LIONTRUST INVESTMENT FUNDS ICVC

Interim Report &
Financial Statements (unaudited)

For the period:
1 January 2023
to
30 June 2023

LIONTRUST FUND PARTNERS LLP

LIONTRUST

Contents

* 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 Investment Funds 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.

Depositary

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
11th Floor
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 open-ended investment company ("OEIC") with variable capital under regulation 12 of the Open-Ended Investment Company Regulations 2001, incorporated in Scotland, under registered number IC000716, and authorised by the Financial Conduct Authority on 28 November 2008. At the period end the Company offered two sub-funds, the Liontrust Sustainable Future Monthly Income Bond Fund and the Liontrust Strategic Bond 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. 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. See pages 33 - 35 for disclosures at 30 June 2023.

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. Please note we are changing the reference and publication date of our annual Assessment of Value. Previously, the reference date was the end of August, with a publication date of December. Going forward, from 30 June 2023, the reference date will be 30 June, 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.

Significant Events after the Period End

In September 2023, Stuart Steven is to retire from fund management, beginning to relinquish his responsibilities from April 2023. Aitken Ross, Kenny Watson and Jack Willis will continue their current roles as lead managers of the Liontrust SF Monthly Income Bond Fund.

Holdings in Other Funds of the Company

As at 30 June 2023, there were no shares in any Sub-fund held by other Sub-funds of the Company.

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £29.5 billion in assets under management (AUM) as at 30 June 2023 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 seven 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.

Management and Administration (continued)

Liontrust Asset Management PLC (continued)

- 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 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 International (Luxembourg) 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.

Russia's invasion of Ukraine, the sanctions imposed on Russia as a result and retaliatory action taken by Russia against foreign investors has caused significant volatility in certain financial markets, currency markets and commodities markets worldwide. Economic sanctions and the fallout from the conflict will likely impact companies worldwide operating in a wide variety of sectors, including energy, financial services and defence, amongst others. As a result, the performance of the Sub-funds may also 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 29 August 2023.

Antony Morrison

Member

29 August 2023

Notes applicable to the financial statements of all Sub-funds

for the period from 1 January 2023 to 30 June 2023

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 December 2022.

Liontrust Sustainable Future Monthly Income Bond Fund

Report for the period from 1 January 2023 to 30 June 2023

Investment Objective

The Sub-Fund aims to produce monthly income payments together with capital growth through investment in sustainable securities.

Total Return Target Benchmark
The Sub-fund targets a net total return of at least the IBOXX GBP Corporates (5-15Y) index over the long term (rolling 5-year periods).

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.

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, warrants, cash, deposits and money market instruments.

The investment objective of the Sub-fund will be achieved 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.

All securities 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 is permitted to use derivatives and forwards for the purposes of efficient portfolio management and for investment purposes. The Sub-fund will also use derivatives (specifically currency forwards, credit default swaps, interest rate swaps, bond futures and embedded derivatives), to manage the Sub-fund's credit, currency and duration exposures. Please refer to the Prospectus for further details.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Investment review

The Sub-fund returned -1.5% over the period, compared with the -0.6% average return from the IA Sterling Corporate Bond sector (the comparator benchmark) and -1.3% return from the iBoxx Sterling Corporates 5-15 Years Index (the target benchmark)*.

Market backdrop

Financial markets generally had a strong start to the year, as stronger than anticipated economic data and falling headline inflation heightened optimism of a soft landing and that central banks are approaching the end of the monetary policy tightening.

This optimism was further supported by the reopening of the Chinese economy, with the potential easing of supply chain pressures supporting lower inflation and stronger growth more broadly.

However, as we progressed through the period, core inflation continued to surprise to the upside, alongside more resilient economic data, raising the prospect of a prolonged period of higher interest rates.

In March, renewed inflation concerns were eclipsed by the significant volatility following the collapse of Silicon Valley Bank (SVB) in the US, which was swiftly followed by Credit Suisse's plight in Europe. SVB's demise marked the second largest bank failure in US history, after suffering large deposit outflows following a failed equity raise to bolster its capital position due to losses on its long-dated Treasuries investments.

This sparked fears about contagion risks for the broader banking sector resulting in large deposit outflows from US regional banks and the re-introduction of emergency funding programmes by the Federal Reserve.

These fears were further amplified by the downfall of Credit Suisse, which saw similarly large deposit outflows amidst waning confidence in the bank after it revealed regulator concerns regarding accounting irregularities after already being under heightened scrutiny. Ultimately, this led to government intervention in order to save the bank, with a last-ditch sale to UBS agreed which included significant guarantees and backing by the Swiss government.

Most notably for bond investors, the rescue deal resulted in the full write-down of the bank's AT1 securities, despite ranking senior to equity investors who received some compensation, undermining the conventional bank loss absorption capital structure.

This understandably undermined confidence in the AT1 asset class, and subordinated bank debt more broadly, with bond investors concerned that in the event of resolution they may rank junior to equity holders.

Investor concerns over the resilience of the global banking system saw a flight to safety, causing a significant rally in government bonds and resulting in strong returns from duration assets including corporate bonds and growth stocks. However, volatility and banking sentiment recovered swiftly, as all major central banks came out to reiterate their confidence in the financial system with the risks largely seen as contained, which reassured investors.

The second quarter proved to be more difficult for global bond markets, as central banks continued their focus on tackling persistent levels of inflation, with core inflation in particular proving more stubborn than expected. Central banks reacted by raising interest rates in order to rein in inflation towards target levels. This, coupled with accompanying hawkish statements, resulted in markets pricing in higher terminal interest rates.

UK government bonds underperformed as yields rose to levels not seen since the mini-budget turmoil last September. The Bank of England increased rates by 25 basis points (bps) in May and then surprised the market by following this with a further 50bps increase to 5.0% in June. The step up to a 50bps increase followed strong wage growth of 7.2% reported in June, with UK headline and core inflation also surprising to the upside.

The Bank signalled that further rate hikes would be increasingly data driven going forward, with Governor Bailey acknowledging that inflation was taking longer than expected to come down. The market reacted by pricing in further rates increases, with the terminal rate forecast to be above 6%, driving yields sharply higher. Economic data continued to be resilient, although the effect of recent rate increases has not been fully felt by households, due to them being on fixed rate mortgages. This is expected to feed through over the next 18 months as these cheap fixed rate deals expire.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Investment review (continued)

In the US, the Federal Reserve raised interest rates by 25bps in May, and left rates unchanged in June. This was the first time in over 12 months that the Fed has not increased rates,although the accompanying dot plot of rate predictions showed two further rate rises in 2023. US inflation continued to decline due to base effects and is now 4.0%. Economic data has proven to be resilient as evidenced by on-going employment growth, with monthly non-farm payroll data above 200,000, demonstrating that the US labour market remains tight. The US debt ceiling negotiations did cause volatility on fears of a technical default. However, an agreement was reached in the Senate to suspend the debt ceiling and legislation was signed off by President Biden in early June.

In Europe, the European Central Bank (ECB) increased interest rates by 50bps over the quarter, taking the deposit rate to 3.5% and signalled that they still have further to go. There are signs from economic survey data that the eurozone economy is slowing, but similar to the other economies, core inflation remains stubbornly high at over 5.0%.

In the UK, the Bank of England corporate bond disposal programme, which had been viewed as a potential negative overhang on the corporate bond market, has now concluded, which should further support corporate bond spreads.

Over the second quarter, sterling corporate bond credit spreads were broadly flat, which was a resilient performance given the volatility in government bond markets. Corporate bonds were supported by a strong new issue market and fund flows into the asset class, given the attractive all-in yield levels.

Trading activity & performance

Trading activity was high at the start of the period as we topped up favoured names across financials, telecoms, insurance and utilities sectors and a few names in real estate.

In terms of disposals, we exited positions in Medical Properties and Aroundtown. Regarding Aroundtown, we lost confidence in the management strategy as they seemed to favour shareholders over bondholders in their investment decisions. We exited the position on increasing concerns of further potential downside risk. Poor market sentiment and negative headlines around the tenant performance in Medical Properties' portfolio led us to dispose of our holding.

We rotated into new issues, especially in the banking sector where issuance has been high. We participated in a new issue from Prologis, a highly rated property company with a focus on the logistics industry that offered an attractive new issue premium. We also participated in new issues from Lloyds, BNP and ING in the banking sector, which came at attractive valuations.

We implemented several relative value switches over the first quarter. We reduced spread duration within our insurance holdings, switching out of longer dated L&G and Axa paper into shorter dated bonds from L&G, as curves flattened with the long end outperforming. We also repatriated some US dollar denominated telecom names, namely Vodafone and Deutsche Telekom, into sterling equivalents, due to recent outperformance of dollar denominated credit.

Trading activity was more muted over the second quarter, participating in new issues in financials, while activity in other sectors was low. New issues in general remain relatively limited, but given strong investor demand, these resulted in aggressive valuations and hence we decided not to participate.

We participated in new issues from favoured names including BPCE, Royal London and Rothesay. They all came at attractive valuations offering high coupons at a discount to existing bonds, in high quality companies, with robust underlying credit fundamentals.

Our overweight position to financials proved to be the strongest contributor, as both our banks and insurance holdings performed well during the quarter, benefitting from improved sentiment as fears of weakness in the banking sector subsided as contagion risks did not materialise. Our holdings across high quality European names continue to benefit from improving net interest margins in a higher rate environment, alongside well-capitalised balance sheets and robust asset quality, resulting in credit ratings remaining stable to improving across the names held. We believe these companies are well positioned against potential further weakness in sentiment and to capture a potential recovery.

In the utilities sector, the Sub-fund's holding in Thames Water had a small negative impact on performance, following the surprise resignation of its Chief Executive and press speculation over the possibility of it being placed in a special administration scheme. The Sub-fund's exposure is to the senior bonds within the operating company, and these have explicit creditor protections. We do not think

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Investment review (continued)

the government will place Thames Water under a special administration regime, as it has not met the specific criteria that could invoke this. Subsequent news following the quarter end was supportive for the bonds, providing reassurance that shareholders would provide additional equity support.

Outlook

There is a real risk that the UK falls into recession in the coming months and consensus forecasts, while upgraded so far this year, are still for muted growth over the next few years. Recent stronger-than-expected inflation data has resulted in markets pricing in four to five further hikes, taking the market-derived peak in base rates beyond 6%, over 100bps higher than current levels. However, with the economic growth outlook anaemic and inflation likely to belatedly fall back towards the Bank of England's 2% target next year, we think the case for further rate hikes is limited.

The further rise in policy rates by central banks will take time to fully feed through and will have a material impact on financing, particularly for consumers as a larger proportion of fixed rate mortgages expire adding further pressure to already existing signs of strain. As the effects of cumulative hikes feeds through, we expect base rates will peak soon as economic activity begins to slow.

However, we anticipate further volatility throughout this year as the bond market is currently particularly focused on short-term patterns in macroeconomic data, such as inflation prints, as it tries to predict the peak in base rates.

Despite the building economic headwinds, corporate fundamentals remain incredibly healthy. Borrowing remains well below long-run averages, while interest coverage is significantly higher than historical levels and still high cash-to-debt levels also emphasize balance sheet strength.

While these metrics have already started to deteriorate – and will continue to do so – the average corporate is well placed to withstand the anticipated period of economic weakness given the historically strong starting point for company balance sheets.

The increase in yields, alongside widening of corporate bond spreads, has made the total yield on corporate bonds very attractive. Investment grade sterling bonds are now yielding levels not seen since the global financial crisis.

We continue to argue that corporate bonds remain very attractive from a total return perspective, with short-term mispricing providing an opportunity, with yields close to peaking coupled with strong fundamentals and attractive valuations.

**Source: FE Analytics, as at 30.06.23, B share class, total return, net of fees and interest reinvested. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

July 2023

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.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases	Sales
United Kingdom Gilt 6% 7/12/2028	United Kingdom Gilt 6% 7/12/2028
Lloyds Banking 6.625% 2/6/2033	Vodafone 6.15% 27/2/2037
ING Groep 6.25% 20/5/2033	Lloyds Bank 2.707% 3/12/2035
Rentokil Initial 5% 27/6/2032	Santander UK 7.098% 16/11/2027
Lloyds Banking 2.707% 3/12/2035	Rentokil Initial 5% 27/06/32
BPCE 6.125% 24/5/2029	Telefonica Emisiones 5.445% 8/10/2029
BNP Paribas 5.75% 13/6/2032	Telefonica Europe 8.25% 15/9/2030
Vodafone 5.9% 26/11/2032	Standard Chartered 5.125% 6/6/2034
Rothesay Life 7.734% 16/5/2033	HSBC Bank 5.40114% Perpetual
Prologis International Funding II 4.625% 21/2/2035	Nationwide Building Society 5.875% Perpetual

Liontrust Sustainable Future Monthly Income 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.

Typically lower rewards, lower risk						Typically higher rewards, higher risk
1	2	3	**4**	5	6	7

- 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 higher of the actual historical annualised volatility and the translated annualised volatility of the Sub-fund based upon the internal Value at Risk limit.
- The Sub-fund is categorised 4 primarily for its exposure to a diversified portfolio of debt instruments along with a number of derivative positions.
- The SRRI may not fully take into account the following risks:
  - 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 can invest in derivatives. Derivatives are used to protect against currency, credit or interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions.
- The Sub-fund uses derivative instruments that may result in higher cash levels. Cash may be deposited with several credit counterparties (e.g. international banks) or in short-dated bonds. A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- The Sub-fund may have both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Sub-fund.
- 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.
- The level of targeted income is not guaranteed.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The payment of a performance fee may provide incentive to the investment adviser to take more speculative investments.
- Environmental Social Governance (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.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Performance record (unaudited)
as at 30 June 2023

Income record
Any distributions payable are paid on a monthly basis. The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
Class B Gross Accumulation	2.4000	2.0400
Class B Gross Income	2.4000	2.0400
Class P Gross Accumulation	2.4000	2.0400
Class P Gross Income	2.4000	2.0400
Class Z Gross Income	2.4000	2.0400

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
30 June 2023			
Class B Gross Accumulation	44,059,623	64,336	146.02
Class B Gross Income	266,556,252	199,328	74.78
Class P Gross Accumulation	50,415,033	77,304	153.33
Class P Gross Income	263,899,172	199,815	75.72
Class Z Gross Income	9,641	8	80.62
31 December 2022			
Class B Gross Accumulation	61,766,666	91,392	147.96
Class B Gross Income	256,852,204	200,602	78.10
Class P Gross Accumulation	42,882,776	66,581	155.26
Class P Gross Income	232,643,549	183,692	78.96
Class Z Gross Income	9,641	8	83.80
31 December 2021			
Class B Gross Accumulation	20,971,324	36,673	174.87
Class B Gross Income	233,350,959	226,661	97.13
Class P Gross Accumulation	38,535,683	71,184	184.72
Class P Gross Income	223,016,773	220,586	98.91
Class Z Gross Income	9,641	10	103.70
31 December 2020			
Class B Gross Accumulation	10,544,817	18,456	175.03
Class B Gross Income	225,791,809	229,488	101.64
Class P Gross Accumulation	33,174,953	61,568	185.58
Class P Gross Income	187,612,138	195,141	104.01
Class Z Gross Income	9,641	10	107.98

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Portfolio Statement (unaudited)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	UNITED KINGDOM GOVERNMENT BONDS (4.96%)	**27,013**	**5.00**
£25,500,000	United Kingdom Gilt 6% 7/12/2028	27,013	5.00
	UK STERLING DENOMINATED DEBT SECURITIES (79.62%)	**452,969**	**83.76**
£6,356,000	3i 5.75% 3/12/2032	6,108	1.13
£4,141,000	3i 5.75% 3/12/2032	3,979	0.74
£8,650,000	Anglian Water Services Financing 6.625% 15/1/2029	8,788	1.63
£2,200,000	Annington Funding 3.935% 12/7/2047	1,500	0.28
£7,500,000	Annington Funding 4.75% 9/8/2033	6,254	1.16
£14,000,000	AT&T 7% 30/4/2040	14,728	2.72
£7,600,000	Aviva 5.125% 4/6/2050	6,590	1.22
£5,667,000	Aviva 6.875% Perpetual	4,697	0.87
£19,200,000	Barclays 8.407% 14/11/2032	19,049	3.52
£10,500,000	Blackstone Property Partners Europe 4.875% 29/4/2032	7,888	1.46
£8,000,000	BNP Paribas 5.75% 13/6/2032	7,589	1.40
£12,500,000	BPCE 5.25% 16/4/2029	11,102	2.05
£8,300,000	BPCE 6.125% 24/5/2029	7,943	1.47
£7,000,000	Canary Wharf Investment 3.375% 23/4/2028	4,662	0.86
£4,500,000	Circle Anglia Social Housing 7.25% 12/11/2038	5,094	0.94
£9,150,000	Compass 4.375% 8/9/2032	8,380	1.55
£22,000,000	Cooperatieve Rabobank UA 4.625% 23/5/2029	19,265	3.56
£6,500,000	Coventry Building Society 6.875% Perpetual	5,988	1.11
£6,000,000	Credit Agricole 5.75% 29/11/2027	5,765	1.07
£5,922,000	Deutsche Telekom International Finance 8.875% 27/11/2028	6,661	1.23
£8,127,000	DWR Cymru Financing UK 6.015% 31/3/2028	8,049	1.49
£12,800,000	HSBC 7% 7/4/2038	12,346	2.28
£7,000,000	HSBC 8.201% 16/11/2034	7,090	1.31
£10,000,000	ING Groep 6.25% 20/5/2033	9,263	1.71
£2,700,000	Legal & General 5.125% 14/11/2048	2,424	0.45
£9,900,000	Legal & General 4.5% 1/11/2050	8,262	1.53
£9,000,000	Liberty Living Finance 3.375% 28/11/2029	7,273	1.34
£8,000,000	Lloyds Banking 2.707% 3/12/2035	5,778	1.07
£3,000,000	Lloyds Banking 6.625% 2/6/2033	2,840	0.53
£11,000,000	Lloyds Banking 6.625% 2/6/2033	10,413	1.93
£4,690,000	M&G 6.34% 19/12/2063	4,034	0.75
£3,400,000	M&G 5.625% 20/10/2051	2,998	0.55
£8,000,000	Motability Operations 5.625% 29/11/2030	8,087	1.50
£6,500,000	National Express 2.375% 20/11/2028	5,280	0.98
£5,412,000	National Express 4.25% Perpetual	4,702	0.87
£16,000,000	Natwest 7.416% 6/6/2033	15,485	2.86
£4,500,000	Natwest Markets 6.375% 8/11/2027	4,421	0.82

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Portfolio Statement (unaudited) (continued)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	UK STERLING DENOMINATED DEBT SECURITIES (continued)		
£4,500,000	NGG Finance 5.625% 18/6/2073	4,275	0.79
£5,500,000	Optivo Finance 2.857% 7/10/2035	4,073	0.75
£10,250,000	Orange 8.125% 20/11/2028	11,219	2.07
£10,100,000	Pension Insurance 5.625% 20/9/2030	8,734	1.62
£11,246,000	Phoenix 5.625% 28/4/2031	9,758	1.80
£6,870,000	Places for People Homes 5.875% 23/5/2031	6,731	1.24
£5,000,000	RAC Bond 4.87% 6/5/2046	4,481	0.83
£9,000,000	Rentokil Initial 5% 27/6/2032	8,317	1.54
£6,000,000	RL Finance Bonds NO 6 10.125% Perpetual	5,900	1.09
£7,500,000	RL Finance Bonds No. 4 4.875% 7/10/2049	5,434	1.00
£7,500,000	Rothesay Life 7.734% 16/5/2033	7,240	1.34
£7,490,000	Severn Trent Utilities Finance 6.25% 7/6/2029	7,391	1.37
£3,000,000	Severn Trent Utilities Finance 6.25% 7/6/2029	2,960	0.55
£10,000,000	South Eastern Power Networks 6.375% 12/11/2031	10,282	1.90
£6,123,000	SSE 8.375% 20/11/2028	6,668	1.23
£6,477,000	SSE 3.74% Perpetual	5,841	1.08
£9,550,000	Thames Water Utilities Finance 6.75% 16/11/2028	9,128	1.69
£4,500,000	UNITE 3.5% 15/10/2028	3,787	0.70
£15,750,000	Verizon Communications 4.75% 17/2/2034	14,223	2.63
£7,447,000	Vodafone 5.9% 26/11/2032	7,387	1.37
£4,500,000	Western Power Distribution 3.5% 16/10/2026	4,083	0.75
£7,951,000	Whitbread 3% 31/5/2031	6,072	1.12
£7,850,000	Yorkshire Water Finance 6.454% 28/5/2027	7,752	1.43
£12,100,000	Zurich Finance Ireland Designated Activity 5.125% 23/11/2052	10,458	1.93
	UK STERLING DENOMINATED FORWARD EXCHANGE CONTRACTS ((0.35%))	**(385)**	**(0.07)**
£10,619,484	UK sterling 10,619,484 Vs Euro 12,400,000 - 20/9/2023	(62)	(0.01)
£44,187,336	UK sterling 44,187,336 Vs US dollar 56,600,000 - 20/9/2023	(323)	(0.06)
	UK STERLING DENOMINATED OPEN FUTURES CONTRACTS ((1.61%))	**963**	**0.18**
1,720	Long Gilt Future September 2023	963	0.18
	UK STERLING DENOMINATED INTEREST RATE SWAPS (0.00%)	**1**	**0.00**
51,000,000	RECV IRS 5.6 29062026 until 29/6/2026 Interest Rate Swap (Counterparty: UBS)	1	0.00

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Portfolio Statement (unaudited) (continued)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	EURO DENOMINATED DEBT SECURITIES (0.98%)	**12,114**	**2.24**
€9,500,000	Cellnex Finance 2% 15/2/2033	6,334	1.17
€7,000,000	Prologis International Funding II 4.625% 21/2/2035	5,780	1.07
	EURO DENOMINATED OPEN FUTURES CONTRACTS (0.05%)	**(70)**	**(0.02)**
(100)	Euro-Bund Future September 2023	(70)	(0.02)
	US DOLLAR DENOMINATED DEBT SECURITIES (14.20%)	**43,279**	**8.00**
$12,000,000	AXA 6.379% Perpetual	10,003	1.85
$10,000,000	BNP Paribas 4.5% Perpetual	5,578	1.03
$8,300,000	Deutsche Telekom International Finance 9.25% 1/6/2032	8,302	1.54
$10,500,000	Standard Chartered 7.014% Perpetual	7,920	1.46
$8,400,000	Swiss Re Finance Luxembourg 5% 2/4/2049	6,180	1.14
$8,500,000	Zurich Finance Ireland Designated Activity 3.5% 2/5/2052	5,296	0.98
	US DOLLAR DENOMINATED OPEN FUTURES CONTRACTS (0.14%)	**661**	**0.12**
(690)	US 10 Year Ultra Future September 2023	661	0.12
	Portfolio of investments	**536,545**	**99.21**
	Net other assets	**4,246**	**0.79**
	Total net assets	**540,791**	**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 December 2022.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Statement of Total Return (unaudited)
for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital losses		(23,092)		(66,639)
Revenue	14,447		8,541	
Expenses	(1,286)		(2,965)	
Interest payable and similar charges	(61)		(19)	
Net revenue before taxation	13,100		5,557	
Taxation	–		–	
Net revenue after taxation		13,100		5,557
Total return before distributions		**(9,992)**		**(61,082)**
Distributions		(15,708)		(10,403)
Change in net assets attributable to shareholders from investment activities		**(25,700)**		**(71,485)**

Statement of Change in Net Assets Attributable to Shareholders (unaudited)
for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Opening net assets attributable to shareholders		**542,275**		**555,114**
Amounts received on issue of shares	134,910		29,745	
Amounts paid on cancellation of shares	(113,551)		(51,530)	
		21,359		(21,785)
Change in net assets attributable to shareholders from investment activities		(25,700)		(71,485)
Retained distributions on accumulation shares		2,857		1,168
Closing net assets attributable to shareholders		**540,791**		**463,012**

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.

Liontrust Sustainable Future Monthly Income Bond Fund (continued)

Balance Sheet (unaudited)
as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
Assets		
Fixed assets		
Investments	537,000	541,990
Current assets:		
Debtors	9,819	11,412
Cash and bank balances	60	9,876
Total assets	**546,879**	**563,278**
Liabilities		
Investment liabilities	(455)	(10,626)
Creditors:		
Amounts due to future clearing houses and brokers	(2,371)	–
Bank overdrafts	–	(1,293)
Distribution payable	(2,122)	(2,965)
Other creditors	(1,140)	(6,119)
Total liabilities	**(6,088)**	**(21,003)**
Net assets attributable to shareholders	**540,791**	**542,275**

Liontrust Strategic Bond Fund

Report for the period from 1 January 2023 to 30 June 2023

Investment Objective

The Sub-fund aims to maximise total return over the long term (5 years or more) through a combination of income and capital growth.

Investment Policy

The Sub-fund will invest in government bond and credit securities globally.

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

The Sub-fund may invest up to 40% of its net assets in emerging markets. Emerging market countries can be defined as all the countries in the world other than those classified as "advanced" by the International Monetary Fund ("IMF").

Investments will be made in debt securities of differing creditworthiness (including sovereign debt, investment grade instruments, high yield or speculative grade instruments, or unrated instruments) issued by governments, corporate issuers and borrowers in developed and emerging market countries and those of, or guaranteed by, supranational, national and local governments and government related entities in such countries.

The environmental, social and governance ("ESG") characteristics of securities will be considered when selecting investments for the Sub-fund.

The Sub-fund's investments will generally be broadly diversified, however at times (i.e. where market factors dictate) the fund manager may choose to hold a portfolio with concentrated exposure to certain instrument types, issuer types, creditworthiness, duration or geography.

In normal market conditions, the majority of the Sub-fund's investments will be in government bond and credit securities, although it is possible that at certain times, (i.e. where market factors dictate or at times of significant subscription and redemptions in the Sub-fund), a substantial portion, or the entire Sub-fund could be invested in cash or cash equivalents (such as money market instruments, treasury bills, certificates of deposit, commercial paper).

Investment will be made in government bond and credit securities denominated in hard currencies (including the US Dollar, Euro and the currencies of the developed countries) and may invest up to 25% of the Sub-fund in soft currencies (for example, emerging markets). The majority of currency exposure will be hedged back to the base currency of the Sub-fund using currency forwards, with a 10% aggregate unhedged limit.

The Sub-fund is permitted to use derivatives and forwards for the purposes of efficient portfolio management and for investment purposes. Investment in bonds will primarily be direct but may also be indirect via derivatives (specifically total return swaps and embedded derivatives). The Sub-fund will also use derivatives (specifically currency forwards, credit default swaps, interest rate swaps, futures, options and embedded derivatives), to manage the Sub-Fund's credit, currency and duration exposures. Please refer to the Derivatives section of the Prospectus for further details.

Liontrust Strategic Bond Fund (continued)

Investment review

The Liontrust Strategic Bond Fund returned -0.2% (institutional class) in the six months to 30 June 2023. The average return from the IA Sterling Strategic Bond sector, the Sub-fund's comparator benchmark, was 0.5%*.

The start of 2023 witnessed a strong rally in fixed income assets as premature hopes for a turning point in the monetary tightening cycle was reflected in market prices. It soon transpired that bond markets had become too sanguine about the inflationary outlook, attempting yet again to price in a "dovish pivot" by central banks. The prevailing themes then became stronger economic data and the need for higher terminal interest rates in order to conquer inflation.

In March, the markets' attention shifted to the failure of three banks, Silicon Valley Bank and Signature Bank in the US as well as Credit Suisse in Europe. The write-down of Credit Suisse's Additional Tier 1 (AT1) bonds to zero during the rescue takeover by UBS caused particular chagrin in some corners of the bond market.

Our view was that this was not a systemic crisis; the banks involved had all shot themselves in the foot in some way or other over the last few years, either completely mis-managing the duration of their assets (relative to their liabilities) or having a series of scandals that eroded stakeholder trust.

Although legitimate market concerns remained about the asset quality of some US regional banks due to their exposure to commercial real estate lending, deposit flight from the system gradually slowed. Some of this deposit flight would have been motivated by fears of bank failure and deposit loss, but much of it was driven by investors seeking out yields at the front end of the bond market which now looked very attractive relative to deposit rates.

The tightening in lending standards and fall in economic sentiment following this banking 'mini crisis' did some of the Federal Reserve's (Fed) monetary tightening job for it. The Fed subsequently pushed through its second 25 basis point (bps) hike of the year, taking rates to a 4.75% to 5.0% range, but stopped short of raising its forecast level of terminal rates as many had expected.

With contagion from the US regional banking crisis contained, markets then moved on to their next main worry, the US debt ceiling. Ultimately, a last-minute bipartisan compromise between the Democrats and Republicans led to the suspension of the debt ceiling until January 2025.

Bond markets then refocused on economic fundamentals and the ongoing tightening cycle by central banks.

The latest meeting of the US Federal Reserve's rate-setting committee produced what we characterise as a hawkish pause in the monetary policy tightening cycle. The Fed funds rate was held steady at the 5.0% - 5.25% range, but both the accompanying statement and its economic projections were hawkish in nature. The committee members increased their projection for the end-2023 interest rate to 5.50 - 5.75%, up from the 5.00% - 5.25% forecast in March. However, bond markets didn't believe the projections would be met, and priced in a very low probability of two hikes occurring this year.

The European Central Bank (ECB) twice raised rates by 50bps in the first quarter of the year before slowing its pace of tightening to 25bps for two hikes in May and June, taking its deposit rate to 3.50%. The ECB is almost certain to raise rates in July, but there is debate amongst the members over whether a further rate hike is required in September.

In the UK, inflation data made very unpleasant reading with May data showing falling inflation in non-core items, food and energy, offset by stronger inflation in core goods and services. Headline UK consumer price inflation was unchanged on the month at 8.7% against expectations of a 0.3% reduction. Core CPI continued to rise, increasing by 0.3% to 7.1%.

This is very much seen as a domestic issue, driven by ongoing large nominal wage gains (real wages are still shrinking) and service sector corporates retaining sufficient pricing power to pass cost increases on. The UK's inflation problem has rotated into the services sectors of the economy; inflation here can be remedied if the central bank chooses to inflict sufficient pain on the economy.

The Bank of England (BoE), in response to this worrisome inflation data, surprised the market by hiking rates by 50bps to 5.0%. The market had only priced in about a 35% chance of a 50bps hike, while economists had hoped for 50bps but assumed 25bps.

We continue to believe that monetary policy has already overshot to the upside in the UK, but base rates will go higher still. Having had the wrong approach during the Covid crisis and been very slow to take away the proverbial punchbowl, the BoE is now having

Liontrust Strategic Bond Fund (continued)

Investment review (continued)

to work hard to regain credibility. With the infamous long and variable lags of monetary policy, a large overshoot is inevitable in this monetary cycle, and we see very little chance of the UK avoiding a recession.

**Source: FE Analytics, as at 30.06.23, total return, net of fees and interest reinvested. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

The Sub-fund is constructed as a portfolio of interacting risk positions with alpha anticipated to arise from sources in: Rates, Allocation and Selection:

Rates

The Sub-fund started the year with core duration of 5.25 years. We reduced this to 4.5 years in the first weeks of 2023 as we believed bond markets were pricing in a too sanguine view and underestimating the chance of further rate rises from central banks.

A combination of strong employment data and inflation exceeding expectations then led to a rapid reversal in fortunes for sovereign bonds and, as yields rose, we added duration back – taking core duration to 5.75 years at the end of February. We took some profits on this position as government bonds then rallied during March's banking crisis, but added duration back as conditions calmed.

May then brought significant bond weakness which we used to build up to a meaningful strategic long duration position which reached 7.5 years by the end of June – well above the Fund's neutral level of 4.5 years, but retaining a little headroom below our 9-year maximum.

The geographic split of the duration is 2.75 years in the US, 2.4 years in the UK, 1.75 years in Europe, and 0.6 years in New Zealand.

We refer to core duration above as, for much of the period, the Sub-fund also had a 0.5-year short duration in Japan. The Japanese Government Bond (JGB) market is much lower beta than other sovereign bond markets, partly due to the ongoing market manipulation by the Bank of Japan as part of its Yield Curve Control (YCC) policy. The JGB market has become dysfunctional so the YCC policy is no longer fit for purpose and we felt that the new Bank of Japan governor Ueda was likely to try to find a gradual exit. However, an April press conference suggested that this may take some time – a year or longer. We would argue that Japan has created economic conditions where inflation can sustainably meet the 2% target, but Ueda's opinion matters far more than mine and it looks like he will take his time before changing the YCC approach. We therefore decided to close out our short duration position in Japanese bond futures, which were offside in absolute terms but up in relative terms.

The Sub-fund also established a curve steepener position in the US as we believed that the inversion of yields between 2-year and 10-year bonds had gone far. The yield curve inversion reached a 1% differential in June, so we implemented the steepener with a duration-neutral position comprising a 0.25 year duration short in the 10-year future and 0.25 years long of the 2-year future. Except for just before SVB failed in March, the last time the curve was this inverted was in the late 1970s/early 1980s.

Because the 10-year bond is naturally longer duration than the 2-year, the duration-neutral steepener position involves much higher notional fund exposure in the latter. Combined with the 2-year bond's higher yield, this means the position adds about 4 basis points to the fund's yield each month.

Allocation

Strategically, we believe credit offers long-term value both examining spreads and, particularly, the all-in yield. But with the tensions between rate rises and recessionary risk, there will inevitably be further volatility in credit markets. If credit spreads widen enough to make valuation levels become very compelling again, then we will increase allocations significantly.

Investment grade and high yield exposure both remained close to their neutral levels of 50% and 20% over the period. As a reminder, we have a quality bias within credit, limited exposure to the most cyclical parts of the credit market, and the Fund owns no CCC rated bonds.

Liontrust Strategic Bond Fund (continued)

Investment review (continued)

Allocation (continued)

When exuberance in rates markets in January and early February fed through to a tightening in credit spreads we introduced a CDS index overlay to hedge some high yield exposure – specifically buying protection on the iTraxx Xover CDS index, a proxy for the European high yield market. In fortuitous timing, we took net high yield exposure down to 17% just prior to March's banking mini-crisis. As valuations then improved, we raised the net high yield weighting back to neutral level of 20%.

Later in the period we added some more single-stock credits to our high yield allocation but used the CDS overlay to keep net exposure limited at 20%.

At the end of June, investment grade exposure was 50% and net high yield exposure was 18% - the balance of 25% weighting in high yield bonds and a 7% overlay hedge in the iTraxx Xover CDS index.

Selection

A natural market implication of increased yields is a gradual re-couponing of debt as issuers refinance their liabilities. As old low-coupon debt gradually matures over the coming years, companies will have to pay a much higher coupon, commensurate with today's market yield levels, to attract capital. The downside to this is a deterioration in interest coverage ratios and free cash flow for the companies. This is another reason why we avoid those issuers with the most fragile balance sheets. The upside is that bond investors receive a significant boost to the running yield from the higher coupons and that lifts future expected returns from the asset class.

There were two good examples of existing issuers paying up to access the bond markets, both issuing senior secured debt. Firstly, Loxam issued 5-year Euro denominated debt with a 6.375% coupon. We really like this equipment rental business as they have great local economies of scale and can flex the size of its fleet during downturns to manage cashflow. Secondly, Cheplapharm, a specialist pharmaceutical company, issued 7-year Euro denominated debt with a 7.5% coupon. Both represent great opportunities to lend to quality companies at a senior secured level with attractive yields.

We also added Sealed Air 5-year US dollar bonds. For this high quality (high BB rating) defensive packaging name, a yield of 6.125% for 5-year bonds was both cheap outright and relative to their existing bonds.

Staying in the Sub-fund's high yield holdings, we exited the position in Catalent. A rapid succession of profit adjustments and delays to its reporting raised governance concerns for us. Longer term, we still like the fundamentals of the business, but we want to be able to gain confidence in the robustness of its financial statements before we would feel comfortable buying back into the bonds.

We also sold out of short dated Drax bonds in US dollars which offered little residual upside. Two higher beta holdings were sold too: subordinated debt issued by both Telefonica and AT&T. The companies themselves are great credits but hybrid bonds do exhibit elevated market volatility.

Within investment grade, a new issue from Brambles offered a great entry opportunity to buy bonds in a defensive credit and leader in the circular economy (reusable pallets and packaging containers) at an attractive credit spread.

We also added a Tier 2 bond issued by Allianz. The bonds have a 30-year maturity and are callable after 10 years; to compensate for this structure, one is paid a significantly higher credit spread. Overall, a €5.824% coupon for this single-A rated instrument offers compelling long-term value.

Bonds issued by a stock market stalwart 3i were a further addition to the investment grade exposure. Although one of its portfolio holdings (Action) has become an outsized position for it, this is only due to its success. 3i's gearing is very low, and its long-term investment approach and diversity appeal to us. A spread of 278bps for a 6-year BBB+ rated bond is very attractive.

Liontrust Strategic Bond Fund (continued)

Investment review (continued)

Selection (continued)

Balancing these additions, sales included Credit Suisse senior debt in early March – where we were concerned about ongoing deposit outflows but did not expect such a rapid demise to occur – and a reduction in exposure to Pershing Square, which proved less liquid than we desired despite the credit looking fundamentally very solid.

July 2023

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.

Liontrust Strategic Bond Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases	Sales
United States Treasury Note/Bond 0.125% 15/1/2024	United States Treasury Note/Bond 0.5% 30/4/2027
New Zealand Government Bond 2% 15/5/2032	United States Treasury Note/Bond 4.125% 15/11/2032
3i 4.875% 14/6/2029	Fresenius Medical Care US Finance III 2.375% 16/2/2031
Brambles Finance 4.25% 22/3/2031	Eli Lilly 1.7% 1/11/2049
Bayer 4.625% 26/5/2033	Global Switch Finance 1.375% 7/10/2030
Barclays 7.119% 27/6/2034	Bayer 1.375% 6/7/2032
Cheplapharm Arzneimittel 7.5% 15/5/2030	Grifols 2.25% 15/11/2027
Loxam SAS 6.375% 15/5/2028	Pershing Square 3.25% 15/11/2030
NatWest 4.771% 16/2/2029	UBS 3.869% 12/1/2029
Allianz 5.824% 25/7/2053	NatWest 2.057% 9/11/2028

Liontrust Strategic 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.

Typically lower rewards, lower risk — Typically higher rewards, higher risk

1	2	3	**4**	5	6	7

- 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 higher of the actual historical annualised volatility and the translated annualised volatility of the Sub-fund based upon the internal Value at Risk limit.
- The Sub-fund is categorised 4 primarily for its exposure to a diversified portfolio of debt instruments along with a number of derivative positions.
- The SRRI may not fully take into account the following risks:
  - 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 can invest in derivatives. Derivatives are used to protect against currency, credit and interest rate movements 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 Sub-fund uses derivative instruments that may result in higher cash levels. Cash may be deposited with several credit counterparties (e.g. international banks) or in short-dated bonds. A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- The Sub-fund invests 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 fund over the short term.
- The Sub-fund may have both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Sub-fund.
- 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.

Liontrust Strategic Bond Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Environmental Social Governance (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.

Liontrust Strategic Bond Fund (continued)

Performance record (unaudited)
as at 30 June 2023

Income record

Any distributions payable are paid on a quarterly basis (28 February, 31 May, 31 August and 30 November). The table shows distributions declared over the specified periods.

For the six months ending	30 June 2023 per share (p)	30 June 2022 per share (p)
Class B Accumulation	1.7818	0.5844
Class B Income	1.6068	0.5411
Class M Income	1.6992	0.5898

Net asset value

Period end	Shares in Issue	Net Asset Value (£'000)	Net Asset Value per share (p)
30 June 2023			
Class B Accumulation	24,931,203	25,263	101.33
Class B Income	12,744,137	11,493	90.18
Class M Income	54,691,451	49,326	90.19
31 December 2022			
Class B Accumulation	30,876,116	31,041	100.53
Class B Income	17,889,033	16,287	91.05
Class M Income	120,308,283	109,546	91.05
31 December 2021			
Class B Accumulation	21,007,750	23,874	113.64
Class B Income	28,674,075	30,290	105.64
Class M Income	281,508,989	297,413	105.65
31 December 2020			
Class B Accumulation	21,754,519	24,833	114.15
Class B Income	32,397,156	34,852	107.58
Class M Income	258,692,196	278,331	107.59

Liontrust Strategic Bond Fund (continued)

Portfolio Statement (unaudited)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	UK STERLING DENOMINATED DEBT SECURITIES (6.78%)	**4,140**	**4.81**
£650,000	Barclays 8.875% Perpetual	597	0.69
£1,000,000	Grainger 3.375% 24/4/2028	825	0.96
£1,000,000	HSBC 1.75% 24/7/2027	852	0.99
£1,000,000	Santander UK 2.92% 8/5/2026	918	1.07
£500,000	Virgin Media Vendor Financing Notes III DAC 4.875% 15/7/2028	395	0.46
£700,000	Vmed O2 UK Financing I 4% 31/1/2029	553	0.64
	UK STERLING DENOMINATED FORWARD EXCHANGE CONTRACTS (0.63%)	**2,301**	**2.67**
£7,700,762	UK sterling 7,700,762 Vs New Zealand dollar 15,500,000 - 4/8/2023	234	0.27
£41,829,714	UK sterling 41,829,714 Vs Euro 47,300,000 - 4/8/2023	1,181	1.37
£64,189,776	UK sterling 64,189,776 Vs US dollar 80,500,000 - 4/8/2023	886	1.03
	UK STERLING DENOMINATED OPEN FUTURES CONTRACTS ((0.41%))	**14**	**0.02**
180	Long Gilt Future September 2023	14	0.02
	EURO DENOMINATED DEBT SECURITIES (36.06%)	**28,208**	**32.75**
€1,900,000	3i 4.875% 14/6/2029	1,607	1.87
€1,500,000	AIA 0.88% 9/9/2033	1,017	1.18
€1,000,000	Allianz 5.824% 25/7/2053	885	1.03
€1,400,000	Altice Financing 4.25% 15/8/2029	920	1.07
€1,300,000	Andina de Fomento 0.25% 4/2/2026	1,001	1.16
€900,000	Ardagh Metal Packaging Finance USA 3% 1/9/2029	573	0.67
€1,200,000	AusNet Services Pty 0.625% 25/8/2030	805	0.93
€1,500,000	AXA 1.875% 10/7/2042	970	1.13
€1,200,000	Bayer 4.625% 26/5/2033	1,044	1.21
€1,500,000	Becton Dickinson Euro Finance Sarl 1.336% 13/8/2041	820	0.95
€1,600,000	Brambles Finance 4.25% 22/3/2031	1,377	1.60
€1,100,000	Castellum 3.125% Perpetual	660	0.77
€900,000	Cheplapharm Arzneimittel 7.5% 15/5/2030	776	0.90
€1,000,000	Chorus 3.625% 7/9/2029	835	0.97
€800,000	CPI Property 3.75% Perpetual	192	0.22
€1,000,000	CPI Property 4.875% Perpetual	336	0.39
€2,000,000	Global Switch Finance 1.375% 7/10/2030	1,422	1.65
€2,300,000	Heimstaden Bostad 3.625% Perpetual	950	1.10
€1,000,000	IQVIA 2.875% 15/6/2028	771	0.90
€800,000	Julius Baer 6.625% Perpetual	593	0.69

Liontrust Strategic Bond Fund (continued)

Portfolio Statement (unaudited) (continued)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	EURO DENOMINATED DEBT SECURITIES (continued)		
€1,027,000	Loxam SAS 6.375% 15/5/2028	872	1.01
€1,200,000	LSEG Netherlands 0.75% 6/4/2033	782	0.91
€1,800,000	Medtronic Global 1.5% 2/7/2039	1,082	1.26
€1,500,000	Muenchener Rueckversicherungs-Gesellschaft in Muenchen 1.25% 26/5/2041	980	1.14
€1,000,000	NatWest 4.771% 16/2/2029	845	0.98
€600,000	Netflix 3.625% 15/6/2030	489	0.57
€1,400,000	Optus Finance Pty 1% 20/6/2029	984	1.14
€1,000,000	SoftBank 4% 19/9/2029	718	0.83
€750,000	Southern 1.875% 15/9/2081	503	0.58
€1,000,000	Stichting AK Rabobank Certificaten 6.5% Perpetual	796	0.92
€1,400,000	Volkswagen Leasing 0.5% 12/1/2029	976	1.13
€1,300,000	Vonovia 0.625% 14/12/2029	839	0.97
€1,250,000	Ziggo Bond 3.375% 28/2/2030	788	0.92
	EURO DENOMINATED FORWARD EXCHANGE CONTRACTS (0.23%)	**(56)**	**(0.06)**
€12,900,000	Euro 12,900,000 Vs UK sterling 11,142,368 - 4/8/2023	(56)	(0.06)
	EURO DENOMINATED OPEN FUTURES CONTRACTS (0.80%)	**(84)**	**(0.10)**
(8)	Euro-Bund Future September 2023	2	0.00
(23)	Euro-Buxl Future September 2023	(83)	(0.10)
50	Euro-OAT Future September 2023	(3)	0.00
	EURO DENOMINATED CREDIT DEFAULT SWAPS ((0.03%))	**(8)**	**(0.01)**
6,500,000	Buying protection on Markit iTRAXX Europe Crossover S39 5 Year Index EUR 0.00000% 20/6/2028 Credit Default Swap (Counterparty: UBS)	(8)	(0.01)
	NEW ZEALAND GOVERNMENT BONDS (4.58%)	**7,375**	**8.57**
NZD9,000,000	New Zealand Government Bond 1.5% 15/5/2031	3,461	4.02
NZD10,000,000	New Zealand Government Bond 2% 15/5/2032	3,914	4.55
	UNITED STATES OF AMERICA GOVERNMENT BONDS (9.80%)	**10,441**	**12.13**
$5,000,000	United States Treasury Note/Bond 0.5% 30/4/2027	3,403	3.95
$5,000,000	United States Treasury Note/Bond 0.125% 15/1/2024	3,825	4.45
$4,000,000	United States Treasury Note/Bond 4.125% 15/11/2032	3,213	3.73

Liontrust Strategic Bond Fund (continued)

Portfolio Statement (unaudited) (continued)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	US DOLLAR DENOMINATED DEBT SECURITIES (39.50%)	**31,408**	**36.50**
$1,450,000	AbbVie 4.5% 14/5/2035	1,083	1.26
$1,100,000	AdaptHealth 5.125% 1/3/2030	701	0.81
$1,000,000	Albion Financing 1 SARL / Aggreko 6.125% 15/10/2026	739	0.86
$1,500,000	Altice France 5.125% 15/1/2029	841	0.98
$1,500,000	Amgen 4.663% 15/6/2051	1,056	1.23
$600,000	Ashtead Capital 5.5% 11/8/2032	456	0.53
$600,000	Ashtead Capital 5.55% 30/5/2033	460	0.53
$2,000,000	Bank of New York Mellon 3.75% Perpetual	1,292	1.50
$1,300,000	Barclays 7.119% 27/6/2034	1,021	1.19
$1,500,000	CCO 4.5% 15/8/2030	982	1.14
$1,000,000	Credit Agricole 4.375% 17/3/2025	758	0.88
$1,000,000	DaVita 4.625% 1/6/2030	675	0.78
$1,250,000	Dell International 8.1% 15/7/2036	1,151	1.34
$1,150,000	FMG Resources August 2006 Pty 6.125% 15/4/2032	862	1.00
$1,500,000	Fresenius Medical Care US Finance III 2.375% 16/2/2031	895	1.04
$700,000	Goodyear Tire & Rubber 5.25% 15/7/2031	478	0.56
$700,000	Goodyear Tire & Rubber 5% 15/7/2029	497	0.58
$1,364,000	IHO Verwaltungs 4.75% 15/9/2026	990	1.15
$600,000	Iliad SASU 7% 15/10/2028	435	0.51
$850,000	Iliad SASU 6.5% 15/10/2026	631	0.73
$1,200,000	Lloyds Banking 4.65% 24/3/2026	901	1.05
$1,350,000	MetLife 5.875% Perpetual	977	1.13
$1,350,000	Millicom International Cellular 5.125% 15/1/2028	929	1.08
$1,250,000	Morgan Stanley 3.95% 23/4/2027	931	1.08
$1,500,000	NBN 2.625% 5/5/2031	988	1.15
$1,500,000	Oracle 2.875% 25/3/2031	1,006	1.17
$1,000,000	Pershing Square 3.25% 15/11/2030	614	0.71
$1,800,000	Phoenix 5.375% 6/7/2027	1,350	1.57
$1,000,000	Sealed Air Corp/Sealed Air US 6.125% 1/2/2028	781	0.91
$1,000,000	Sensata Technologies 5.875% 1/9/2030	765	0.89
$2,000,000	Standard Chartered 3.265% 18/2/2036	1,241	1.44
$2,000,000	State Street 5.625% Perpetual	1,462	1.70
$1,700,000	Verizon Communications 4.272% 15/1/2036	1,205	1.40
$1,800,000	Vodafone 5.125% 4/6/2081	1,028	1.19
$2,000,000	Zurich Finance Ireland Designated Activity 3% 19/4/2051	1,227	1.43
	US DOLLAR DENOMINATED FORWARD EXCHANGE CONTRACTS (0.03%)	**(106)**	**(0.12)**
$25,250,000	US dollar 25,250,000 Vs UK sterling 19,962,596 - 4/8/2023	(106)	(0.12)

Liontrust Strategic Bond Fund (continued)

Portfolio Statement (unaudited) (continued)
as at 30 June 2023

Holding/ Nominal Value	Stock description	Market value (£000's)	Percentage of total net assets (%)
	US DOLLAR DENOMINATED OPEN FUTURES CONTRACTS (0.09%)	**(273)**	**(0.32)**
(32)	US 10 Year Ultra Future September 2023	22	0.02
79	US 2 Year Note (CBT) Future September 2023	(61)	(0.07)
170	US 5 Year Note (CBT) Future September 2023	(208)	(0.24)
(13)	US Ultra Bond (CBT) Future September 2023	(26)	(0.03)
	Portfolio of investments	**83,360**	**96.84**
	Net other assets	**2,722**	**3.16**
	Total net assets	**86,082**	**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 December 2022.

Liontrust Strategic Bond Fund (continued)

Statement of Total Return (unaudited)
for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Income				
Net capital gains/(losses)		49		(41,835)
Revenue	2,732		4,103	
Expenses	(323)		(690)	
Interest payable and similar charges	(53)		(83)	
Net revenue before taxation	2,356		3,330	
Taxation	(20)		(75)	
Net revenue after taxation		2,336		3,255
Total return before distributions		**2,385**		**(38,580)**
Distributions		(2,336)		(3,255)
Change in net assets attributable to shareholders from investment activities		**49**		**(41,835)**

Statement of Change in Net Assets Attributable to Shareholders (unaudited)
for the period ended 30 June 2023

	(£'000)	1.1.2023 to 30.6.2023 (£'000)	(£'000)	1.1.2022 to 30.6.2022 (£'000)
Opening net assets attributable to shareholders		**156,874**		**351,577**
Amounts received on issue of shares	2,479		18,608	
Amounts paid on cancellation of shares	(73,804)		(73,979)	
		(71,325)		(55,371)
Dilution adjustment		11		75
Change in net assets attributable to shareholders from investment activities		49		(41,835)
Retained distributions on accumulation shares		473		195
Closing net assets attributable to shareholders		**86,082**		**254,641**

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.

Liontrust Strategic Bond Fund (continued)

Balance Sheet (unaudited)
as at 30 June 2023

	30.6.2023 (£'000)	31.12.2022 (£'000)
Assets		
Fixed assets		
Investments	83,911	156,875
Current assets:		
Debtors	1,051	1,696
Cash and bank balances	9,526	3,252
Total assets	**94,488**	**161,823**
Liabilities		
Investment liabilities	(551)	(3,051)
Creditors:		
Amounts due to future clearing houses and brokers	(1,964)	–
Distribution payable	(584)	(1,072)
Other creditors	(5,307)	(826)
Total liabilities	**(8,406)**	**(4,949)**
Net assets attributable to shareholders	**86,082**	**156,874**

Securities Financing Transactions

as at 30 June 2023

Securities Lending

Securities lending transactions entered into by the Sub-funds are subject to a written legal agreement between the Sub-funds and the Stock Lending Agent, The Bank of New York Mellon (London Branch), a related party to the Sub-funds, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Depositary") on behalf of the Sub-funds. Collateral received is segregated from the assets belonging to the Sub-funds' Depositary or the Stock Lending Agent.

The total income earned from securities lending transactions is split between the relevant Sub-fund and the Stock Lending Agent. The Sub-fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

Return and cost

The tables below show the net income earned by the Sub-funds from securities lending activity during the period to 30 June 2023.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Liontrust Sustainable Future Monthly Income Bond Fund				
Securities lending				
Gross return	–	–	–	–
% of total	70%	0%	30%	100%
Cost	–	–	–	–

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Liontrust Strategic Bond Fund				
Securities lending				
Gross return	5	–	2	7
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Securities lending

The following table details the value of securities on loan as a proportion of the Sub-funds' total lendable assets and Net Asset Value (NAV) as at 30 June 2023. The income earned from securities lending are also shown for the period ended 30 June 2023. Total lendable assets represents the aggregate value of assets forming part of the Sub-funds' securities lending programme. This excludes any assets held by the Sub-funds that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan

Fund	% of lendable assets	% of NAV	Income earned (£'000)
Liontrust Strategic Bond Fund	8.48	8.02	5

Securities Financing Transactions (continued)

as at 30 June 2023

Securities lending (continued)

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 30 June 2023.

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Strategic Bond Fund			
BNP Paribas	France	2,616	2,729
Citigroup Global Markets Limited	UK	3,144	3,308
J.P. Morgan Securities Plc	UK	311	327
Morgan Stanley International	UK	835	869
Total		**6,906**	**7,233**

All securities on loan have an open maturity tenor as they are recallable or terminable on a daily basis.

Collateral

The Sub-funds engage in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received / posted by way of title transfer collateral arrangement by the Sub-funds, in respect of securities lending transactions, as at 30 June 2023.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Strategic Bond Fund Securities lending transactions				
AUD	-	-	1,281	-
CAD	-	-	10	-
DKK	-	-	1,078	-
EUR	-	-	4,098	-
GBP	-	-	39	-
NOK	-	-	1	-
USD	-	-	726	-
Total	**-**	**-**	**7,233**	**-**

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Securities Financing Transactions (continued)

as at 30 June 2023

Collateral (continued)

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received / posted by the Sub-funds by way of title transfer collateral arrangement in respect of securities lending transactions, as at 30 June 2023.

	Maturity Tenor						
Collateral type and quality	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)	Open transactions (£'000)	Total (£'000)
Liontrust Strategic Bond Fund Collateral received - securities lending							
Fixed income							
Investment grade	–	8	37	254	6,934	–	**7,233**
Total	**–**	**8**	**37**	**254**	**6,934**	**–**	**7,233**

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and exchange traded funds (ETFs) received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 30 June 2023, all non-cash collateral received by the Sub-funds in respect of securities lending transactions is held by the Sub-funds' Depositary (or through its delegates).

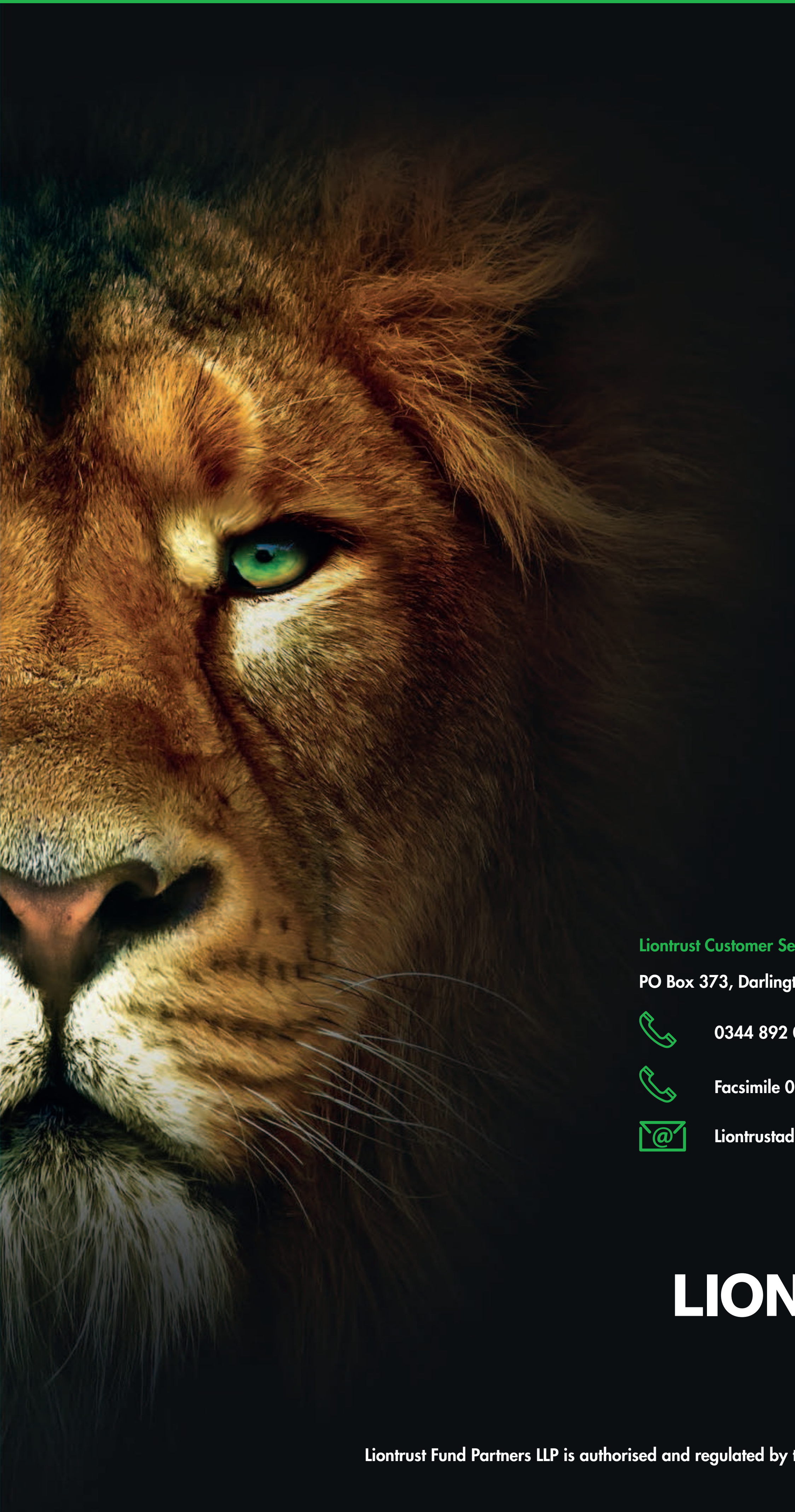
The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Sub-fund by way of the title transfer collateral arrangement across securities lending transactions as at 30 June 2023.

Issuer	Value (£'000)	% of the Sub-fund's NAV
Liontrust Strategic Bond Fund		
Citigroup Global Markets Limited	3,308	3.84
BNP Paribas Arbitrage SNC	2,729	3.17
Morgan Stanley International	869	1.01
J.P.Morgan Securities Plc	327	0.38
Total	**7,233**	**8.40**

Additional Information

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 fee of the Liontrust Sustainable Future Monthly Income Bond Fund is 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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