUTURES CONTRACTS (0.27%)	4,102	0.68
1,288	Long Gilt Future September 2024	4,102	0.68
	UK STERLING DENOMINATED INTEREST RATE SWAPS (0.33%)	1,388	0.23
58,000,000	Pay floating SONIA GBP Overnight Index Average Receive fixed 5.6009% 29/6/2026 Interest Rate Swap (Counterparty: UBS)	1,388	0.23
	EURO DENOMINATED DEBT SECURITIES (7.08%)	57,042	9.42
€6,500,000	BNP Paribas 2.815% Perpetual	5,151	0.85
€8,700,000	Cellnex Finance 2% 15/2/2033	6,399	1.06
€13,000,000	Cooperatieve Rabobank UA 3.1% Perpetual	9,638	1.59
€1,500,000	Hellas Telecommunications Luxembourg II 0.00000% 15/1/2015 ~	0	0.00
€6,500,000	Infrastrutture Wireless Italiane 1.625% 21/10/2028	5,087	0.84
€9,000,000	Motability Operations 3.875% 24/1/2034	7,681	1.27
€8,000,000	Motability Operations 4.25% 17/6/2035	6,956	1.15
€9,550,000	Prologis International Funding II 4.625% 21/2/2035	8,553	1.41
€8,700,000	Veralto 4.15% 19/9/2031	7,577	1.25
	EURO DENOMINATED OPEN FUTURES CONTRACTS ((0.04%))	(1,508)	(0.25)
(75)	Euro-Bobl Future September 2024	(131)	(0.02)
(430)	Euro-Bund Future September 2024	(1,377)	(0.23)
	US DOLLAR DENOMINATED DEBT SECURITIES (2.52%)	13,859	2.29
\$16,000,000	Standard Chartered 7.014% Perpetual	12,657	2.09
\$1,432,000	Vodafone 6.15% 27/2/2037	1,202	0.20

Sustainable Future Corporate Bond Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	US DOLLAR DENOMINATED OPEN FUTURES CONTRACTS ((0.07%))	(585)	(0.10)
(50)	US 10 Year Ultra Future September 2024	(157)	(0.03)
(100)	US Long Bond (CBT) Future September 2024	(428)	(0.07)
	US DOLLAR DENOMINATED FORWARD EXCHANGE CONTRACTS (0.00%)	0	0.00
	Portfolio of investments	601,119	99.20
	Net other assets	4,827	0.80
	Total net assets	605,946	100.00

All investments are approved securities being either officially listed in a member state or under the rules of an eligible market, unless otherwise stated.

Comparative figures show percentages for each category of holding at 31 January 2024.

~Defaulted bond.

Sustainable Future Corporate Bond Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		5,055		(32,318)
Revenue	14,611		14,969	
Expenses	(1,449)		(1,534)	
Interest payable and similar charges	(74)		(50)	
Net revenue before taxation	13,088		13,385	
Taxation	–		–	
Net revenue after taxation		13,088		13,385
Total return before distributions		18,143		(18,933)
Distributions		(13,237)		(14,406)
Change in net assets attributable to shareholders from investment activities		4,906		(33,339)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		647,882		668,934
Amounts received on issue of shares	30,528		95,826	
Amounts paid on cancellation of shares	(79,151)		(106,359)	
		(48,623)		(10,533)
Dilution adjustment		–		512
Change in net assets attributable to shareholders from investment activities		4,906		(33,339)
Retained distributions on accumulation shares		1,780		1,836
Unclaimed distributions		1		1
Closing net assets attributable to shareholders		605,946		627,411

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Corporate Bond Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	603,212	643,941
Current assets:		
Debtors	12,152	13,468
Cash and bank balances	4,684	4,930
Total assets	620,048	662,339
Liabilities		
Investment liabilities	(2,093)	(758)
Creditors:		
Amounts due to future clearing houses and brokers	(4,763)	(2,703)
Bank overdrafts	(139)	–
Distribution payable	(5,629)	(5,728)
Other creditors	(1,478)	(5,268)
Total liabilities	(14,102)	(14,457)
Net assets attributable to shareholders	605,946	647,882

Sustainable Future Defensive Managed Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Defensive Managed Fund aims to deliver income and capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest globally and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

Allocations to equities, fixed income, and cash will vary over time depending on market circumstances. Asset allocation limits will remain in line with the following asset allocation ranges:

Equity - 20-50%

Fixed Income - 10-60%

Cash - 0-20%

The Sub-fund may invest in collective investment schemes including other Liontrust Funds (up to 10% of Sub-fund assets), other transferable securities, money market instruments, warrants, and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Defensive Managed Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Income) returned 3.7% over the period under review, versus the 5.1% IA Mixed Investment 20-60% Shares sector average (the comparator benchmark)*.

Over the period under review, global equities continued to be driven by the theme of rapid Artificial Intelligence (AI) investment growth, particularly within the US. There was a notable divergence in performance within the technology sector, with a number of software names down, often in double digits. From a style perspective, these trends played further into the narrow performance leadership from mega-cap technology stocks. The sheer size of both the market cap of these companies, and the large movements higher in their share prices, has made keeping up with the index very challenging for active managers. This contributed to relative underperformance from mid and small caps stocks, an area to which the Sub-fund retains an overweight position.

Combined with this, some portfolio holdings were negatively affected by an emerging narrative that software investment, which is such a key driver of overall business efficiency improvements, was beginning to stall, as business owners preferred to focus on AI opportunities. This was primarily driven by some disappointing numbers from a number of large software bellwethers, with Salesforce's quarterly numbers the catalyst. At the same time, Apple's announcement that it was targeting on-device AI led to strong performance across AI and those connected to smartphones.

Higher bond yields in both the UK and the US were a headwind to our infrastructure portfolio, and the rate-sensitive nature of these long duration assets led to a fall in the majority of the names in the portfolio. The Canadian Solar Infrastructure Fund, Aquila Renewables and Asian Energy Impact Trust were the worst performers. We believe the sector should benefit from falling long term rates, but the technical headwinds created by a lack of flows into natural buyers for these funds remains an issue. Consolidation and share buybacks are options being considered by management teams across this sector.

Asset Allocation for the period was neutral. Overall, we moved to reduce the overweight infrastructure position, and reallocated this to increase the overweight in global equities. We remain overweight global equities, UK equities, credit and infrastructure, and fund this from underweight government bonds and cash.

We continue to believe in the quality of the companies held within our portfolios. In aggregate, they are performing well operationally and are on attractive valuations. This gives us confidence for the future outlook for our funds and investors.

Turning to the portfolio positives, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Shares in UK bank **NatWest** rose after beating earnings estimates for Q1 as lending and deposits increased. Also held under our *Enabling SMEs* theme, NatWest reported pre-tax operating profit of £1.3 billion, compared with consensus estimates of £1.28 billion.

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. It aims to reduce carbon within its corporate loan book by at least 50% by 2030 and has potentially interesting initiatives around mortgages for energy efficiency improvements in housing.

Also among the top performers was **Veralto** – a company held under our *Improving the management of water* theme. 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 is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines.

Sustainable Future Defensive Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Veralto generated net earnings for the second quarter of \$203 million, ahead of expectations, while also raising guidance for the full year, reflecting stronger operational execution and a more positive outlook on its end markets. In 2024, it now expects to achieve adjusted earnings per share of between \$3.37 and \$3.45, up from its prior guidance of \$3.25 to \$3.34.

Among the detractors within equities, **St James's Place** was a very frustrating investment given it is a clear beneficiary of our *Saving for the Future* theme. However, in spite of the strong demand in the UK for financial and investment advice, the company has executed poorly. This culminated in it being slow to react to the changes in Consumer Duty, and latterly poor record keeping around charging for advice. This has left the business exposed to legal recourse from clients and damage limitation in terms of reputation. We decided to exit the company over the period. While we can see attractive value in the shares in some scenarios, the unpredictability of the near term means we see better opportunities elsewhere.

Shares in **Edwards LifeSciences**, the developer and supplier of patient-focused medical innovations for heart disease and critical care monitoring, dropped after it dampened expectations for heart valve replacement sales growth. Edwards said it expects full-year sales growth of 5% to 7% for its transcatheter aortic valve replacement (TAVR) treatment, down from the 8% to 10% forecast earlier.

Also among the detractors for the period was Japanese staffing and service company **TechnoPro**, which is held under our *Improving the efficiency of energy use* theme. Despite beating Q2 sales and operating profit estimates, shares in the company fell due to the company's outlook that increased hiring costs may present a headwind in the second half of the year.

A number of changes were made to the equity portfolio during the period. We initiated positions in **ASM International**, **Siemens**, **Microsoft**, **West Pharmaceutical Services** and **ServiceNow**. ASM International, the market leader in Atomic Layer Deposition (ALD) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. ALD is a critical process for customers to produce chips in a Gate-All-Around (GAA) architecture, which enables an improvement in energy efficiency of approximately 25%.

Industrial manufacturing company Siemens was added to our *Improving the resource efficiency of industrial and agricultural processes* theme. Siemens has restructured itself into just four main divisions: Digital Industries; Smart Infrastructure; Healthineers and Mobility. These help to drive improvements in resource efficiency; electricity use; diagnostics and health; and mass transport (trains). We believe each of these divisions will grow as our economies become more sustainable.

Microsoft is exposed to our *Improving the resource efficiency of industrial and agricultural processes* theme, Microsoft's software and services empowers businesses all over the world to be more efficient. Through its cloud offering it reduces the environmental costs of businesses to run compute power and storage, and through its cyber security products it protects businesses from being hacked.

West Pharmaceutical Services is held under our *Enabling innovation in healthcare* theme, designing and producing high quality integrated containment and delivery systems for injectable drugs and healthcare products. Key customers include biologic, pharma, diagnostic and medtech companies. The focus here is on quality – excellence in manufacturing, scientific and technical expertise to ensure delivery of safe and efficacious drug products to patients. West's expertise and high quality standards facilitate the delivery of medicine to patients around the world and offers innovation and expertise to help maintain the quality and efficacy of very impactful drug types like biologics injectables and cell and gene therapies.

Lastly, ServiceNow was added to the *Improving the resource efficiency of industrial and agricultural processes* theme. ServiceNow builds workflow tools for companies to automate previously manual tasks. This reduces waste and by freeing up employee time thus helping makes companies more efficient.

Turning to the portfolio disposals, **Adobe** was sold during the review period. We are concerned that generative AI competition may begin to eat away at the virtual monopoly that Adobe enjoys in its creative cloud business. This follows the failed attempt to acquire competitor Figma, for which it offered an eye wateringly high multiple, suggesting some desperation by the management team. We see the Adobe investment thesis at risk on a five-year view.

Sustainable Future Defensive Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

We sold **Evotec** following the abrupt departure of its CEO, Werner Lanthaler. Evotec said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in Evotec shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

We also sold **Illumina** as the business moves to spin off the Grail business. We are concerned the core Illumina business is experiencing a step change in the elasticity of demand for its products. As it's dropped the price of sequencing a single genome, customers are potentially using that to improve their own margins, rather than it leading to significant growth in the number of genomes they sequence. Competition has also increased, and Illumina's dominance of the sequencing market has been attacked from China and across the world.

We also exited **Kerry Group**, a dairy cooperative which was established in 1972 and has evolved to become one of the largest and most technologically advanced ingredients and flavours technology companies. The question remains whether Kerry reduces the harm of ultra-processed food (UPF) while keeping it affordable, or if it enables an unsustainable system that requires fundamental reform. For the moment, we don't have an answer to this as the company discloses on the nutrient-based traffic light system, of which it is >50% green traffic lighted. But if there is a big backlash with regards to UPF coming, implicating Kerry, we believe it is prudent to move Kerry to the sidelines until we have a better understanding on this issue.

IP Group, a long-term holding which help develop innovative companies at universities in the UK, was also sold from the portfolio. While it has had success with the likes of Oxford Nanopore, the pace of commercialisation has been disappointing. We exited our position in favour of other early-stage investment companies like Molten Ventures.

Finally, we exited **Equinix** due to concerns that practices it has related to overselling power may become a headwind as power demand related to AI grows exponentially. We were also concerned following the abrupt departure of the CEO, which we view as a risk to the investment thesis.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Sustainable Future Defensive Managed Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

United Kingdom Gilt 1.5% 31/7/2053
 Microsoft
 Siemens
 ASM International
 BPCE 5.375% 22/10/2031
 ServiceNow
 Severn Trent Utilities Finance 5.875% 31/7/2038
 Severn Trent Utilities Finance 4.875% 24/1/2042
 United Kingdom Gilt 0.875% 31/7/2033
 Lloyds Banking 5.25% 4/10/2030

Sales

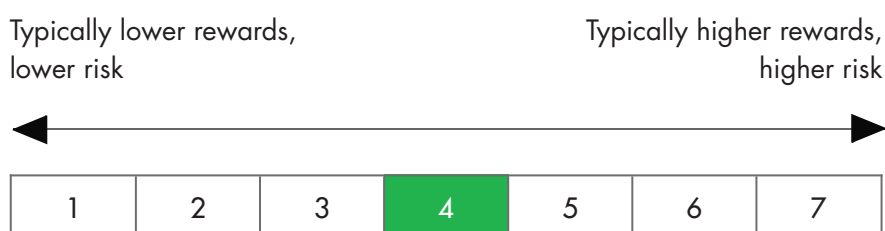
United Kingdom Gilt 0.875% 31/7/2033
 United Kingdom Gilt 1.5% 31/7/2053
 Direct Line Insurance 4% 5/6/2032
 Natwest 2.105% 28/11/2031
 HSBC 7% 7/4/2038
 Alphabet 'A'
 Adobe
 Barclays 8.407% 14/11/2032
 RL Finance Bonds No 4 4.875% 7/10/2049
 Lloyds Banking 6.625% 2/6/2033

Sustainable Future Defensive Managed Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology set by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 4 primarily for its exposure to a diversified portfolio of Global equities and bonds.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund;
 - 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.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.

Sustainable Future Defensive Managed Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- There is no guarantee that a total return will be generated over a three year time period or within another time period.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future Defensive Managed Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Income	1.8022	1.6593
Class 3 Net Income	1.8553	1.7034

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Income	472,142,246	639,765	135.50
Class 3 Net Income	45,625,901	63,695	139.60
31 January 2024			
Class 2 Net Income	561,873,395	740,231	131.74
Class 3 Net Income	49,281,531	66,795	135.54
31 January 2023			
Class 2 Net Income	770,850,581	1,016,583	131.88
Class 3 Net Income	60,498,011	81,850	135.29
31 January 2022			
Class 2 Net Income	820,564,686	1,226,428	149.46
Class 3 Net Income	61,332,400	93,778	152.90

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (41.98%)	319,586	45.43
	DENMARK (1.22%)	8,144	1.16
46,880	Ringkjoebing Landbobank	6,473	0.92
86,553	Vestas Wind Systems	1,671	0.24
	GERMANY (0.53%)	6,552	0.93
89,888	Infineon Technologies	2,425	0.34
28,868	Siemens	4,127	0.59
	IRELAND (1.37%)	11,516	1.63
113,773	Experian	4,174	0.59
54,431	Kingspan	3,962	0.56
97,962	Smurfit WestRock	3,380	0.48
	JAPAN (1.40%)	7,561	1.07
1,668	Canadian Solar Infrastructure Fund	811	0.11
14,800	Keyence	5,042	0.72
114,800	TechnoPro	1,708	0.24
	NETHERLANDS (1.45%)	13,411	1.91
3,531	Adyen	3,363	0.48
7,934	ASM International	4,235	0.60
8,114	ASML	5,813	0.83
	SWEDEN (1.19%)	8,675	1.23
160,452	Avanza Bank	2,801	0.40
21,945	Spotify Technology	5,874	0.83
	SWITZERLAND (0.90%)	7,423	1.05
62,379	Alcon	4,599	0.65
11,174	Roche	2,824	0.40
	UNITED KINGDOM (15.27%)	122,368	17.40
242,876	3i	7,597	1.08
142,607	Admiral	3,926	0.56
768,414	AJ Bell	3,523	0.50
74,754	Ashtead	4,179	0.59

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
58,711	AstraZeneca	7,258	1.03
4,452,634	Atrato Onsite Energy	3,152	0.45
218,929	Compass	5,246	0.75
1,535,800	ConvaTec	3,597	0.51
56,604	Croda International	2,287	0.32
886,799	DFS Furniture	1,059	0.15
16,623	Ferguson	2,864	0.41
316,861	GSK	4,789	0.68
721,273	Gym	1,042	0.15
1,292,508	Haleon	4,519	0.64
127,973	Halma	3,404	0.48
1,601,123	Helios Towers	2,024	0.29
12,000,004	Home REIT^	1,676	0.24
45,655	Intertek	2,303	0.33
1,848,047	Legal & General	4,282	0.61
54,736	London Stock Exchange	5,183	0.74
1,466,961	Mobico	824	0.12
859,870	Molton Ventures	3,203	0.45
1,676,265	NatWest	6,170	0.88
536,003	Oxford Biomedica	1,981	0.28
686,009	Paragon Banking	5,516	0.78
252,055	Porvair	1,648	0.23
1,163,900	PRS REIT	954	0.14
485,112	Rentokil Initial	2,303	0.33
795,023	Rotork	2,875	0.41
184,363	Sage	2,002	0.28
214,582	Softcat	3,487	0.50
76,289	Spectris	2,316	0.33
30,542	Spirax-Sarco Engineering	2,758	0.39
1,154,110	Trainline	3,929	0.56
122,069	Unilever	5,829	0.83
371,663	Wise	2,663	0.38
UNITED STATES OF AMERICA (18.65%)		133,936	19.05
24,307	Advanced Drainage Systems	3,354	0.48
48,502	Agilent Technologies	5,341	0.76
44,370	Alphabet 'A'	5,922	0.84
27,481	American Tower REIT	4,712	0.67

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
11,701	Ansys	2,852	0.40
17,442	Autodesk	3,360	0.48
44,037	Bright Horizons Family Solutions	4,122	0.59
46,308	Brown & Brown	3,585	0.51
34,017	Cadence Design Systems	7,085	1.01
68,786	Charles Schwab	3,491	0.50
32,964	Ecolab	5,919	0.84
55,757	Edwards Lifesciences	2,737	0.39
7,747	Intuit	3,900	0.55
9,491	Intuitive Surgical	3,282	0.47
21,503	IQVIA	4,122	0.59
31,328	Masimo	2,608	0.37
20,078	Microsoft	6,537	0.93
14,110	Morningstar	3,482	0.49
85,114	Nasdaq	4,483	0.64
516	NVR	3,445	0.49
9,979	Palo Alto Networks	2,522	0.36
32,193	Paylocity	3,762	0.53
41,907	PayPal	2,146	0.30
29,453	PTC	4,076	0.58
5,904	ServiceNow	3,744	0.53
13,393	Thermo Fisher Scientific	6,389	0.91
15,018	TopBuild	5,604	0.80
27,865	Trex	1,815	0.26
76,839	Veralto	6,376	0.91
35,164	VeriSign	5,118	0.73
29,072	Visa 'A'	6,011	0.85
8,546	West Pharmaceutical Services	2,034	0.29
BONDS (53.56%)		356,018	50.61
UNITED KINGDOM GOVERNMENT BONDS (23.06%)			
£ 153,050,000	United Kingdom Gilt 0.875% 31/7/2033	117,701	16.73
£ 65,050,000	United Kingdom Gilt 1.5% 31/7/2053	33,635	4.78
UK STERLING DEBT SECURITIES (27.60%)		185,273	26.33
£ 2,000,000	3i 5.75% 3/12/2032	2,082	0.30

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (continued)			
£ 3,750,000	Anglian Water Osprey Financing 2% 31/7/2028	3,008	0.43
£ 2,020,000	Annington Funding 3.184% 12/7/2029	1,813	0.26
£ 1,500,000	Annington Funding 3.935% 12/7/2047	1,116	0.16
£ 4,800,000	AT&T 7% 30/4/2040	5,489	0.78
£ 4,700,000	Aviva 5.125% 4/6/2050	4,537	0.65
£ 2,433,000	Aviva 6.875% Perpetual	2,351	0.33
£ 2,700,000	Banco Santander 2.25% 4/10/2032	2,431	0.35
£ 4,000,000	Barclays 7.09% 6/11/2029	4,283	0.61
£ 4,400,000	Barclays 8.407% 14/11/2032	4,705	0.67
£ 4,000,000	Blackstone Property Partners Europe Sarl 2.625% 20/10/2028	3,551	0.51
£ 4,400,000	BNP Paribas 6% 18/8/2029	4,587	0.65
£ 4,000,000	BPCE 5.375% 22/10/2031	4,031	0.57
£ 2,094,000	Bunzl Finance 1.5% 30/10/2030	1,735	0.25
£ 4,400,000	Cadent Finance 2.25% 10/10/2035	3,228	0.46
£ 2,350,000	Clarion Funding 1.25% 13/11/2032	1,770	0.25
£ 2,650,000	Compass 4.375% 8/9/2032	2,632	0.37
£ 2,400,000	CPUK Finance 3.69% 28/2/2047	2,234	0.32
£ 3,000,000	Deutsche Telekom International Finance 8.875% 27/11/2028	3,499	0.50
£ 3,282,000	DWR Cymru Financing UK 2.375% 31/3/2034	2,363	0.34
£ 2,200,000	DWR Cymru Financing UK 2.5% 31/3/2036	1,674	0.24
£ 4,500,000	HSBC 7% 7/4/2038	4,944	0.70
£ 4,700,000	Legal & General 4.5% 1/11/2050	4,367	0.62
£ 1,969,000	Liberty Living Finance 3.375% 28/11/2029	1,805	0.26
£ 6,950,000	Lloyds Banking 2.707% 3/12/2035	5,790	0.82
£ 2,900,000	Lloyds Banking 6.625% 2/6/2033	2,983	0.42
£ 4,100,000	Logicor Financing Sarl 2.75% 15/1/2030	3,495	0.50
£ 3,250,000	London & Quadrant Housing Trust 2% 20/10/2038	2,183	0.31
£ 1,581,000	London Stock Exchange 1.625% 6/4/2030	1,361	0.19
£ 3,450,000	M&G 5.625% 20/10/2051	3,333	0.47
£ 2,700,000	Motability Operations 3.625% 10/3/2036	2,377	0.34
£ 3,685,000	National Grid Gas 1.125% 14/1/2033	2,648	0.38
£ 6,800,000	Natwest 2.105% 28/11/2031	6,316	0.90
£ 1,400,000	Natwest 7.416% 6/6/2033	1,473	0.21
£ 3,100,000	Next 3.625% 18/5/2028	2,985	0.42
£ 1,349,000	Optivo Finance 2.857% 7/10/2035	1,069	0.15
£ 2,800,000	Orange 8.125% 20/11/2028	3,172	0.45
£ 4,932,000	Orsted 2.5% 18/2/3021	3,588	0.51
£ 2,980,000	Pension Insurance 5.625% 20/9/2030	2,899	0.41

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (continued)			
£ 4,200,000	Pension Insurance 8% 13/11/2033	4,574	0.65
£ 6,850,000	Phoenix 5.625% 28/4/2031	6,610	0.94
£ 700,000	Places for People Homes 3.625% 22/11/2028	663	0.09
£ 1,295,000	Places For People Treasury 6.25% 6/12/2041	1,384	0.20
£ 4,000,000	Rothesay Life 7.734% 16/5/2033	4,299	0.61
£ 3,350,000	Scottish Hydro Electric Transmission 5.5% 15/1/2044	3,325	0.47
£ 2,800,000	Severn Trent Utilities Finance 2.625% 22/2/2033	2,265	0.32
£ 2,807,000	Severn Trent Utilities Finance 5.875% 31/7/2038	2,861	0.41
£ 4,200,000	Societe Generale 5.75% 22/1/2032	4,248	0.60
£ 3,450,000	Southern Gas Networks 1.25% 2/12/2031	2,671	0.38
£ 2,700,000	Southern Housing 2.375% 8/10/2036	1,981	0.28
£ 1,000,000	UNITE 5.625% 25/6/2032	1,024	0.15
£ 2,886,000	United Utilities Water Finance 0.875% 28/10/2029	2,352	0.33
£ 6,200,000	Verizon Communications 3.375% 27/10/2036	5,217	0.74
£ 2,000,000	Vodafone 4.875% 3/10/2078	1,970	0.28
£ 4,100,000	Vodafone 5.9% 26/11/2032	4,372	0.62
£ 3,500,000	Whitbread 3% 31/5/2031	3,051	0.43
£ 2,300,000	Yorkshire Building Society 3.375% 13/9/2028	2,137	0.30
£ 3,333,000	Yorkshire Building Society 7.375% 12/9/2027	3,473	0.49
£ 4,510,000	Yorkshire Water Finance 1.75% 27/10/2032	3,306	0.47
£ 3,680,000	Zurich Finance Ireland Designated Activity 5.125% 23/11/2052	3,583	0.51
EURO DEBT SECURITIES (2.07%)		12,730	1.82
€ 5,500,000	Cellnex Finance 2% 15/2/2033	4,046	0.58
€ 4,000,000	Cooperatieve Rabobank UA 3.1% Perpetual	2,965	0.42
€ 4,350,000	Infrastrutture Wireless Italiane 1.75% 19/4/2031	3,281	0.47
€ 2,598,725	Stichting AK Rabobank Certificaten 6.5% Perpetual	2,438	0.35
US DOLLAR DEBT SECURITIES (0.83%)		6,679	0.95
\$ 4,000,000	BNP Paribas 4.5% Perpetual	2,566	0.37
\$ 5,200,000	Standard Chartered 7.014% Perpetual	4,113	0.58
COLLECTIVE INVESTMENT SCHEMES (4.89%)		27,982	3.98
GUERNSEY (0.23%)		0	0.00

Sustainable Future Defensive Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
COLLECTIVE INVESTMENT SCHEMES (continued)			
IRELAND (0.74%)		6,275	0.89
521,369	Liontrust GF Sustainable Future US Growth Fund++	6,275	0.89
UNITED KINGDOM (3.92%)		21,707	3.09
5,296,168	Downing Renewables & Infrastructure Trust	4,131	0.59
718,538	Greencoat UK Wind	1,046	0.15
979,327	JLEN Environmental Assets	940	0.13
12,123,650	Liontrust Sustainable Future Corporate Bond Fund+	11,704	1.67
1,981,063	SDCL Energy Efficiency Income Trust	1,311	0.19
3,764,161	Triple Point Energy Transition	2,575	0.36
Portfolio of investments		703,586	100.02
Net other liabilities		(126)	(0.02)
Total net assets		703,460	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Stocks shown as REITs represent Real Estate Investment Trust.

+ Managed by Liontrust Fund Partners LLP.

++ Liontrust Investment Partners LLP acts as Investment Adviser.

^ Suspended Security.

Sustainable Future Defensive Managed Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		23,707		(33,593)
Revenue	12,149		15,710	
Expenses	(3,142)		(4,212)	
Interest payable and similar charges	(1)		(6)	
Net revenue before taxation	9,006		11,492	
Taxation	(1,253)		(1,611)	
Net revenue after taxation		7,753		9,881
Total return before distributions		31,460		(23,712)
Distributions		(10,267)		(13,251)
Change in net assets attributable to shareholders from investment activities		21,193		(36,963)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		807,026		1,098,433
Amounts received on issue of shares	3,718		6,198	
Amounts paid on cancellation of shares	(128,477)		(116,438)	
		(124,759)		(110,240)
Dilution adjustment		–		1
Change in net assets attributable to shareholders from investment activities		21,193		(36,963)
Closing net assets attributable to shareholders		703,460		951,231

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Defensive Managed Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	703,586	810,489
Current assets:		
Debtors	4,443	4,757
Cash and bank balances	11,718	4,840
Total assets	719,747	820,086
Liabilities		
Provision for liabilities	(2)	(2)
Creditors:		
Distribution payable	(9,355)	(9,782)
Other creditors	(6,930)	(3,276)
Total liabilities	(16,287)	(13,060)
Net assets attributable to shareholders	703,460	807,026

Sustainable Future European Growth Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future European Growth Fund aims to deliver capital growth over the long-term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest in companies which are incorporated, domiciled, listed or conduct significant business in the EEA or Switzerland and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

The Sub-fund may also invest a maximum of 5% in UK listed securities.

The Sub-fund will typically invest 95% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Sub-fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future European Growth Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Accumulation) returned 5.6% over the period under review, versus the 5.9% return from the MSCI Europe ex-UK Index and the 5.9% IA Europe ex-UK sector average (both of which are comparator benchmarks)*.

Relative weakness from mid and small cap stocks – where we retain a long-term overweight versus the benchmark – was exacerbated by large-cap momentum in companies such as Novo Nordisk and adverse movements in interest rates which were expected to move lower at a faster pace.

Despite all the focus on inflation and rates, the long-term success of the Sub-fund will not be determined by calling in which quarter interest rates will drop. That is why we remain focused on the long-term sustainability drivers toward a cleaner, safer and more efficient economy. These long-term drivers of growth have persisted for decades and we believe will continue on well into the future with structural shifts such as an ageing population, a digitising economy and a race to decarbonise our energy system.

The companies we select are typically smaller in size, growing at a faster rate than the market and have been very much out of vogue within the market given a higher cost of capital. However, with the rate hiking cycle peaking with normalising inflation, we believe that our process and high quality companies are well set to deliver strong share price appreciation from here with attractive valuation across the portfolio.

Looking at the stock-specific highlights, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Shares in American-Swiss medical device specialist **Alcon** rose after the company reported higher profit for the first quarter, boosted by growing demand for its contact lenses and ocular-health products. Alcon's after-tax profit for the first three months of the year was \$248 million compared with \$174 million for the same period last year.

Swiss sportswear company **On Holding** performed strongly after reporting better-than-expected Q1 revenue of \$561 million, while also maintaining its outlook of at least 30% net sales growth for the year. On has developed its brand to focus on performance and sustainability and is constantly innovating to improve the quality and reduce the impact of its products. Some of its innovations include a resale platform for used goods called Onward, a subscription product service called Cyclon designed to close the loop in footwear and apparel, as well as aiming for 100% recycled or organic cotton and 100% recycled polyester and polyamide. We believe the company is well placed to benefit from our *Enabling healthier lifestyles* theme as people focus more sports and activity.

Among the detractors was bioprocessing equipment and consumables manufacturer **Sartorius Stedim**, after reporting a year-on-year decline in net profit and sales revenue for Q1. Exposed to our *Enabling innovation in healthcare* theme, Sartorius' equipment is used by the pharmaceutical industry in the development and manufacture of the next generation of pharmaceutical treatments (biologics) including gene & cell therapy. We decided to add to our position, believing in the long-term growth prospects for this high-quality company.

AutoStore, the market leader in "cubic" automated storage and retrieval systems for warehouses, reported results roughly in-line with expectations but failed to give confident guidance regarding when growth would return to the warehouse automation sector and when the company would return to its prior level of growth. We remain confident that on a longer-term perspective AutoStore, with its innovative software and hardware, will continue to deliver strong profit growth.

Sustainable Future European Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

In terms of trade activity, we took the opportunity to capitalise on some of the volatility caused by changes in interest rate expectations by initiating positions in **ICON**, **Stevanato**, **Technoprobe**, **D'leteren Group**, **ASM International**, **Bechtle** and **HelloFresh**.

Held under our *Enabling innovation in healthcare* theme, **ICON** provides outsourced research services to pharmaceutical, biotechnology, medical device, government and public health sectors. It offers a range of specialised services to assist in bringing new drugs and devices to market faster.

Stevanato was added under our *Enabling innovation in healthcare* theme, and provides drug delivery and engineering solutions to key customers in the pharmaceutical, biotech, and life science industries. It is a market leader in ready-to-use glass vials and pen cartridges. Using its expertise in science and engineering, it has built a competitive advantage in the offering of higher value add solutions for its customers rather than generic commoditised containers.

Technoprobe was added under our *Better monitoring of supply chains and quality control* theme, and is the pioneer behind the semiconductor probe card. Its probe cards help to find faulty semiconductors early on in the manufacturing process, helping fabricators such as **TSMC** to cut down resource waste before packaging.

We added the **D'leteren Group** (**DIG**), a family controlled listed investment firm that aims to invest in platform companies that are, or have the potential to become, market leaders in their industry, generating value for employees, customers, society and shareholders. Exposed to our *Making transport more efficient or safer* theme, the crown jewel of **DIG** is **Belron**, the global leader in vehicle glass repair, replacement, and re-calibration (**VGRRR**). Windshields are critical to the structural integrity of passenger cars, but if incorrectly fitted can significantly increase fatality risk in the event of a collision or accident. Autonomous Driver Assistance Systems (**ADAS**) employ sensors and cameras that enable features like lane assistance, braking, and pedestrian detection which require recalibration.

ASM International, the market leader in Atomic Layer Deposition (**ALD**) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. **ALD** is a critical process for customers to produce chips in a Gate-All-Around (**GAA**) architecture, which enables an improvement in energy efficiency of approximately 25%.

German value-added reseller (**VAR**), **Bechtle** sits under our *Enabling SMEs* theme. Technology vendors, both hardware and software, such as **Microsoft** or **HP** enlist the help of **VARs** like **Bechtle** to act as an outsourced distribution network. **VARs** understand the technology requirements of their clients, guiding them through the myriad of options from cyber security to CRM and data centres. Their services enable **SMEs**, larger enterprises, and public sector organisations utilise technology to become more efficient and secure.

We started a small position in **HelloFresh**, a meal kit company, which engages in the delivery of pre-selected recipe ingredients in meal kit boxes. Customers select preferred recipes and frequency, and **HelloFresh** will deliver only the requisite ingredients – meaning if the recipe is followed, food waste will be reduced. **HelloFresh** focus on minimising waste and providing healthy meals and aligns with the theme of *Delivering a circular materials economy* through its minimisation of food waste.

In terms of portfolio exits, we sold **Basicfit** after we lost conviction in the fundamentals of the business, with particular concern about the rapid expansion of sites in France and the failure to achieve the requisite number of members to reach the desired returns on capital. In addition, the balance sheet looks slightly stretched, so we saw better risk-return profiles in other areas of the Sub-fund.

We also sold international payment service provider **Edenred** following the accusations of management fraud in Italy led to a downgrade in our ESG matrix rating. Coupled with this, we believe a recent string of acquisitions completed at expensive valuations will likely result in lower returns on capital in the long-term.

Netcompany, the Danish IT solutions and services provider, was exited due to a downgrade in our matrix rating relating to a cyber security attack which we are concerned could have an impact on the company's reputation and long-term financial prospects.

Evotec, which was sold over the quarter following the abrupt departure of its CEO, **Werner Lanthaler**. The company said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in **Evotec** shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of

Sustainable Future European Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

We also exited industrial services company **Befesa** due to concerns that debt levels were too high for a cyclical company. When we met members of management and the board, they did not express a desire to reduce debt levels, despite a large majority of the debt due to be refinanced in 2026 at likely higher rates of interest.

Last, in order to fund our new position in HelloFresh, we sold our **Unifiedpost**, a software company focused on digitising SME documents and processes.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Sustainable Future European Growth Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

D'ieteren
 ICON
 ASM International
 Stevanato
 Technoprobe
 AutoStore
 Bechtle
 Interpump
 Unilever
 ASML

Sales

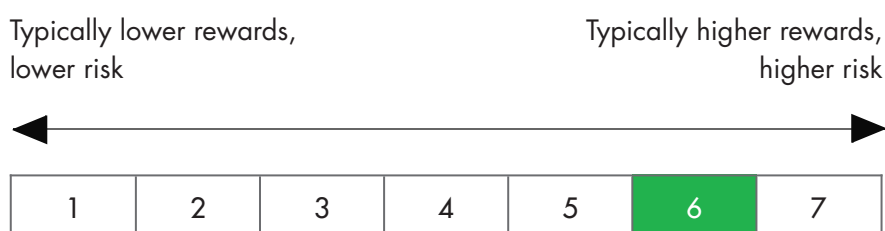
Netcompany
 ASML
 Topicus.com
 Edenred
 Lonza
 CTS Eventim
 Trustpilot
 Adyen
 Infineon Technologies
 Spotify Technology

Sustainable Future European Growth Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- The Synthetic Risk and Reward Indicator ("SRRI") is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund invests in Developed European (ex UK) equities. The Sub-fund may also invest in other eligible asset classes as detailed within the prospectus.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 6 primarily for its exposure to European (ex UK) equities.
- The SRRI may not fully take into account the following risks:
 - That a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.
- The Sub-fund 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.

Sustainable Future European Growth Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future European Growth Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Accumulation	2.7829	1.6901
Class 3 Net Accumulation	4.8859	3.2355
Class 6 Income	0.7934	0.4846

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Accumulation	47,028,887	133,690	284.27
Class 3 Net Accumulation	28,797,758	118,878	412.80
Class 6 Income	574,069	460	80.19
31 January 2024			
Class 2 Net Accumulation	54,637,580	146,213	267.60
Class 3 Net Accumulation	30,813,915	119,493	387.79
Class 6 Income	546,534	417	76.23
31 January 2023			
Class 2 Net Accumulation	83,443,622	223,070	267.33
Class 3 Net Accumulation	35,125,956	135,503	385.76
Class 6 Income	526,339	403	76.64
31 January 2022			
Class 2 Net Accumulation	121,507,785	379,171	312.05
Class 3 Net Accumulation	37,454,337	167,939	448.38
Class 6 Income+	157,987	143	90.23

+ Launched on 9 August 2021.

Sustainable Future European Growth Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (97.05%)	251,394	99.35
	BELGIUM (0.62%)	7,778	3.07
43,465	D'ieteren	7,778	3.07
	DENMARK (13.44%)	30,719	12.13
180,686	Ambu	2,869	1.13
330,600	GN Store Nord	6,759	2.67
49,127	Ringkjoebing Landbobank	6,783	2.68
540,311	Tryg	9,211	3.64
264,015	Vestas Wind Systems	5,097	2.01
	FRANCE (5.75%)	7,240	2.86
46,476	Sartorius Stedim Biotech	7,240	2.86
	GERMANY (16.74%)	43,297	17.11
66,378	Bechtle	2,295	0.91
90,537	CTS Eventim	6,251	2.47
179,563	HelloFresh	873	0.34
132,101	Infineon Technologies	3,564	1.41
113,260	Nagarro	7,662	3.03
213,430	Puma	8,271	3.27
40,332	SAP	6,628	2.62
54,238	Siemens	7,753	3.06
	IRELAND (2.56%)	13,324	5.27
22,537	ICON	5,758	2.28
103,939	Kingspan	7,566	2.99
	ITALY (2.56%)	15,595	6.17
68,728	Interpump	2,320	0.92
206,221	Stevanato	3,304	1.31
855,378	Technogym	6,532	2.58
485,415	Technoprobe	3,439	1.36
	LUXEMBOURG (0.06%)	0	0.00
	NETHERLANDS (16.97%)	35,281	13.95
4,237	Adyen	4,036	1.60

Sustainable Future European Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
NETHERLANDS (continued)			
8,470	ASM International	4,521	1.79
16,875	ASML	12,090	4.78
245,814	Qiagen	8,551	3.38
89,283	Topicus.com	6,083	2.40
NORWAY (4.34%)		11,022	4.36
4,972,397	AutoStore	4,857	1.92
383,977	DNB Bank	6,165	2.44
SPAIN (1.32%)		0	0.00
SWEDEN (12.44%)		30,742	12.14
275,768	Avanza Bank	4,814	1.90
294,703	Kinnevik	1,928	0.76
345,329	Lifco	7,977	3.15
33,399	Spotify Technology	8,939	3.53
900,397	Svenska Handelsbanken	7,084	2.80
SWITZERLAND (13.16%)		36,288	14.35
162,672	Alcon	11,993	4.74
10,800	Lonza	5,609	2.22
196,982	On	6,349	2.51
26,291	Roche	6,646	2.63
24,116	Sika	5,691	2.25
UNITED KINGDOM (7.09%)		20,108	7.94
189,680	3i	5,933	2.34
1,137,627	Haleon	3,977	1.57
1,171,927	Trustpilot	2,438	0.96
162,749	Unilever	7,760	3.07
Portfolio of investments		251,394	99.35
Net other assets		1,634	0.65
Total net assets		253,028	100.00

Sustainable Future European Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Sustainable Future European Growth Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		13,505		(2,145)
Revenue	4,728		4,808	
Expenses	(874)		(1,158)	
Interest payable and similar charges	(2)		–	
Net revenue before taxation	3,852		3,650	
Taxation	(999)		(1,184)	
Net revenue after taxation		2,853		2,466
Total return before distributions		16,358		321
Distributions		(2,853)		(2,466)
Change in net assets attributable to shareholders from investment activities		13,505		(2,145)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		266,123		358,976
Amounts received on issue of shares	1,636		1,988	
Amounts paid on cancellation of shares	(30,952)		(52,658)	
		(29,316)		(50,670)
Change in net assets attributable to shareholders from investment activities		13,505		(2,145)
Retained distributions on accumulation shares		2,716		2,203
Closing net assets attributable to shareholders		253,028		308,364

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future European Growth Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	251,394	258,272
Current assets:		
Debtors	1,453	3,581
Cash and bank balances	1,145	6,752
Total assets	253,992	268,605
Liabilities		
Creditors:		
Bank overdrafts	(7)	–
Distribution payable	(4)	–
Other creditors	(953)	(2,482)
Total liabilities	(964)	(2,482)
Net assets attributable to shareholders	253,028	266,123

Sustainable Future Global Growth Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Global Growth Fund aims to deliver capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest in companies globally and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

The Sub-fund will typically invest 95% (minimum 90%) in equities or equity related derivatives, but may also invest in collective investment schemes (up to 10% of Sub-fund's assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

Investments in emerging market securities will be limited to 20%.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Global Growth Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Accumulation) returned 3.7% over the period under review, versus the 11.4% return from the MSCI World Index and the 8.1% IA Global sector average (both of which are comparator benchmarks)*.

Over the period under review, global equities continued to be driven by the theme of rapid Artificial Intelligence (AI) investment growth, particularly within the US, which accounts for around two thirds of the index and investable universe. There was notable divergence in performance within the technology sector, with a number of software names down, often in double digits. From a style perspective, these trends played further into the narrow performance leadership from mega-cap technology stocks. The sheer size of both the market cap of these companies, and the large movements higher in their share prices, has made keeping up with the index very challenging for active managers. This contributed to relative underperformance from mid and small caps stocks, an area to which the Sub-fund retains an overweight position.

Combined with this, some portfolio holdings were negatively affected by an emerging narrative that software investment, which is such a key driver of overall business efficiency improvements, was beginning to stall, as business owners preferred to focus on AI opportunities. This was primarily driven by some disappointing numbers from a number of large software bellwethers, with Salesforce's quarterly numbers the catalyst. At the same time, Apple's announcement that it was targeting on-device AI led to strong performance across AI and those connected to smartphones.

Turning to stock-specifics and starting with the positives, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Also among the top performers was **Veralto** – a company held under our *Improving the management of water* theme. 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 is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines.

Veralto generated net earnings for the second quarter of \$203 million, ahead of expectations, while also raising guidance for the full year, reflecting stronger operational execution and a more positive outlook on its end markets. In 2024, it now expects to achieve adjusted earnings per share of between \$3.37 and \$3.45, up from its prior guidance of \$3.25 to \$3.34.

Alphabet also performed strongly after reporting Q1 revenue which exceeded analysts' expectations, buoyed by growth in its cloud computing unit. Held under our *Providing education* theme, Google's parent company generated sales, excluding partner payouts, of \$67.6 billion for the three months ending March 31, surpassing the \$66.1 billion expected on average. The company also said it would pay a dividend of 20 cents a share, its first ever, and repurchase an additional \$70 billion in stock.

Turning to the detractors, some of our healthcare names were among the poor performers over the period. Shares in **Edwards LifeSciences**, the developer and supplier of patient-focused medical innovations for heart disease and critical care monitoring, dropped after it dampened expectations for heart valve replacement sales growth. Edwards said it expects full-year sales growth of 5% to 7% for its transcatheter aortic valve replacement (TAVR) treatment, down from the 8% to 10% previously forecast.

Masimo, the developer of products for non-invasive patient monitoring, was also among the detractors, with shares dropping on the news that of a board member resignation, while Q2 earnings forecasts missed expectations. Held under our *Providing affordable healthcare* theme, Masimo helps provide better quality of therapy, reduces hospital errors and ultimately benefits patients, providers and payers with better outcomes and reduced overall costs.

Sustainable Future Global Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Away from the healthcare space, Japanese staffing and service company **TechnoPro** performed poorly over the period under review. Despite beating Q2 sales and operating profit estimates, shares in the company, which is held under our *Improving the efficiency of energy use* theme, fell due to the company's outlook that increased hiring costs may present a headwind in the second half of the year.

A number of portfolio changes were made under the period under review. We initiated positions in **ASM International, Siemens, Microsoft, West Pharmaceutical Services** and **ServiceNow**. ASM International, the market leader in Atomic Layer Deposition (ALD) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. ALD is a critical process for customers to produce chips in a Gate-All-Around (GAA) architecture, which enables an improvement in energy efficiency of approximately 25%.

Industrial manufacturing company Siemens was added to our *Improving the resource efficiency of industrial and agricultural processes* theme. Siemens has restructured itself into just four main divisions: Digital Industries; Smart Infrastructure; Healthineers and Mobility. These help to drive improvements in resource efficiency; electricity use; diagnostics and health; and mass transport (trains). We believe each of these divisions will grow as our economies become more sustainable.

Microsoft is exposed to our *Improving the resource efficiency of industrial and agricultural processes* theme, Microsoft's software and services empowers businesses all over the world to be more efficient. Through its cloud offering it reduces the environmental costs of businesses to run compute power and storage, and through its cyber security products it protects businesses from being hacked.

West Pharmaceutical Services is held under our *Enabling innovation in healthcare* theme, designing and producing high quality integrated containment and delivery systems for injectable drugs and healthcare products. Key customers include biologic, pharma, diagnostic and medtech companies. The focus here is on quality – excellence in manufacturing, scientific and technical expertise to ensure delivery of safe and efficacious drug products to patients. West's expertise and high quality standards facilitate the delivery of medicine to patients around the world and offers innovation and expertise to help maintain the quality and efficacy of very impactful drug types like biologics injectables and cell and gene therapies.

Lastly, ServiceNow was added to the *Improving the resource efficiency of industrial and agricultural processes* theme. ServiceNow builds workflow tools for companies to automate previously manual tasks. This reduces waste and by freeing up employee time thus helping makes companies more efficient.

Adobe was sold during the review period. We are concerned that generative AI competition may begin to eat away at the virtual monopoly that Adobe enjoys in its creative cloud business. This follows the failed attempt to acquire competitor Figma, for which it offered an eye wateringly high multiple, suggesting some desperation by the management team. We see the Adobe investment thesis at risk on a five-year view.

We sold **Evotec** following the abrupt departure of its CEO, Werner Lanthalar. Evotec said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in Evotec shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

We also sold **Illumina** as the business moves to spin off the Grail business. We are concerned the core Illumina business is experiencing a step change in the elasticity of demand for its products. As it's dropped the price of sequencing a single genome, customers are potentially using that to improve their own margins, rather than it leading to significant growth in the number of genomes they sequence. Competition has also increased, and Illumina's dominance of the sequencing market has been attacked from China and across the world.

Sustainable Future Global Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Finally, we exited **Equinix** due to concerns that practices it has related to overselling power may become a headwind as power demand related to AI grows exponentially. We were also concerned following the abrupt departure of the CEO, which we view as a risk to the investment thesis.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Microsoft
Siemens
ASM International
ServiceNow
Paylocity
West Pharmaceutical Services
TopBuild
VeriSign

Sales

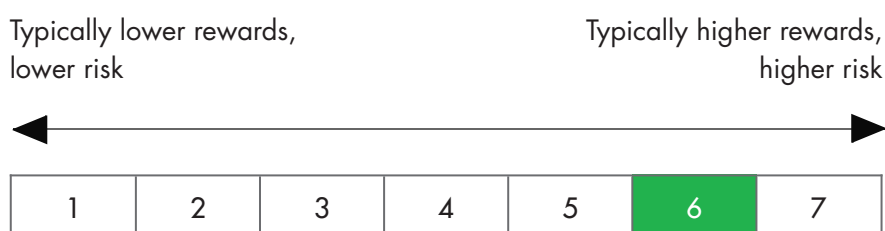
Equinix REIT
Adobe
Ansys
Alphabet 'A'
Intuitive Surgical
Illumina
Avanza Bank
Spotify Technology
Evotec
ASML

Sustainable Future Global Growth Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund invests in global equities. The Sub-fund may also invest in other eligible asset classes as detailed within the prospectus.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 6 primarily for its exposure to global equities.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.
- The Sub-fund 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.

Sustainable Future Global Growth Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund may invest in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.
- The Sub-fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future Global Growth Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Accumulation	0.0000	0.0000
Class 3 Net Accumulation	0.6414	0.5371

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Accumulation	367,572,153	1,078,895	293.52
Class 3 Net Accumulation	93,703,949	399,385	426.22
31 January 2024			
Class 2 Net Accumulation	410,049,504	1,137,225	277.34
Class 3 Net Accumulation	100,025,728	402,030	401.93
31 January 2023			
Class 2 Net Accumulation	502,391,668	1,297,953	258.35
Class 3 Net Accumulation	110,588,243	412,404	372.92
31 January 2022			
Class 2 Net Accumulation	553,654,539	1,535,420	277.32
Class 3 Net Accumulation	114,753,297	457,490	398.67

Sustainable Future Global Growth Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (99.26%)	1,472,655	99.62
	DENMARK (3.57%)	48,629	3.30
248,871	Ringkjoebing Landbobank	34,363	2.33
738,953	Vestas Wind Systems	14,266	0.97
	GERMANY (2.48%)	51,838	3.51
869,869	Infineon Technologies	23,469	1.59
198,457	Siemens	28,369	1.92
	JAPAN (3.71%)	48,083	3.25
93,333	Keyence	31,797	2.15
1,094,728	TechnoPro	16,286	1.10
	NETHERLANDS (4.62%)	86,182	5.83
25,780	Adyen	24,555	1.66
48,677	ASM International	25,983	1.76
49,752	ASML	35,644	2.41
	SWEDEN (4.31%)	59,688	4.04
1,106,324	Avanza Bank	19,312	1.31
150,855	Spotify Technology	40,376	2.73
	SWITZERLAND (3.60%)	61,461	4.16
501,206	Alcon	36,953	2.50
96,955	Roche	24,508	1.66
	UNITED KINGDOM (5.42%)	87,196	5.90
1,123,107	Compass	26,910	1.82
171,854	Ferguson	29,610	2.00
323,931	London Stock Exchange	30,676	2.08
	UNITED STATES OF AMERICA (71.55%)	1,029,578	69.63
187,557	Advanced Drainage Systems	25,876	1.75
373,363	Agilent Technologies	41,114	2.78
303,909	Alphabet 'A'	40,564	2.74
209,027	American Tower REIT	35,838	2.42
74,451	Ansys	18,145	1.23

Sustainable Future Global Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
145,116	Autodesk	27,954	1.89
283,854	Bright Horizons Family Solutions	26,568	1.80
307,581	Brown & Brown	23,812	1.61
198,436	Cadence Design Systems	41,332	2.80
546,092	Charles Schwab	27,716	1.88
169,610	Ecolab	30,456	2.06
363,402	Edwards Lifesciences	17,836	1.21
69,647	Intuit	35,066	2.37
94,527	Intuitive Surgical	32,690	2.21
185,782	IQVIA	35,615	2.41
249,290	Masimo	20,749	1.40
136,066	Microsoft	44,303	3.00
130,081	Morningstar	32,100	2.17
682,853	Nasdaq	35,970	2.43
5,554	NVR	37,079	2.51
68,926	Palo Alto Networks	17,421	1.18
242,122	Paylocity	28,290	1.91
361,155	PayPal	18,493	1.25
306,272	PTC	42,381	2.87
38,784	ServiceNow	24,598	1.66
120,393	Thermo Fisher Scientific	57,434	3.89
97,610	TopBuild	36,422	2.46
327,657	Trex	21,339	1.44
509,670	Veralto	42,295	2.86
276,593	VeriSign	40,258	2.72
271,092	Visa 'A'	56,052	3.79
58,033	West Pharmaceutical Services	13,812	0.93
Portfolio of investments		1,472,655	99.62
Net other assets		5,625	0.38
Total net assets		1,478,280	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Sustainable Future Global Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Stocks shown as REITs represent Real Estate Investment Trust.

Sustainable Future Global Growth Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains		89,125		34,905
Revenue	6,824		7,152	
Expenses	(5,679)		(6,099)	
Interest payable and similar charges	(5)		(3)	
Net revenue before taxation	1,140		1,050	
Taxation	(1,011)		(1,077)	
Net revenue/(expense) after taxation		129		(27)
Total return before distributions		89,254		34,878
Distributions		(639)		(609)
Change in net assets attributable to shareholders from investment activities		88,615		34,269

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		1,539,255		1,710,357
Amounts received on issue of shares	3,877		13,870	
Amounts paid on cancellation of shares	(154,068)		(113,728)	
		(150,191)		(99,858)
Change in net assets attributable to shareholders from investment activities		88,615		34,269
Retained distributions on accumulation shares		601		578
Closing net assets attributable to shareholders		1,478,280		1,645,346

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Global Growth Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	1,472,655	1,527,913
Current assets:		
Debtors	900	1,308
Cash and bank balances	7,485	15,663
Total assets	1,481,040	1,544,884
Liabilities		
Creditors:		
Other creditors	(2,760)	(5,629)
Total liabilities	(2,760)	(5,629)
Net assets attributable to shareholders	1,478,280	1,539,255

Sustainable Future Managed Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Managed Fund aims to deliver income and capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest globally and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

Allocations to equities, fixed income, and cash will vary over time depending on market circumstances. Asset allocation limits will remain in line with the following asset allocation ranges:

Equity – 60-85%

Fixed income – 10-40%

Cash – 0-10%

The Sub-fund may invest in collective investment schemes including other Liontrust Funds (up to 10% of Sub-fund assets), other transferable securities, money market instruments, warrants and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Managed Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Income) returned 5.4% over the period under review, versus the 6.6% average return of the IA Mixed Investment 40-85% Shares sector (the comparator benchmark)*.

Over the period under review, global equities continued to be driven by the theme of rapid Artificial Intelligence (AI) investment growth, particularly within the US. There was a notable divergence in performance within the technology sector, with a number of software names down, often in double digits. From a style perspective, these trends played further into the narrow performance leadership from mega-cap technology stocks. The sheer size of both the market cap of these companies, and the large movements higher in their share prices, has made keeping up with the index very challenging for active managers. This contributed to relative underperformance from mid and small caps stocks, an area to which the Sub-fund retains an overweight position.

Combined with this, some portfolio holdings were negatively affected by an emerging narrative that software investment, which is such a key driver of overall business efficiency improvements, was beginning to stall, as business owners preferred to focus on AI opportunities. This was primarily driven by some disappointing numbers from a number of large software bellwethers, with Salesforce's quarterly numbers the catalyst. At the same time, Apple's announcement that it was targeting on-device AI led to strong performance across AI and those connected to smartphones.

Asset allocation for the period was neutral. Overall, we moved to reduce the overweight infrastructure position, and reallocated this to increase the overweight in global equities. We remain overweight global equities, UK equities, credit and infrastructure, and fund this from underweight government bonds and cash.

We continue to believe in the quality of the companies held within our portfolios. In aggregate, they are performing well operationally and are on attractive valuations. This gives us confidence for the future outlook for our funds and investors.

Turning to the portfolio positives, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Shares in UK bank **NatWest** rose after beating earnings estimates for Q1 as lending and deposits increased. Also held under our *Enabling SMEs* theme, NatWest reported pre-tax operating profit of £1.3 billion, compared with consensus estimates of £1.28 billion.

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. It aims to reduce carbon within its corporate loan book by at least 50% by 2030 and has potentially interesting initiatives around mortgages for energy efficiency improvements in housing.

Also among the top performers was **Veralto** – a company held under our *Improving the management of water* theme. 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 is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines.

Veralto generated net earnings for the second quarter of \$203 million, ahead of expectations, while also raising guidance for the full year, reflecting stronger operational execution and a more positive outlook on its end markets. In 2024, it now expects to achieve adjusted earnings per share of between \$3.37 and \$3.45, up from its prior guidance of \$3.25 to \$3.34.

Among the detractors within equities, **St James's Place** was a very frustrating investment given it is a clear beneficiary of our *Saving for the Future* theme. However, in spite of the strong demand in the UK for financial and investment advice, the company has executed

Sustainable Future Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

poorly. This culminated in it being slow to react to the changes in Consumer Duty, and latterly poor record keeping around charging for advice. This has left the business exposed to legal recourse from clients and damage limitation in terms of reputation. We decided to exit the company over the period. While we can see attractive value in the shares in some scenarios, the unpredictability of the near term means we see better opportunities elsewhere.

Shares in **Edwards LifeSciences**, the developer and supplier of patient-focused medical innovations for heart disease and critical care monitoring, dropped after it dampened expectations for heart valve replacement sales growth. Edwards said it expects full-year sales growth of 5% to 7% for its transcatheter aortic valve replacement (TAVR) treatment, down from the 8% to 10% forecast earlier.

Also among the detractors for the period was Japanese staffing and service company **TechnoPro**, which is held under our *Improving the efficiency of energy use* theme. Despite beating Q2 sales and operating profit estimates, shares in the company fell due to the company's outlook that increased hiring costs may present a headwind in the second half of the year.

A number of changes were made to the equity portfolio during the period. We initiated positions in **ASM International**, **Siemens**, **Microsoft**, **West Pharmaceutical Services** and **ServiceNow**. ASM International, the market leader in Atomic Layer Deposition (ALD) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. ALD is a critical process for customers to produce chips in a Gate-All-Around (GAA) architecture, which enables an improvement in energy efficiency of approximately 25%.

Industrial manufacturing company Siemens was added to our *Improving the resource efficiency of industrial and agricultural processes* theme. Siemens has restructured itself into just four main divisions: Digital Industries; Smart Infrastructure; Healthineers and Mobility. These help to drive improvements in resource efficiency; electricity use; diagnostics and health; and mass transport (trains). We believe each of these divisions will grow as our economies become more sustainable.

Microsoft is exposed to our *Improving the resource efficiency of industrial and agricultural processes* theme, Microsoft's software and services empowers businesses all over the world to be more efficient. Through its cloud offering it reduces the environmental costs of businesses to run compute power and storage, and through its cyber security products it protects businesses from being hacked.

West Pharmaceutical Services is held under our *Enabling innovation in healthcare* theme, designing and producing high quality integrated containment and delivery systems for injectable drugs and healthcare products. Key customers include biologic, pharma, diagnostic and medtech companies. The focus here is on quality – excellence in manufacturing, scientific and technical expertise to ensure delivery of safe and efficacious drug products to patients. West's expertise and high quality standards facilitate the delivery of medicine to patients around the world and offers innovation and expertise to help maintain the quality and efficacy of very impactful drug types like biologics injectables and cell and gene therapies.

Lastly, ServiceNow was added to the *Improving the resource efficiency of industrial and agricultural processes* theme. ServiceNow builds workflow tools for companies to automate previously manual tasks. This reduces waste and by freeing up employee time thus helping makes companies more efficient.

Turning to the portfolio disposals, **Adobe** was sold during the review period. We are concerned that generative AI competition may begin to eat away at the virtual monopoly that Adobe enjoys in its creative cloud business. This follows the failed attempt to acquire competitor Figma, for which it offered an eye wateringly high multiple, suggesting some desperation by the management team. We see the Adobe investment thesis at risk on a five-year view.

We sold **Evotec** following the abrupt departure of its CEO, Werner Lanthalar. Evotec said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in Evotec shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

Sustainable Future Managed Fund (continued)

Investment review (continued)

Sub-fund review (continued)

We also sold **Illumina** as the business moves to spin off the Grail business. We are concerned the core Illumina business is experiencing a step change in the elasticity of demand for its products. As it's dropped the price of sequencing a single genome, customers are potentially using that to improve their own margins, rather than it leading to significant growth in the number of genomes they sequence. Competition has also increased, and Illumina's dominance of the sequencing market has been attacked from China and across the world.

We also exited **Kerry Group**, a dairy cooperative which was established in 1972 and has evolved to become one of the largest and most technologically advanced ingredients and flavours technology companies. The question remains whether Kerry reduces the harm of ultra-processed food (UPF) while keeping it affordable, or if it enables an unsustainable system that requires fundamental reform. For the moment, we don't have an answer to this as the company discloses on the nutrient-based traffic light system, of which it is >50% green traffic lighted. But if there is a big backlash with regards to UPF coming, implicating Kerry, we believe it is prudent to move Kerry to the sidelines until we have a better understanding on this issue.

IP Group, a long-term holding which help develop innovative companies at universities in the UK, was also sold from the portfolio. While it has had success with the likes of Oxford Nanopore, the pace of commercialisation has been disappointing. We exited our position in favour of other early-stage investment companies like Molten Ventures.

Finally, we exited **Equinix** due to concerns that practices it has related to overselling power may become a headwind as power demand related to AI grows exponentially. We were also concerned following the abrupt departure of the CEO, which we view as a risk to the investment thesis.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Microsoft
ASM International
Siemens
ServiceNow
United Kingdom Gilt 1.5% 31/7/2053
West Pharmaceutical Services
Paylocity
Sage
AstraZeneca
Experian

Sales

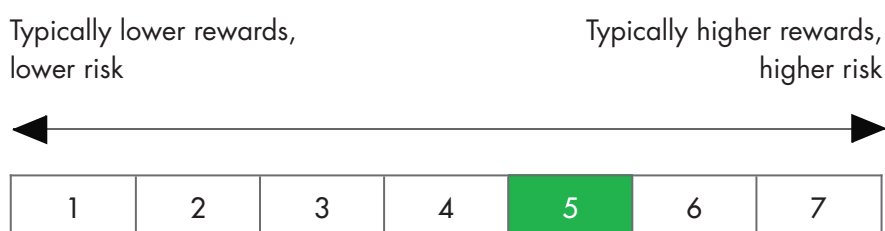
United Kingdom Gilt 0.875% 31/7/2033
Equinix REIT
Ansys
Adobe
Alphabet 'A'
Illumina
IQVIA
Intuitive Surgical
Avanza Bank
St James's Place

Sustainable Future Managed Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology set by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 5 primarily for its exposure to a diversified portfolio of Global equities and bonds.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund;
 - 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.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.

Sustainable Future Managed Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- There is no guarantee that a total return will be generated over a three year time period or within another time period.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future Managed Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Income	1.2228	1.1169
Class 3 Net Income	2.0495	1.8575
Class 6 Net Accumulation	1.6077	1.4518
Class 7 Net Accumulation	2.0902	1.8718

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Income	248,403,175	502,184	202.16
Class 3 Net Income	412,030,474	1,114,072	270.39
Class 6 Net Accumulation	373,734,504	999,701	267.49
Class 7 Net Accumulation	1,048,338	2,918	278.32
31 January 2024			
Class 2 Net Income	271,489,648	517,885	190.76
Class 3 Net Income	422,203,848	1,077,110	255.12
Class 6 Net Accumulation	407,072,458	1,021,274	250.88
Class 7 Net Accumulation	1,680,907	4,381	260.63
31 January 2023			
Class 2 Net Income	332,135,495	608,271	183.14
Class 3 Net Income	442,457,094	1,083,576	244.90
Class 6 Net Accumulation	453,040,653	1,080,273	238.45
Class 7 Net Accumulation	2,014,512	4,975	246.95
31 January 2022			
Class 2 Net Income	361,596,819	727,146	201.09
Class 3 Net Income	455,496,759	1,224,796	268.89
Class 6 Net Accumulation	424,834,370	1,103,582	259.77
Class 7 Net Accumulation	984,858	2,642	268.27

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (74.61%)	2,047,001	78.16
	UNITED STATES OF AMERICA (38.73%)	1,007,132	38.43
	Biotechnology (0.71%)		
	Building Materials (0.88%)	17,096	0.65
262,504	Trex	17,096	0.65
	Chemicals (1.43%)	43,206	1.65
240,615	Ecolab	43,206	1.65
	Commercial Services (2.97%)	98,324	3.75
274,813	Bright Horizons Family Solutions	25,722	0.98
113,571	Morningstar	28,026	1.07
230,720	Paylocity	26,958	1.03
344,069	PayPal	17,618	0.67
	Diversified Financial Services (4.19%)	114,305	4.37
479,168	Charles Schwab	24,319	0.93
780,315	Nasdaq	41,104	1.57
236,411	Visa 'A'	48,882	1.87
	Electronics (1.29%)	36,300	1.39
329,650	Agilent Technologies	36,300	1.39
	Engineering & Construction (1.05%)	35,296	1.35
94,593	TopBuild	35,296	1.35
	Environmental Control (1.13%)	40,902	1.56
492,890	Veralto	40,902	1.56
	Healthcare Products (5.13%)	138,247	5.27
351,914	Edwards Lifesciences	17,272	0.66
96,562	Intuitive Surgical	33,394	1.27
242,662	Masimo	20,198	0.77
112,959	Thermo Fisher Scientific	53,887	2.06
56,706	West Pharmaceutical Services	13,496	0.51

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
Healthcare Services (1.98%)		47,718	1.82
248,917	IQVIA	47,718	1.82
Home Builders (1.05%)		33,180	1.27
4,970	NVR	33,180	1.27
Insurance (0.84%)		19,767	0.75
255,329	Brown & Brown	19,767	0.75
Internet (4.22%)		95,056	3.62
296,914	Alphabet 'A'	39,630	1.51
66,627	Palo Alto Networks	16,840	0.64
265,110	VeriSign	38,586	1.47
Metal & Hardware (0.80%)		25,291	0.97
183,313	Advanced Drainage Systems	25,291	0.97
Real Estate Investment Trusts (2.56%)		36,719	1.40
214,168	American Tower REIT	36,719	1.40
Software (8.50%)		225,725	8.61
82,177	Ansys	20,028	0.76
142,904	Autodesk	27,528	1.05
209,322	Cadence Design Systems	43,600	1.66
60,037	Intuit	30,228	1.15
130,164	Microsoft	42,382	1.62
275,792	PTC	38,164	1.46
37,519	ServiceNow	23,795	0.91
UNITED KINGDOM (22.16%)		628,702	24.01
Banks (1.93%)		68,036	2.60
9,797,459	NatWest	36,064	1.38
3,976,659	Paragon Banking	31,972	1.22

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
Biotechnology (0.11%)		5,835	0.22
1,579,100	Oxford Biomedica	5,835	0.22
Chemicals (0.55%)		11,952	0.46
295,760	Croda International	11,952	0.46
Commercial Services (1.84%)		47,796	1.83
392,913	Ashtead	21,964	0.84
278,405	Intertek	14,046	0.54
2,482,769	Rentokil Initial	11,786	0.45
Computers (0.66%)		18,998	0.72
1,169,088	Softcat	18,998	0.72
Cosmetics & Personal Care (2.04%)		57,836	2.20
6,839,389	Haleon	23,910	0.91
710,490	Unilever	33,926	1.29
Distribution & Wholesale (0.88%)		26,631	1.02
154,564	Ferguson	26,631	1.02
Diversified Financial Services (2.13%)		48,004	1.83
4,007,908	AJ Bell	18,376	0.70
312,865	London Stock Exchange	29,628	1.13
Electronics (1.53%)		43,406	1.66
632,673	Halma	16,829	0.64
4,179,265	Rotork	15,112	0.58
377,648	Spectris	11,465	0.44
Engineering & Construction (0.25%)		10,316	0.39
8,161,230	Helios Towers	10,316	0.39

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Food Services (0.81%)	29,408	1.12
1,227,372	Compass	29,408	1.12
	Healthcare Products (0.74%)	18,527	0.71
7,910,564	ConvaTec	18,527	0.71
	Insurance (1.77%)	44,946	1.72
752,179	Admiral	20,707	0.79
10,461,429	Legal & General	24,239	0.93
	Internet (0.79%)	20,984	0.80
6,164,656	Trainline	20,984	0.80
	Investment Companies (0.15%)		
	Machinery Diversified (0.63%)	14,495	0.55
160,518	Spirax-Sarco Engineering	14,495	0.55
	Miscellaneous Manufacturing (0.31%)	8,078	0.31
1,235,158	Porvair	8,078	0.31
	Pharmaceuticals (2.00%)	65,308	2.50
313,075	AstraZeneca	38,702	1.48
1,760,232	GSK	26,606	1.02
	Private Equity (1.84%)	56,636	2.16
1,281,227	3i	40,077	1.53
4,445,381	Molton Ventures	16,559	0.63
	Real Estate Investment & Services (0.01%)	157	0.01
427,000	Ethical Property~	157	0.01
	Retail (0.14%)	3,634	0.14
3,043,229	DFS Furniture	3,634	0.14

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Software (0.82%)	23,812	0.91
920,946	Sage	10,001	0.38
1,927,596	Wise	13,811	0.53
	Transportation (0.23%)	3,907	0.15
6,957,698	Mobico	3,907	0.15
	NETHERLANDS (2.25%)	83,856	3.20
	Commercial Services (0.67%)	16,659	0.64
17,490	Adyen	16,659	0.64
	Semiconductors (1.58%)	67,197	2.56
58,049	ASM International	30,986	1.18
50,544	ASML	36,211	1.38
	DENMARK (2.38%)	59,765	2.29
	Alternative Energy Sources (0.57%)	12,742	0.49
660,015	Vestas Wind Systems	12,742	0.49
	Banks (1.81%)	47,023	1.80
340,556	Ringkjøbing Landbobank	47,023	1.80
	IRELAND (1.98%)	58,776	2.24
	Building Materials (0.65%)	20,304	0.77
278,949	Kingspan	20,304	0.77
	Commercial Services (0.43%)	20,997	0.80
572,272	Experian	20,997	0.80
	Food Producers (0.33%)		
	Forest Products & Paper (0.57%)		
	Packaging & Containers (0.00%)	17,475	0.67
506,508	Smurfit WestRock	17,475	0.67

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	SWEDEN (2.21%)	57,939	2.22
	Diversified Financial Services (1.02%)	18,492	0.71
1,059,387	Avanza Bank	18,492	0.71
	Internet (1.19%)	39,447	1.51
147,386	Spotify Technology	39,447	1.51
	SWITZERLAND (1.84%)	56,983	2.18
	Healthcare Products (1.05%)	33,701	1.29
457,099	Alcon	33,701	1.29
	Pharmaceuticals (0.79%)	23,282	0.89
92,106	Roche	23,282	0.89
	JAPAN (2.00%)	47,652	1.82
	Commercial Services (0.59%)	12,519	0.48
841,556	TechnoPro	12,519	0.48
	Machinery Diversified (1.41%)	35,133	1.34
103,125	Keyence	35,133	1.34
	GERMANY (1.06%)	46,196	1.77
	Healthcare Services (0.31%)		
	Miscellaneous Manufacturing (0.00%)	27,717	1.06
193,894	Siemens	27,717	1.06
	Semiconductors (0.75%)	18,479	0.71
684,905	Infineon Technologies	18,479	0.71
	BONDS (20.23%)	496,757	18.97
	UNITED KINGDOM GOVERNMENT BONDS (6.39%)	140,746	5.38
£ 98,500,000	United Kingdom Gilt 0.875% 31/7/2033	75,750	2.90
£ 125,700,000	United Kingdom Gilt 1.5% 31/7/2053	64,996	2.48

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (12.87%)		332,196	12.68
£ 5,000,000	Anglian Water Osprey Financing 2% 31/7/2028	4,010	0.15
£ 2,200,000	Annington Funding 3.935% 12/7/2047	1,637	0.06
£ 3,700,000	Annington Funding 3.184% 12/7/2029	3,320	0.13
£ 6,950,000	AT&T 7% 30/4/2040	7,947	0.30
£ 10,950,000	Aviva 5.125% 4/6/2050	10,571	0.40
£ 3,710,000	Aviva 6.875% Perpetual	3,585	0.14
£ 5,700,000	Banco Santander 2.25% 4/10/2032	5,132	0.20
£ 4,000,000	Barclays 8.407% 14/11/2032	4,277	0.16
£ 4,500,000	Barclays 7.09% 6/11/2029	4,818	0.18
£ 8,200,000	Blackstone Property Partners Europe Sarl 2.625% 20/10/2028	7,279	0.28
£ 6,800,000	Blend Funding 2.922% 5/4/2056	4,417	0.17
£ 7,700,000	BNP Paribas 6% 18/8/2029	8,027	0.31
£ 6,400,000	BPCE 5.375% 22/10/2031	6,449	0.25
£ 5,235,000	Bunzl Finance 1.5% 30/10/2030	4,337	0.17
£ 6,600,000	Cadent Finance 2.25% 10/10/2035	4,842	0.18
£ 4,200,000	Clarion Funding 1.25% 13/11/2032	3,163	0.12
£ 5,350,000	Compass 4.375% 8/9/2032	5,313	0.20
£ 9,436,000	DWR Cymru Financing UK 2.5% 31/3/2036	7,180	0.27
£ 6,058,000	DWR Cymru Financing UK 2.375% 31/3/2034	4,362	0.17
£ 1,988,000	GlaxoSmithKline Capital 5.25% 19/12/2033	2,100	0.08
£ 10,500,000	HSBC 7% 7/4/2038	11,537	0.44
£ 4,000,000	HSBC 6% 29/3/2040	3,979	0.15
£ 7,850,000	Legal & General 4.5% 1/11/2050	7,294	0.28
£ 8,250,000	Liberty Living Finance 3.375% 28/11/2029	7,562	0.29
£ 4,059,000	Lloyds Banking 2.707% 3/12/2035	3,382	0.13
£ 3,300,000	Lloyds Banking 6.625% 2/6/2033	3,394	0.13
£ 5,537,000	Lloyds Banking 5.25% 4/10/2030	5,627	0.21
£ 8,200,000	Logicor Financing Sarl 2.75% 15/1/2030	6,991	0.27
£ 4,500,000	London & Quadrant Housing Trust 2% 20/10/2038	3,022	0.12
£ 3,615,000	London Stock Exchange 1.625% 6/4/2030	3,112	0.12
£ 7,000,000	M&G 5.625% 20/10/2051	6,762	0.26
£ 3,200,000	Motability Operations 3.625% 10/3/2036	2,817	0.11
£ 6,000,000	Motability Operations 1.75% 3/7/2029	5,264	0.20
£ 6,055,000	National Grid Gas 1.125% 14/1/2033	4,352	0.17
£ 4,000,000	Natwest 2.105% 28/11/2031	3,715	0.14
£ 6,500,000	Natwest 7.416% 6/6/2033	6,840	0.26
£ 4,335,000	Next 3.625% 18/5/2028	4,175	0.16
£ 4,600,000	NGG Finance 5.625% 18/6/2073	4,577	0.17

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
BONDS (continued)			
UK STERLING DEBT SECURITIES (continued)			
£ 3,542,000	Optivo Finance 2.857% 7/10/2035	2,808	0.11
£ 6,000,000	Orange 8.125% 20/11/2028	6,797	0.26
£ 7,200,000	Orsted 2.5% 18/2/3021	5,238	0.20
£ 6,710,000	Pension Insurance 5.625% 20/9/2030	6,527	0.25
£ 8,200,000	Pension Insurance 8% 13/11/2033	8,931	0.34
£ 10,100,000	Phoenix 5.625% 28/4/2031	9,747	0.37
£ 1,443,000	Places For People Treasury 6.25% 6/12/2041	1,542	0.06
£ 10,200,000	Rothsay Life 7.734% 16/5/2033	10,962	0.42
£ 8,355,000	Scottish Hydro Electric Transmission 5.5% 15/1/2044	8,292	0.32
£ 2,750,000	Severn Trent Utilities Finance 6.25% 7/6/2029	2,856	0.11
£ 3,074,000	Severn Trent Utilities Finance 5.875% 31/7/2038	3,133	0.12
£ 6,600,000	Societe Generale 5.75% 22/1/2032	6,675	0.25
£ 5,500,000	Southern Gas Networks 1.25% 2/12/2031	4,258	0.16
£ 4,571,000	Southern Housing 2.375% 8/10/2036	3,354	0.13
£ 4,000,000	SP Transmission 2% 13/11/2031	3,345	0.13
£ 5,150,000	Standard Chartered 5.125% 6/6/2034	4,950	0.19
£ 4,500,000	United Utilities Water Finance 2.625% 12/2/2031	3,884	0.15
£ 2,071,000	United Utilities Water Finance 0.875% 28/10/2029	1,688	0.06
£ 9,650,000	Verizon Communications 1.875% 19/9/2030	8,202	0.31
£ 6,000,000	Vodafone 5.9% 26/11/2032	6,399	0.24
£ 3,850,000	Vodafone 4.875% 3/10/2078	3,792	0.14
£ 2,000,000	Western Power Distribution 3.5% 16/10/2026	1,939	0.07
£ 3,314,000	Whitbread 3% 31/5/2031	2,889	0.11
£ 7,000,000	Yorkshire Building Society 3.375% 13/9/2028	6,503	0.25
£ 4,667,000	Yorkshire Building Society 7.375% 12/9/2027	4,864	0.19
£ 5,600,000	Zurich Finance Ireland Designated Activity 5.125% 23/11/2052	5,453	0.21
EURO DEBT SECURITIES (0.76%)		18,436	0.70
€ 6,300,000	Cellnex Finance 2% 15/2/2033	4,634	0.18
€ 6,800,000	Cooperatieve Rabobank UA 3.1% Perpetual	5,041	0.19
€ 6,000,000	Infrastrutture Wireless Italiane 1.75% 19/4/2031	4,525	0.17
€ 4,514,150	Stichting AK Rabobank Certificaten 6.5% Perpetual	4,236	0.16
US DOLLAR DEBT SECURITIES (0.21%)		5,379	0.21
\$ 6,800,000	Standard Chartered 7.014% Perpetual	5,379	0.21

Sustainable Future Managed Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	COLLECTIVE INVESTMENT SCHEMES (3.29%)	76,476	2.92
	GUERNSEY (0.36%)	0	0.00
	IRELAND (2.80%)	68,590	2.62
3,000,000	Liontrust GF Sustainable Future European Corporate Bond Fund++	26,169	1.00
2,229,503	Liontrust GF Sustainable Future Global Growth Fund++	26,777	1.02
1,300,000	Liontrust GF Sustainable Future US Growth Fund++	15,644	0.60
	UNITED KINGDOM (0.13%)	7,886	0.30
2,276,235	Greencoat UK Wind	3,314	0.13
6,905,717	SDCL Energy Efficiency Income Trust	4,572	0.17
	Portfolio of investments	2,620,234	100.05
	Net other liabilities	(1,359)	(0.05)
	Total net assets	2,618,875	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Stocks shown as REITs represent Real Estate Investment Trust.

++ Liontrust Investment Partners LLP acts as Investment Adviser.

~ Unquoted security.

Sustainable Future Managed Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		153,082		(8,745)
Revenue	28,826		29,340	
Expenses	(8,911)		(9,147)	
Interest payable and similar charges	(5)		(11)	
Net revenue before taxation	19,910		20,182	
Taxation	(1,792)		(1,964)	
Net revenue after taxation		18,118		18,218
Total return before distributions		171,200		9,473
Distributions		(18,117)		(18,283)
Change in net assets attributable to shareholders from investment activities		153,083		(8,810)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		2,620,650		2,777,095
Amounts received on issue of shares	14,012		32,889	
Amounts paid on cancellation of shares	(174,900)		(133,833)	
		(160,888)		(100,944)
Stamp duty reserve tax		–		(101)
Change in net assets attributable to shareholders from investment activities		153,083		(8,810)
Retained distributions on accumulation shares		6,030		6,437
Closing net assets attributable to shareholders		2,618,875		2,673,677

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Managed Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	2,620,234	2,571,538
Current assets:		
Debtors	8,529	9,639
Cash and bank balances	10,629	52,386
Total assets	2,639,392	2,633,563
Liabilities		
Provision for liabilities	(14)	(14)
Creditors:		
Bank overdrafts	(59)	(-)
Distribution payable	(11,481)	(8,009)
Other creditors	(8,963)	(4,890)
Total liabilities	(20,517)	(12,913)
Net assets attributable to shareholders	2,618,875	2,620,650

Sustainable Future Managed Growth Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future Managed Growth Fund aims to deliver capital growth over the long term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest globally and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

Allocations to equities, fixed income, and cash will vary over time depending on market circumstances. Asset allocation limits will remain in line with the following asset allocation ranges:

Equity – 60-100%

Fixed income – 0-20%

Cash – 0-20%

The Sub-fund may invest in collective investment schemes including other Liontrust Funds (up to 10% of Sub-fund assets), other transferable securities, money market instruments, warrants and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future Managed Growth Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Accumulation) returned 3.5% over the period under review, versus the IA Flexible Investment sector average of 6.6% (which is the comparator benchmark)*.

Over the period under review, global equities continued to be driven by the theme of rapid AI investment growth, particularly within the US, which accounts for around two thirds of the index and investable universe. There was notable divergence in performance within the technology sector, with a number of software names down, often in double digits. From a style perspective, these trends played further into the narrow performance leadership from mega-cap technology stocks. The sheer size of both the market cap of these companies, and the large movements higher in their share prices, has made keeping up with the index very challenging for active managers. This contributed to relative underperformance from mid and small caps stocks, an area to which the Sub-fund retains an overweight position.

Combined with this, some portfolio holdings were negatively affected by an emerging narrative that software investment, which is such a key driver of overall business efficiency improvements, was beginning to stall, as business owners preferred to focus on AI opportunities. This was primarily driven by some disappointing numbers from a number of large software bellwethers, with Salesforce's quarterly numbers the catalyst. At the same time, Apple's announcement that it was targeting on-device AI led to strong performance across AI and those connected to smartphones.

Turning to stock-specifics and starting with the positives, **Spotify**, the world's dominant audio platform, performed strongly throughout the period after its Q1 and Q2 earnings releases were well received by the market. Having reported a swing back to profit in the first quarter, as the company boosted subscribers and added new features, Spotify reported a record profit in the second quarter and strong growth in paying subscribers. Operating income in the second quarter was €266 million, after a loss of €247 million a year earlier, while paid subscribers increased 12% from a year earlier to 246 million, beating average analyst estimates.

While the company fits into our *Encouraging sustainable leisure* theme, the environmental impacts of music consumption – now that this is virtually all digital – has reduced to the energy consumed by data centres and device use. This has dramatically lowered the environmental impact from physical records and discs, which have issues with energy intensive hydrocarbon derived plastics and pollution issues at end of disc life.

Also among the top performers was **Veralto** – a company held under our *Improving the management of water* theme. 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 is involved in specialist printing which helps with supply chain traceability and ensuring product labelling meets regulatory guidelines.

Veralto generated net earnings for the second quarter of \$203 million, ahead of expectations, while also raising guidance for the full year, reflecting stronger operational execution and a more positive outlook on its end markets. In 2024, it now expects to achieve adjusted earnings per share of between \$3.37 and \$3.45, up from its prior guidance of \$3.25 to \$3.34.

Alphabet also performed strongly after reporting Q1 revenue which exceeded analysts' expectations, buoyed by growth in its cloud computing unit. Held under our *Providing education* theme, Google's parent company generated sales, excluding partner payouts, of \$67.6 billion for the three months ending March 31, surpassing the \$66.1 billion expected on average. The company also said it would pay a dividend of 20 cents a share, its first ever, and repurchase an additional \$70 billion in stock.

Turning to the detractors, some of our healthcare names were among the poor performers over the period. Shares in **Edwards LifeSciences**, the developer and supplier of patient-focused medical innovations for heart disease and critical care monitoring, dropped after it dampened expectations for heart valve replacement sales growth. Edwards said it expects full-year sales growth of 5% to 7% for its transcatheter aortic valve replacement (TAVR) treatment, down from the 8% to 10% previously forecast.

Masimo, the developer of products for non-invasive patient monitoring, was also among the detractors, with shares dropping on the news that of a board member resignation, while Q2 earnings forecasts missed expectations. Held under our *Providing affordable healthcare* theme, Masimo helps provide better quality of therapy, reduces hospital errors and ultimately benefits patients, providers and payers with better outcomes and reduced overall costs.

Sustainable Future Managed Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Away from the healthcare space, Japanese staffing and service company **TechnoPro** performed poorly over the period under review. Despite beating Q2 sales and operating profit estimates, shares in the company, which is held under our *Improving the efficiency of energy use* theme, fell due to the company's outlook that increased hiring costs may present a headwind in the second half of the year.

A number of portfolio changes were made under the period under review. We initiated positions in **ASM International, Siemens, Microsoft, West Pharmaceutical Services** and **ServiceNow**. ASM International, the market leader in Atomic Layer Deposition (ALD) manufacturing tools for the semiconductor industry, was added under our *Improving the efficiency of energy use* theme. ALD is a critical process for customers to produce chips in a Gate-All-Around (GAA) architecture, which enables an improvement in energy efficiency of approximately 25%.

Industrial manufacturing company Siemens was added to our *Improving the resource efficiency of industrial and agricultural processes* theme. Siemens has restructured itself into just four main divisions: Digital Industries; Smart Infrastructure; Healthineers and Mobility. These help to drive improvements in resource efficiency; electricity use; diagnostics and health; and mass transport (trains). We believe each of these divisions will grow as our economies become more sustainable.

Microsoft is exposed to our *Improving the resource efficiency of industrial and agricultural processes* theme, Microsoft's software and services empowers businesses all over the world to be more efficient. Through its cloud offering it reduces the environmental costs of businesses to run compute power and storage, and through its cyber security products it protects businesses from being hacked.

West Pharmaceutical Services is held under our *Enabling innovation in healthcare* theme, designing and producing high quality integrated containment and delivery systems for injectable drugs and healthcare products. Key customers include biologic, pharma, diagnostic and medtech companies. The focus here is on quality – excellence in manufacturing, scientific and technical expertise to ensure delivery of safe and efficacious drug products to patients. West's expertise and high quality standards facilitate the delivery of medicine to patients around the world and offers innovation and expertise to help maintain the quality and efficacy of very impactful drug types like biologics injectables and cell and gene therapies.

Lastly, ServiceNow was added to the *Improving the resource efficiency of industrial and agricultural processes* theme. ServiceNow builds workflow tools for companies to automate previously manual tasks. This reduces waste and by freeing up employee time thus helping makes companies more efficient.

Adobe was sold during the review period. We are concerned that generative AI competition may begin to eat away at the virtual monopoly that Adobe enjoys in its creative cloud business. This follows the failed attempt to acquire competitor Figma, for which it offered an eye wateringly high multiple, suggesting some desperation by the management team. We see the Adobe investment thesis at risk on a five-year view.

We sold **Evotec** following the abrupt departure of its CEO, Werner Lanthalar. Evotec said this was due to personal reasons, but after we spoke to management it became clear his departure was related to the late disclosure on his share dealings in Evotec shares over the last few years. While the company disclosed the information as soon as it was available, so was in no way liable, the circumstances around the former CEO's transactions are hugely disappointing. The CEO was an important part of the investment case for the Evotec business, and his departure is a significant blow to the investment thesis. While the company itself has done nothing wrong, it has unfortunately been let down badly by its key leader. We decided to exit the position as we feel the management quality threshold we require to invest has not been met.

We also sold **Illumina** as the business moves to spin off the Grail business. We are concerned the core Illumina business is experiencing a step change in the elasticity of demand for its products. As it's dropped the price of sequencing a single genome, customers are potentially using that to improve their own margins, rather than it leading to significant growth in the number of genomes they sequence. Competition has also increased, and Illumina's dominance of the sequencing market has been attacked from China and across the world.

Sustainable Future Managed Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Finally, we exited **Equinix** due to concerns that practices it has related to overselling power may become a headwind as power demand related to AI grows exponentially. We were also concerned following the abrupt departure of the CEO, which we view as a risk to the investment thesis.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that the total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Microsoft
Siemens
ASM International
ServiceNow
West Pharmaceutical Services
Paylocity
TopBuild
VeriSign

Sales

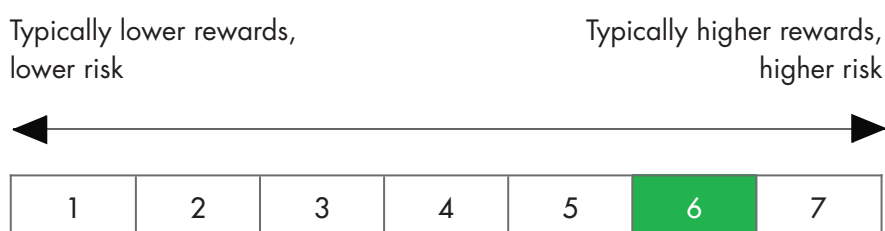
Equinix REIT
Adobe
Alphabet 'A'
Ansys
Intuitive Surgical
Illumina
Avanza Bank
ASML
Evotec
IQVIA

Sustainable Future Managed Growth Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology set by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 6 primarily for its exposure to a diversified portfolio of Global equities and bonds.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund;
 - 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.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.

Sustainable Future Managed Growth Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- The Sub-fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future Managed Growth Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Accumulation	0.1028	0.0000
Class 3 Net Accumulation	1.0327	0.6493

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Accumulation	224,719,366	676,235	300.92
Class 3 Net Accumulation	58,027,712	253,739	437.27
31 January 2024			
Class 2 Net Accumulation	242,538,243	690,627	284.75
Class 3 Net Accumulation	61,946,204	255,788	412.92
31 January 2023			
Class 2 Net Accumulation	282,526,906	745,832	263.99
Class 3 Net Accumulation	66,664,529	254,152	381.24
31 January 2022			
Class 2 Net Accumulation	270,116,046	763,599	282.69
Class 3 Net Accumulation	68,438,900	278,253	406.57

Sustainable Future Managed Growth Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (95.95%)	875,879	94.18
	DENMARK (3.80%)	31,701	3.41
168,629	Ringkjoebing Landbobank	23,283	2.50
436,029	Vestas Wind Systems	8,418	0.91
	GERMANY (2.06%)	28,750	3.09
395,955	Infineon Technologies	10,683	1.15
126,386	Siemens	18,067	1.94
	JAPAN (3.61%)	28,778	3.09
60,900	Keyence	20,748	2.23
539,800	TechnoPro	8,030	0.86
	NETHERLANDS (4.59%)	52,760	5.67
15,756	Adyen	15,007	1.61
31,266	ASM International	16,689	1.79
29,402	ASML	21,064	2.27
	SWEDEN (4.20%)	38,179	4.11
714,143	Avanza Bank	12,466	1.34
96,070	Spotify Technology	25,713	2.77
	SWITZERLAND (3.36%)	34,973	3.76
294,135	Alcon	21,686	2.33
52,563	Roche	13,287	1.43
	UNITED KINGDOM (5.31%)	51,522	5.54
667,296	Compass	15,988	1.72
100,417	Ferguson	17,302	1.86
192,521	London Stock Exchange	18,232	1.96
	UNITED STATES OF AMERICA (69.02%)	609,216	65.51
125,898	Advanced Drainage Systems	17,370	1.87
218,555	Agilent Technologies	24,067	2.59
193,081	Alphabet 'A'	25,771	2.77
127,106	American Tower REIT	21,792	2.34
43,200	Ansys	10,529	1.13

Sustainable Future Managed Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
79,985	Autodesk	15,408	1.66
145,434	Bright Horizons Family Solutions	13,612	1.46
175,249	Brown & Brown	13,567	1.46
134,536	Cadence Design Systems	28,023	3.01
319,935	Charles Schwab	16,238	1.75
92,729	Ecolab	16,651	1.79
214,608	Edwards Lifesciences	10,533	1.13
29,041	Intuit	14,622	1.57
58,244	Intuitive Surgical	20,142	2.17
109,247	IQVIA	20,943	2.25
137,948	Masimo	11,482	1.23
87,119	Microsoft	28,366	3.05
75,557	Morningstar	18,645	2.00
356,455	Nasdaq	18,777	2.02
3,212	NVR	21,443	2.31
43,422	Palo Alto Networks	10,975	1.18
149,868	Paylocity	17,511	1.88
188,635	PayPal	9,659	1.04
179,908	PTC	24,895	2.68
24,785	ServiceNow	15,719	1.69
70,580	Thermo Fisher Scientific	33,670	3.62
58,897	TopBuild	21,977	2.36
182,245	Trex	11,869	1.28
304,772	Veralto	25,291	2.72
147,353	VeriSign	21,447	2.31
190,100	Visa 'A'	39,306	4.23
37,460	West Pharmaceutical Services	8,916	0.96
Portfolio of investments		875,879	94.18
Net other assets		54,095	5.82
Total net assets		929,974	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Sustainable Future Managed Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Stocks shown as REITs represent Real Estate Investment Trust.

Sustainable Future Managed Growth Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains		52,720		23,189
Revenue	4,955		4,483	
Expenses	(3,578)		(3,643)	
Interest payable and similar charges	(3)		(2)	
Net revenue before taxation	1,374		838	
Taxation	(502)		(621)	
Net revenue after taxation		872		217
Total return before distributions		53,592		23,406
Distributions		(872)		(440)
Change in net assets attributable to shareholders from investment activities		52,720		22,966

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		946,415		999,984
Amounts received on issue of shares	8,417		13,609	
Amounts paid on cancellation of shares	(78,408)		(55,484)	
		(69,991)		(41,875)
Change in net assets attributable to shareholders from investment activities		52,720		22,966
Retained distributions on accumulation shares		830		427
Closing net assets attributable to shareholders		929,974		981,502

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future Managed Growth Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	875,879	908,105
Current assets:		
Debtors	445	698
Cash and bank balances	57,835	39,641
Total assets	934,159	948,444
Liabilities		
Creditors:		
Other creditors	(4,185)	(2,029)
Total liabilities	(4,185)	(2,029)
Net assets attributable to shareholders	929,974	946,415

Sustainable Future UK Growth Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust Sustainable Future UK Growth Fund aims to deliver capital growth over the long-term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest at least 80% in companies which are incorporated, domiciled or conduct significant business in the United Kingdom (UK) and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance ("ESG") issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria as set out on the Liontrust website (www.liontrust.co.uk).

The Sub-fund will typically invest 95% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Sub-fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

Sustainable Future UK Growth Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Accumulation) returned 12.1% over the period under review, versus the IA UK All Companies sector average of 11.6% and the MSCI UK Index's 11.9% (both of which are comparator benchmarks)*.

The UK equity market performed strongly over the period under review as inflationary pressures receded, and the hope of a change in government in the July 4th election provided optimism for investors. The UK equity market remains highly attractive in terms of its valuation, both compared to its developed market peers and to its own history. As the headwinds created through the political paralysis over the last few years come under control, as well as inflation, the UK equity market provides significant opportunities and upside.

The Sub-fund's top performer was lender **NatWest**. The company reported strong operating performance for the full-year with a return on tangible equity (RoTE) of 17.8% – above its previously guided range. Held under our *Financing housing* theme, NatWest is a UK-focused bank that operates both retail and commercial operations. Its 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. In terms of its sustainability credentials, NatWest aims to reduce carbon within its corporate loan book by at least 50% by 2030 and has potentially interesting initiatives around mortgages for energy efficiency improvements in housing.

Molten Ventures first saw its share price increase after US firm Hologic announced it had agreed to buy Endomagnetics, a medical technology company that Molten has been invested in since 2018. Shares also rose sharply in June on the release of full-year results in which the venture capital firm announced around £100 million of capital to be realised in 2025, with a minimum of 10% allocated to a share buyback. Having significantly increasing the position early in the year, we were pleased to see these actions which underlined the attractive valuation opportunity.

Private equity company **3i Group** was another notable contributor following the strong performance of one of its portfolio companies – discount retailer Action. Held under our *Enabling SMEs* theme, 3i reported that Action's 2023 net sales rose 28% to €11.3 billion, with this strong performance continuing into 2024, with net sales up 21% in the first 11 weeks of the year. 3i also commented that there was good momentum across the rest of its portfolio companies which are predominantly in the retail, infrastructure, healthcare, technology and industrial space.

Trustpilot also provided a positive update, commenting that adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation) in 2023 was ahead of market expectations. Revenue for the year rose 17% and bookings were up 16%, while operating leverage boosted margins. The independent review platform is part of our *Connecting people* theme due to its role in connecting consumers and businesses and addressing the 'trust gap' on the internet.

Mobico Group (formerly National Express) was the largest detractors in over the period. Held under our *Making transportation more efficient or safer* theme, Mobico fell after cutting guidance for the year and announcing that it was to publish its delayed results in late April as the accounting of its German rail business needed to be reviewed.

Oxford Nanopore shares fell at the start of the review period after the DNA-sequencing company reported preliminary 2023 life science research tools revenue of c.£169 million, missing market expectations. Furthermore, the company, which is held in our *Enabling innovation in healthcare* theme, also provided underwhelming guidance for the year and revised its forecast for achieving adjusted EBITDA breakeven to the end of 2027 from the end of 2026.

Elsewhere among the detractors was **St James's Place** (SJP) – a company we exited over the period. SJP was a very frustrating investment given it is a clear beneficiary of our *Saving for the Future* theme. However, in spite of the strong demand in the UK for financial and investment advice, the company has executed poorly. This culminated in it being slow to react to the changes in Consumer Duty, and latterly poor record keeping around charging for advice. This has left the business exposed to legal recourse from clients and damage limitation in terms of reputation. Therefore, while we can see attractive value in the shares in some scenarios, the unpredictability of the near term means we see better opportunities elsewhere.

Sustainable Future UK Growth Fund (continued)

Investment review (continued)

Sub-fund review (continued)

With regards to other trade activity, we added communications specialist **Gamma Communications** under our *Connecting people* theme. Gamma's voice, data and mobile products and services technology enable businesses, mostly SMEs, to reduce their need for telephony hardware and also facilitate home and hybrid working which eliminates reliance on large call centres to handle customer communications.

We added **Sage Group** under our *Enabling SMEs* theme. Sage provides accounting, payroll and HR solutions to SMEs that include 25% of employees in the UK. At any one time SMEs in the UK are owed an average of £22,000, so enabling them to keep track of their finances and meet regulatory standards increases the resilience of small businesses which are the anchor of the economy and employment.

We also added **Kainos Group** under our *Improving the resource efficiency of industrial and agricultural processes* theme. Kainos is a technology consulting and software development business focused on Workday (the on-demand financial management, human capital management, and student information system software vendor). The company helps organisations of all sectors modernise and digitise their operations – improving efficiency, customer experience, resilience, and digital security.

In terms of portfolio exits, we sold **Ceres Power**, a company we had owned for several years and cut the position in 2021 when it was at a peak valuation. We maintained a small position on the basis that the company had attracted interest from Bosch and Weichai for its innovative fuel cell technology. However, it seems there have been substantial delays to commercialisation and we concluded we should sell the small remaining stake.

Intertek was sold after a long period of ownership. While we like the long-term structural drivers in increasing transparency and quality in supply chains, we believe that other companies in the portfolio offered a higher risk-adjusted reward, with more effective asset allocation.

Distribution Finance Capital was sold to fund larger positions in both Kainos and Gamma Communications – we believe these companies have stronger prospects and are less volatile larger companies.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Sustainable Future UK Growth Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Kainos
Gamma Communications
Sage
NatWest
Kingspan
Experian
Compass
Molten Ventures
Syncona
Rentokil Initial

Sales

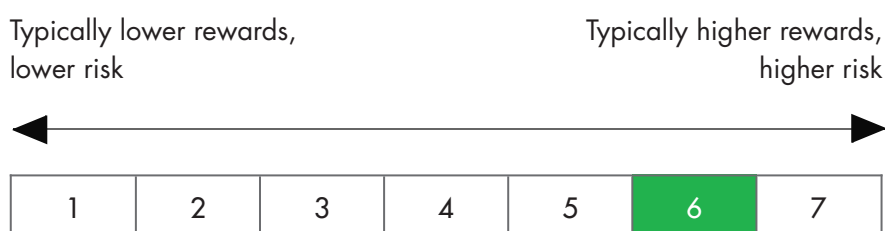
Intertek
3i
NatWest
Trustpilot
IP
Admiral
Wise
Unilever
St James's Place
Kerry

Sustainable Future UK Growth Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund invests in UK equities. The Sub-fund may also invest in other eligible asset classes as detailed within the prospectus.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 6 primarily for its exposure to UK equities.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.
- The Sub-fund is expected to invest in companies predominantly in a single country which maybe subject to greater political, social and economic risks which could result in greater volatility than investments in more broadly diversified funds.

Sustainable Future UK Growth Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- The Sub-fund will invest in smaller companies and may invest a small proportion (less than 10%) of the Sub-fund in unlisted securities. There may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the Sub-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 Sub-fund to defer or suspend redemptions of its shares.
- The Sub-fund 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.
- The Sub-fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Sustainable Future UK Growth Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Accumulation	2.1668	2.4287
Class 3 Net Accumulation	3.8155	4.1343
Class 6 Income	0.7145	0.8139
M Accumulation	0.9468	1.0469
M Income	0.8985	1.0096

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Accumulation	159,655,761	403,042	252.44
Class 3 Net Accumulation	57,128,584	210,566	368.58
Class 6 Income	3,782,476	3,116	82.39
M Accumulation	1,956,897	1,997	102.03
M Income	2,571,070	2,463	95.81
31 January 2024			
Class 2 Net Accumulation	184,205,889	412,908	224.16
Class 3 Net Accumulation	59,944,490	195,814	326.66
Class 6 Income	2,943,925	2,172	73.78
M Accumulation	2,254,883	2,041	90.53
M Income	2,634,244	2,260	85.80
31 January 2023			
Class 2 Net Accumulation	243,441,634	546,581	224.52
Class 3 Net Accumulation	67,651,338	220,513	325.95
Class 6 Income	2,586,297	1,945	75.21
M Accumulation	36,246,399	32,820	90.55
M Income	6,064,718	5,304	87.46
31 January 2022			
Class 2 Net Accumulation	284,202,697	741,478	260.90
Class 3 Net Accumulation	81,330,616	306,861	377.30
Class 6 Income+	645,594	571	88.51
M Accumulation	1,234,893	1,297	105.05
M Income	9,381,266	9,656	102.93

+ Launched on 9 August 2021.

Sustainable Future UK Growth Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (97.21%)	603,262	97.11
	UNITED KINGDOM (91.43%)	561,219	90.35
	Alternative Energy Sources (0.20%)		
	Banks (5.34%)	42,688	6.87
7,377,801	NatWest	27,158	4.37
1,931,541	Paragon Banking	15,530	2.50
	Biotechnology (1.72%)	13,277	2.14
2,675,073	Oxford Biomedica	9,884	1.59
2,808,748	Oxford Nanopore Technologies	3,393	0.55
	Building Materials (1.36%)	8,854	1.42
1,739,581	Genuit	8,854	1.42
	Chemicals (1.88%)	8,609	1.39
213,046	Croda International	8,609	1.39
	Commercial Services (6.56%)	28,718	4.62
336,971	Ashtead	18,837	3.03
2,081,586	Rentokil Initial	9,881	1.59
	Computers (2.67%)	28,062	4.51
1,020,113	Kainos	11,201	1.80
1,037,593	Softcat	16,861	2.71
	Cosmetics & Personal Care (5.84%)	36,050	5.80
4,343,456	Haleon	15,185	2.44
436,969	Unilever	20,865	3.36
	Distribution & Wholesale (2.02%)	13,070	2.10
75,856	Ferguson	13,070	2.10
	Diversified Financial Services (7.86%)	46,418	7.47
3,120,544	Aj Bell	14,308	2.30
212,514	London Stock Exchange	20,125	3.24
1,361,914	Mortgage Advice Bureau	11,985	1.93

Sustainable Future UK Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
Electricity (1.38%)		9,607	1.55
509,924	Telecom Plus	9,607	1.55
Electronics (8.42%)		48,212	7.77
553,050	Halma	14,711	2.37
560,887	Oxford Instruments	14,078	2.27
3,792,990	Rotork	13,715	2.21
188,001	Spectris	5,708	0.92
Engineering & Construction (1.29%)		11,435	1.84
9,046,617	Helios Towers	11,435	1.84
Food Services (1.92%)		16,868	2.71
703,990	Compass	16,868	2.71
Healthcare Products (2.74%)		15,444	2.49
6,594,375	ConvaTec	15,444	2.49
Insurance (5.79%)		28,041	4.52
459,518	Admiral	12,651	2.04
6,265,929	Legal & General	14,518	2.34
684,066	Thrive Renewables~	872	0.14
Internet (5.63%)		26,846	4.32
5,096,549	Trainline	17,349	2.79
4,566,090	Trustpilot	9,497	1.53
Investment Companies (0.72%)		370	0.06
739,170	Capital for Colleagues	370	0.06
Leisure Time (1.33%)		11,042	1.78
7,646,897	Gym	11,042	1.78

Sustainable Future UK Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
Machinery Diversified (2.03%)		9,854	1.59
109,120	Spirax-Sarco Engineering	9,854	1.59
Miscellaneous Manufacturing (1.48%)		8,102	1.30
1,238,861	Porvair	8,102	1.30
Pharmaceuticals (6.59%)		42,610	6.86
195,846	AstraZeneca	24,210	3.90
1,217,301	GSK	18,400	2.96
Private Equity (7.80%)		45,730	7.36
875,204	3i	27,376	4.41
4,927,193	Molton Ventures	18,354	2.95
Real Estate Investment & Services (0.02%)		140	0.02
382,000	Ethical Property~	140	0.02
Real Estate Investment Trusts (1.07%)		5,753	0.93
5,784,978	Home REIT^	808	0.13
6,030,591	PRS REIT	4,945	0.80
Retail (1.27%)		7,555	1.22
6,327,810	DFS Furniture	7,555	1.22
Software (5.22%)		32,974	5.31
15,111,959	Learning Technologies	10,881	1.75
884,694	Sage	9,608	1.55
1,742,506	Wise	12,485	2.01
Telecommunications (0.00%)		10,366	1.67
698,549	Gamma Communications	10,366	1.67
Transportation (1.28%)		4,524	0.73
8,056,608	Mobico	4,524	0.73

Sustainable Future UK Growth Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	IRELAND (5.78%)	42,043	6.76
	Building Materials (2.08%)	17,225	2.77
236,647	Kingspan	17,225	2.77
	Commercial Services (1.78%)	15,837	2.55
431,649	Experian	15,837	2.55
	Food Producers (0.51%)		
	Forest Products & Paper (1.41%)		
	Packaging & Containers (0.00%)	8,981	1.44
260,317	Smurfit WestRock	8,981	1.44
	COLLECTIVE INVESTMENT SCHEMES (1.57%)	12,792	2.06
	GUERNSEY (1.57%)	12,792	2.06
10,249,841	Syncona	12,792	2.06
	Portfolio of investments	616,054	99.17
	Net other assets	5,130	0.83
	Total net assets	621,184	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Stocks shown as REITs represent Real Estate Investment Trust.

~ Unquoted security.

^ Suspended Security.

Sustainable Future UK Growth Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		67,617		(21,581)
Revenue	8,219		11,802	
Expenses	(2,155)		(2,742)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	6,064		9,059	
Taxation	18		(164)	
Net revenue after taxation		6,082		8,895
Total return before distributions		73,699		(12,686)
Distributions		(6,082)		(8,895)
Change in net assets attributable to shareholders from investment activities		67,617		(21,581)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		615,195		807,163
Amounts received on issue of shares	18,612		21,041	
Amounts paid on cancellation of shares	(85,898)		(69,925)	
		(67,286)		(48,884)
Change in net assets attributable to shareholders from investment activities		67,617		(21,581)
Retained distributions on accumulation shares		5,658		8,551
Closing net assets attributable to shareholders		621,184		745,249

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

Sustainable Future UK Growth Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	616,054	607,671
Current assets:		
Debtors	318	9,183
Cash and bank balances	7,957	9,770
Total assets	624,329	626,624
Liabilities		
Creditors:		
Distribution payable	(50)	(30)
Other creditors	(3,095)	(11,399)
Total liabilities	(3,145)	(11,429)
Net assets attributable to shareholders	621,184	615,195

UK Ethical Fund

Report for the period from 1 February 2024 to 31 July 2024

Investment Objective

The Liontrust UK Ethical Fund aims to deliver capital growth over the long-term (5 years or more) through investment in sustainable securities.

Investment Policy

The Sub-fund will invest at least 80% in companies which are incorporated, domiciled or conduct significant business in the United Kingdom (UK) and will seek to achieve the investment objective through investment in securities that provide or produce sustainable products and services as well as having a progressive approach to the management of environmental, social and governance (ESG) issues. Further information on the investment process can be found in the Prospectus.

All investments will be expected to conform to our social and environmental criteria, and ethical screening process which includes complete exclusion of companies involved in any activity related to animal testing. Full details are set out on the Liontrust website (www.liontrust.co.uk).

The Sub-fund will typically invest 95% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Sub-fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

The Sub-fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes.

UK Ethical Fund (continued)

Investment review

Sub-fund review

The Sub-fund (Class 2 Accumulation) returned 9.5% over the period under review, versus the IA UK All Companies sector average of 11.6% and the MSCI UK Index's 11.9% (both of which are comparator benchmarks)*.

The UK equity market performed strongly over the period under review as inflationary pressures receded, and the hope of a change in government in the July 4th election provided optimism for investors. The UK equity market remains highly attractive in terms of its valuation, both compared to its developed market peers and to its own history. As the headwinds created through the political paralysis over the last few years come under control, as well as inflation, the UK equity market provides significant opportunities and upside.

The Sub-fund's top performer was lender **NatWest**. The company reported strong operating performance for the full-year with a return on tangible equity (RoTE) of 17.8% – above its previously guided range. Held under our *Financing housing* theme, NatWest is a UK-focused bank that operates both retail and commercial operations. Its 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. In terms of its sustainability credentials, NatWest aims to reduce carbon within its corporate loan book by at least 50% by 2030 and has potentially interesting initiatives around mortgages for energy efficiency improvements in housing.

Shares in investment platform **AJ Bell** rose sharply after the company reported consensus-topping half year profit and revenue, while increasing its dividend. Exposed to our *Saving for the future* theme, AJ Bell's pre-tax profit jumped 47% to £64.1million in the six months to the end of March, while revenue grew 27% to £131.3million. The company also announced an interim dividend of 4.25p per share, up 21% on the same period a year earlier.

Telecom equipment specialist **Helios Towers** also performed strongly on the back of Q1 earnings. The company, held under our *Connecting people* theme, which builds and operates telecoms towers for mobile network operators in Africa and the Middle East, said revenues increased 14% to \$194.6 million in the three months to 31 March. Looking forward, Helios reiterated its full-year guidance, forecasting organic tenancy additions of between 1,600 and 2,100 for the full year, and adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation) of \$405 million - \$420 million.

Mobico Group (formerly National Express) was the largest detractors in over the period. Held under our *Making transportation more efficient or safer* theme, Mobico fell after cutting guidance for the year and announcing that it was to publish its delayed results in late April as the accounting of its German rail business needed to be reviewed.

Also among the detractors for the period under review was money transfer platform **Wise**, which is held under our *Transparency in financial markets* theme. Wise's mission is to bring transparency and fairness to moving money around the world. This covers pricing of products and sharing the economies of scale. Their mission is to bring FX costs down to zero. Revenue for Q4 23 came in 24% higher year-on-year at £277.2 million (not including interest income), taking the full-year figure to £1.05 billion, which was below average estimates.

St James's Place, a company we exited over the period, was a very frustrating investment given it is a clear beneficiary of our *Saving for the Future* theme. However, in spite of the strong demand in the UK for financial and investment advice, the company has executed poorly. This culminated in it being slow to react to the changes in Consumer Duty, and latterly poor record keeping around charging for advice. This has left the business exposed to legal recourse from clients and damage limitation in terms of reputation. Therefore, while we can see attractive value in the shares in some scenarios, the unpredictability of the near term means we see better opportunities elsewhere.

With regards to other trade activity, we sold **Ceres Power**, a company we had owned for several years and cut the position in 2021 when it was at a peak valuation. We maintained a small position on the basis that the company had attracted interest from Bosch and Weichai for its innovative fuel cell technology. However, it seems there have been substantial delays to commercialisation and we concluded we should sell the small remaining stake.

Distribution Finance Capital was sold to fund larger positions in two new additions – Kainos and Gamma Communications. We believe these companies have stronger prospects and are less volatile larger companies.

UK Ethical Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Gamma Communications was added under our *Connecting people* theme. Gamma's voice, data and mobile products and services technology enable businesses, mostly SMEs, to reduce their need for telephony hardware and also facilitate home and hybrid working which eliminates reliance on large call centres to handle customer communications.

A position in **Kainos Group** was initiated under our *Improving the resource efficiency of industrial and agricultural processes* theme. Kainos is a technology consulting and software development business focused on Workday (the on-demand financial management, human capital management, and student information system software vendor). The company helps organisations of all sectors modernise and digitise their operations – improving efficiency, customer experience, resilience, and digital security.

We added **Judges Scientific**, a UK-based serial acquirer and developer of niche scientific instruments globally. Sitting in our *Better monitoring of supply chains and quality control* theme, it runs a 'buy-and-build' business model – buying small scientific instrument companies and supporting their growth for the long term. Its portfolio of 20 businesses sell into complex scientific end markets and the company look to acquire strong leaders in these specific niches selling to customers globally. Portfolio companies have market dominance in niches are served by metrology tools measuring applications like laser light quality in fibre optics, gas purity, material defects, and geological materials to name a few.

Last, we added **Sage Group** under our *Enabling SMEs* theme. Sage provides accounting, payroll and HR solutions to SMEs that include 25% of employees in the UK. At any one time SMEs in the UK are owed an average of £22,000, so enabling them to keep track of their finances and meet regulatory standards increases the resilience of small businesses which are the anchor of the economy and employment.

**Source: Financial Express, bid-to-bid, net of fees, 31 July 2024. Please note that the total return has been calculated at midday whereas the financial statements are at close of business.*

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Gamma Communications
Kainos
Judges Scientific
National Grid
Sage
Compass
NatWest
Experian
Kingspan
Softcat

Sales

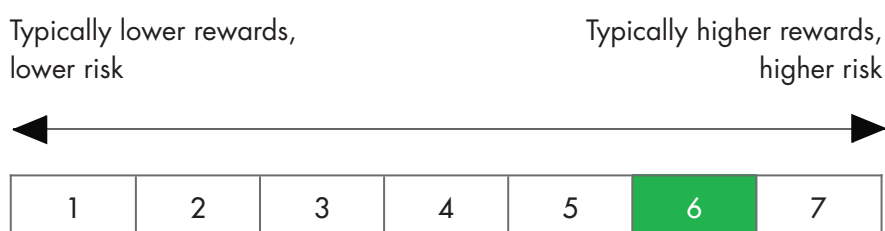
NatWest
Trustpilot
Intertek
Sdcl Energy Efficiency Income Trust
Paragon Banking
St James's Place
Smurfit Kappa
Smart Metering Systems
Admiral
Distribution Finance Capital

UK Ethical Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund invests in UK equities. The Sub-fund may also invest in other eligible asset classes as detailed within the prospectus.
- All investments will be expected to conform to our social and environmental criteria.
- The Sub-fund is categorised 6 primarily for its exposure to UK equities.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - 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 Sub-fund.
- The Sub-fund 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 Sub-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 Sub-fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Sub-fund 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.
- The Sub-fund is expected to invest in companies predominantly in a single country which maybe subject to greater political, social and economic risks which could result in greater volatility than investments in more broadly diversified funds.

UK Ethical Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund 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.
- The Sub-fund will invest in smaller companies and may invest a small proportion (less than 10%) of the Sub-fund in unlisted securities. There may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the Sub-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 Sub-fund to defer or suspend redemptions of its shares.
- The Sub-fund 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.
- The Sub-fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

UK Ethical Fund (continued)

Performance record (unaudited)

as at 31 July 2024

Income record

Any distributions payable are paid on a semi-annual basis (31 March and 30 September). The table shows distributions declared over the specified periods.

For the six months ending	31 July 2024 per share (p)	31 July 2023 per share (p)
Class 2 Net Accumulation	3.9302	4.4336
Class 3 Net Income	3.8872	4.3868

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
31 July 2024			
Class 2 Net Accumulation	62,443,030	198,624	318.09
Class 3 Net Income	107,564,915	290,227	269.82
31 January 2024			
Class 2 Net Accumulation	73,285,272	212,725	290.27
Class 3 Net Income	111,706,876	278,465	249.28
31 January 2023			
Class 2 Net Accumulation	103,607,682	309,136	298.37
Class 3 Net Income	122,238,569	321,114	262.69
31 January 2022			
Class 2 Net Accumulation	121,887,001	423,542	347.49
Class 3 Net Income	128,316,856	398,843	310.83

UK Ethical Fund (continued)

Portfolio Statement (unaudited)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (97.60%)	484,612	99.13
	UNITED KINGDOM (89.81%)	444,431	90.91
	Alternative Energy Sources (0.28%)		
	Banks (9.20%)	42,967	8.79
6,803,644	NatWest	25,044	5.12
2,229,283	Paragon Banking	17,923	3.67
	Biotechnology (0.99%)	3,443	0.70
2,850,303	Oxford Nanopore Technologies	3,443	0.70
	Building Materials (2.74%)	15,196	3.11
2,985,427	Genuit	15,196	3.11
	Chemicals (2.32%)	11,170	2.28
2,428,251	Treatt	11,170	2.28
	Commercial Services (6.94%)	26,353	5.39
375,264	Ashtead	20,977	4.29
106,554	Intertek	5,376	1.10
	Computers (3.48%)	28,697	5.87
938,017	Kainos	10,299	2.11
1,132,159	Softcat	18,398	3.76
	Diversified Financial Services (11.39%)	51,110	10.45
4,168,766	AJ Bell	19,114	3.91
208,222	London Stock Exchange	19,719	4.03
1,395,110	Mortgage Advice Bureau	12,277	2.51
	Electricity (4.54%)	31,634	6.47
1,983,746	National Grid	19,560	4.00
640,898	Telecom Plus	12,074	2.47
	Electronics (8.09%)	43,714	8.95
82,737	Judges Scientific	8,025	1.64
599,678	Oxford Instruments	15,052	3.08

UK Ethical Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Electronics (continued)		
3,765,637	Rotork	13,617	2.79
231,215	Spectris	7,020	1.44
	Engineering & Construction (1.47%)	11,349	2.32
8,978,348	Helios Towers	11,349	2.32
	Food Services (2.99%)	19,939	4.08
832,185	Compass	19,939	4.08
	Insurance (8.86%)	37,665	7.71
602,142	Admiral	16,577	3.39
8,499,146	Legal & General	19,692	4.03
1,095,006	Thrive Renewables~	1,396	0.29
	Internet (6.66%)	24,189	4.95
4,524,626	Trainline	15,402	3.15
4,224,388	Trustpilot	8,787	1.80
	Investment Companies (2.25%)	554	0.11
1,108,253	Capital for Colleagues	554	0.11
	Leisure Time (2.07%)	13,840	2.83
9,584,780	Gym	13,840	2.83
	Machinery Diversified (2.77%)	11,514	2.36
127,506	Spirax-Sarco Engineering	11,514	2.36
	Real Estate Investment & Services (0.06%)	290	0.06
788,000	Ethical Property~	290	0.06
	Real Estate Investment Trusts (2.32%)	10,476	2.14
6,638,467	Home REIT^	927	0.19
11,645,294	PRS REIT	9,549	1.95

UK Ethical Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Retail (2.00%)	9,754	2.00
8,169,402	DFS Furniture	9,754	2.00
	Software (6.19%)	32,954	6.74
15,068,403	Learning Technologies	10,849	2.22
712,025	Sage	7,733	1.58
2,005,902	Wise	14,372	2.94
	Telecommunications (0.00%)	11,012	2.25
742,063	Gamma Communications	11,012	2.25
	Transportation (2.20%)	6,611	1.35
11,773,385	Mobico	6,611	1.35
	IRELAND (7.79%)	40,181	8.22
	Building Materials (2.78%)	15,627	3.20
214,686	Kingspan	15,627	3.20
	Commercial Services (2.38%)	15,291	3.13
416,751	Experian	15,291	3.13
	Forest Products & Paper (2.63%)		
	Packaging & Containers (0.00%)	9,263	1.89
268,495	Smurfit WestRock	9,263	1.89
	COLLECTIVE INVESTMENT SCHEMES (1.71%)	7,736	1.59
	GUERNSEY (0.82%)	3,615	0.74
3,482,179	Renewables Infrastructure	3,615	0.74

UK Ethical Fund (continued)

Portfolio Statement (unaudited) (continued)

as at 31 July 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	COLLECTIVE INVESTMENT SCHEMES (continued)		
	UNITED KINGDOM (0.89%)	4,121	0.85
2,830,411	Greencoat UK Wind	4,121	0.85
	Portfolio of investments	492,348	100.72
	Net other liabilities	(3,497)	(0.72)
	Total net assets	488,851	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 January 2024.

Stocks shown as REITs represent Real Estate Investment Trust.

~ Unquoted security.

^ Suspended Security.

UK Ethical Fund (continued)

Statement of Total Return (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Income				
Net capital gains/(losses)		38,406		(40,507)
Revenue	8,302		11,285	
Expenses	(1,368)		(1,657)	
Interest payable and similar charges	–		–	
Net revenue before taxation	6,934		9,628	
Taxation	68		(173)	
Net revenue after taxation		7,002		9,455
Total return before distributions		45,408		(31,052)
Distributions		(7,002)		(9,455)
Change in net assets attributable to shareholders from investment activities		38,406		(40,507)

Statement of Change in Net Assets Attributable to Shareholders (unaudited)

for the period ended 31 July 2024

	(£'000)	1.2.2024 to 31.7.2024 (£'000)	(£'000)	1.2.2023 to 31.7.2023 (£'000)
Opening net assets attributable to shareholders		491,190		630,250
Amounts received on issue of shares	10,439		3,977	
Amounts paid on cancellation of shares	(53,638)		(59,369)	
		(43,199)		(55,392)
Change in net assets attributable to shareholders from investment activities		38,406		(40,507)
Retained distributions on accumulation shares		2,454		3,938
Closing net assets attributable to shareholders		488,851		538,289

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

UK Ethical Fund (continued)

Balance Sheet (unaudited)

as at 31 July 2024

	31.7.2024 (£'000)	31.1.2024 (£'000)
Assets		
Fixed assets		
Investments	492,348	487,803
Current assets:		
Debtors	557	4,771
Cash and bank balances	1,744	6,552
Total assets	494,649	499,126
Liabilities		
Creditors:		
Distribution payable	(4,181)	(3,056)
Other creditors	(1,617)	(4,880)
Total liabilities	(5,798)	(7,936)
Net assets attributable to shareholders	488,851	491,190

Additional Information (unaudited)

Important information

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of shares may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term.

You should always regard investment in Funds as long term. The annual management fees of the Liontrust Sustainable Future Cautious Managed Fund and Liontrust Sustainable Future Defensive Managed Fund are deducted from capital. Whilst this results in the dividend paid to investors being higher than would be the case were the annual management fee charged to income, the potential for capital growth may be reduced.



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