

ASSESSMENT OF VALUE REPORT

GLOBAL
FUNDAMENTAL
FUNDS

For the year to
31 December 2022



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Introduction

John Ions

CHIEF EXECUTIVE OF THE LIONTRUST GROUP

This Report covers those funds that moved to Liontrust as part of the acquisition of Majedie Asset Management on 1 April 2022.

We have produced this standalone Report for the Global Fundamental funds because they were not included in the Liontrust Assessment of Value Report in December 2022. They will be part of the next Liontrust Assessment of Value Report to be published in October 2023. As a result, this is a shorter Report with the focus on the funds. It does not include information on Sustainability and Responsible Capitalism or the section on how Liontrust adds value for investors. This information is presented in the Assessment of Value report that was published in December 2022.

Global Fundamental, which is headed by James de Uphaug, has a long track record of managing equity funds, originally forming their team in 2002. The team's investment processes have proved their robustness over the long term, through different market environments. As with all investment processes, they can have periods of underperformance as shown by the fact four of the seven funds have scored Amber for performance in this Report. While processes are predictable, performance is not, especially over the shorter term.

The team has expanded recently with the Global Equity team and funds moving into Global Fundamental and reporting to Tom Record, who is responsible for global equities within the enlarged team.

Meeting our responsibility to investors is about more than just delivering performance. This is demonstrated by this Assessment of Value Report, which has evaluated whether the Global Fundamental funds have delivered value to investors against seven criteria and then provides an overall summary for each

one. The criteria and overall assessment are judged through a RAG (Red, Amber and Green) scoring system, and all the funds have been assessed overall as Green.

Liontrust's new website went live last year. This was designed to offer clearer and more efficient user journeys so that investors can more easily find information and content.

Investors continue to tell us that they really value investment insights from our fund managers such as the Global Fundamental team. To ensure that you receive these, please sign up at the email preference centre on the website: liontrust.co.uk/my-preferences

Thank you again for the trust you have shown in Liontrust and the Global Fundamental funds. Everyone at Liontrust is aware of the responsibility we have to investors.

We hope you find this Report informative, useful and interesting. We welcome your feedback.



Summary of Liontrust Global Fundamental funds' Assessment of Value 2022

This Report evaluates whether the seven UK-domiciled funds managed by the Liontrust Global Fundamental team (formerly Majedie Asset Management until the company was acquired by Liontrust on 1 April 2022) are delivering value to investors.

Liontrust has considered each of the funds against the seven assessment criteria defined by our regulator, the Financial Conduct Authority (FCA) – covering performance, costs and charges, and quality of service – which provide an overall assessment of value for each fund.

The criteria and overall assessments are judged through a RAG scoring system. For the overall assessment:

-  **Green** means a fund is delivering value
-  **Amber** means that while a fund is delivering value, enhancements are under way or recently completed
-  **Red** means a fund is not delivering value consistently and some actions are required or are already under way

2022 assessment conclusions

This year's Assessment of Value resulted in an overall rating of Green for all seven funds managed by the Liontrust Global Fundamental team covered by this Report.

The scores for six of the criteria was Green* for all seven funds. The exception was the Performance criterion – for which four of the funds have an Amber score. The funds with Amber scores for Performance are Institutional UK Small Cap, UK Equity, UK Equity Income and UK Focus.

All of the funds have had changes to the fund managers running them over the last three to four years. In the case of the Institutional UK Small Cap and UK Focus funds, there has been a change of

focus in terms of investment styles as well. It is more realistic to fully judge their performance over at least five years following the implementation of these changes.

The methodology and framework applied to the assessment is broadly consistent with the process outlined in the 2022 Assessment of Value report. A number of adaptations to the methodology were required to consider the different set-up of the acquired UK-domiciled Global Fundamental funds and the different entities covering various periods during the reference period.

Please go to page 12 for more information on the change of entities throughout the reference period.

Our assessment of pricing for the UK-domiciled Global Fundamental funds includes the performance fees of the funds, which are displayed on the appropriate fund summary page.

Further information can be found in the fund-level assessments from page 16 to 29.

2022 findings at a glance

- This year's Assessment of Value resulted in an overall rating of Green for all seven funds
- All seven funds have been assessed as Green* for six of the criteria, except for Performance
- Four of the funds have been assessed as Amber for Performance
- These four funds have had changes to their fund managers over the past three to four years

* Some funds are N/A where no comparable service was identified.



2022 FINDINGS AT A GLANCE



This year's Assessment of Value resulted in an overall rating of Green for all seven funds



All seven funds have been assessed as Green* for at least six of the criteria



Four of the funds have been assessed as Amber for Performance



These four funds have had changes to their fund managers over the past three to four years

Summary of the Assessment of Value

An Assessment of Value Report for each fund can be found between pages 16 and 29.

Overall assessments of value for the funds



Delivering value



Delivering value
Enhancements under way or completed.



Not delivering value consistently
Some actions are required or are already under way

Evaluation of seven assessment criteria

 **Above or in line with expectations**

 **Monitoring and/or minor actions under way or completed**

 **Monitoring and/or significant actions are required or already under way**

 There are no comparable services provided for this Fund.

Listed below are the outcomes for the representative share classes of the funds. The share class level outcomes for each fund can be found on pages 16–29.

	Performance	Quality of service	General costs of authorised fund manager	Comparable market rates	Economies of scale	Comparable services	Classes of shares or units	Overall value assessment	Link to pages
Liontrust Global Equity Fund									
Liontrust Global Focus Fund									
Liontrust Institutional UK Small Cap Fund									
Liontrust Tortoise Fund									
Liontrust UK Equity Fund									
Liontrust UK Equity Income Fund									
Liontrust UK Focus Fund									



How to use this Report



Why we have produced this Report?

Our regulator, the FCA, requires asset managers to conduct an annual review of UK-domiciled funds to evaluate the value provided to investors.



What is the Assessment of Value?

The assessment of whether each of our funds and share classes is providing value to investors has been evaluated through seven criteria. These criteria are the following and are explained in the table below: Performance, Quality of service, Authorised Fund Manager (AFM) costs, Comparable market rates, Economies of scale, Comparable services, and Classes of units.

#	FCA Value Criteria	FCA Value Criteria Description
1	Performance	The performance of the scheme*, after deduction of all payments out of scheme property as set out in the prospectus. Performance should be considered over an appropriate timescale having regard to the scheme's investment objectives, policy and strategy
2	Quality of service	The range and quality of services provided to unitholders
3	AFM costs – general	In relation to each charge, the cost of providing the service to which the charge relates, and when money is paid directly to associates or external parties, the cost is the amount paid to that person
4	Comparable market rates	In relation to each service, the market rate for any comparable service provided: (a) by the AFM; or (b) to the AFM or on its behalf, including by a person to which any aspect of the scheme's management has been delegated
5	Economies of scale	Whether the AFM is able to achieve savings and benefits from economies of scale, relating to the direct and indirect costs of managing the scheme property and taking into account the value of the scheme property and whether it has grown or contracted in size as a result of the sale and redemption of units
6	Comparable services	In relation to each separate charge, the AFM's charges and those of its associates for comparable services provided to clients, including for institutional mandates of a comparable size and having similar investment objectives and policies
7	Classes of units	Whether it is appropriate for unitholders to hold units in classes subject to higher charges than those applying to other classes of the same scheme with substantially similar rights

*scheme refers to the fund



What does the Report show?

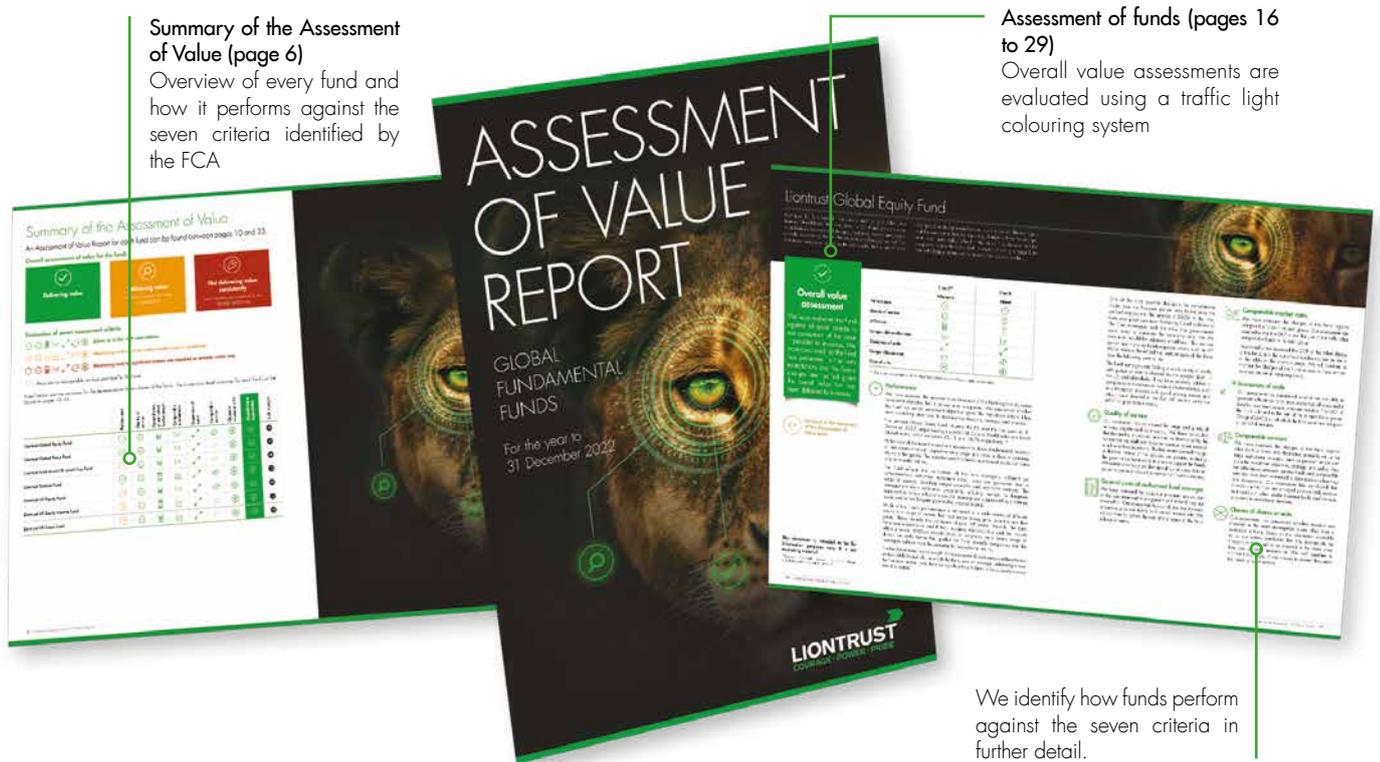
This Report provides an assessment of all UK-domiciled funds acquired from Majedie Asset Management using the seven criteria identified by the FCA and confirms whether they have each delivered value to investors. We have evaluated the criteria for each fund and share class and provided an overall assessment for the 12 months to 31 December 2022.

The results of the share class level assessments are provided in the fund summary pages of this Report.

In this Report, we use the terms share class and unit class interchangeably.

We also assess how Liontrust offers value in areas other than these seven criteria, including through our investment capabilities, acquiring and developing talent, and sustainability and responsible capitalism. This is presented in the Report that was published in December 2022, and is applicable for the Global Fundamental funds.

In this Report, we have provided assessments of each fund to make it easier for you to find the fund or funds in which you are invested.



Summary of the Assessment of Value (page 6)

Overview of every fund and how it performs against the seven criteria identified by the FCA

Assessment of funds (pages 16 to 29)

Overall value assessments are evaluated using a traffic light colouring system

We identify how funds perform against the seven criteria in further detail.



What do the icons show?

We have used icons to instantly show you the result of the evaluation of the seven criteria for each fund and the overall assessment of value for all the funds. We have used a RAG (Red, Amber, Green) rating to evaluate both the seven criteria and all funds. The RAG definitions and icons are shown on page 6.



Where can I get more information?

Please visit the Liontrust website: liontrust.co.uk.

Alternatively, you can speak to your professional adviser.

Meet the Management Committee

The Management Committee (ManCo) of Liontrust Fund Partners LLP (LFP), the Authorised Fund Manager (AFM), is responsible for ensuring that the AFM complies with the Financial Conduct Authority's (FCA's) requirements and provides ongoing oversight of all activities related to the annual Assessment of Value. The

ManCo comprises six senior managers of the Liontrust Group as well as two independent Non-Executive members who have a specific obligation to ensure Liontrust is consistently acting in investors' best interests, including providing challenge throughout the annual Assessment of Value process.

Executive members



John Ions

Chair of the Management Committee

John has been Chief Executive of the Liontrust Group since May 2010. Prior to joining Liontrust in February 2010, John was Chief Executive of Tactica Fund Management. Previously, John was Joint Managing Director of SG Asset Management and Chief Executive of Société Generale Unit Trusts Limited, having been a co-founder of the business in 1998. John was also formerly Head of Distribution at Aberdeen Asset Management.



Clare Prince

Clare is Head of Product for Liontrust, having joined in 2018. She has over 15 years' experience in the investment management industry, and having previously held product-focused roles at Barclays, BlackRock and Henderson. She started her career at PwC where she qualified as a chartered accountant.



Martin Kearney

Martin is Chief Compliance Officer and Money Laundering Reporting Officer at Liontrust, having joined Liontrust in 2008. He previously worked at Olympia Capital Ireland and PFPC International. Martin graduated in 2001 with a first class honours degree in International Business and Languages from Dublin City University.



Simon Hildrey

Simon is Chief Marketing Officer at Liontrust. He joined Liontrust in July 2008 having been a financial journalist for 10 years and winning both the IMA Freelancer of the Year and AIC Freelancer of the Year Awards twice. Prior to becoming a freelance journalist in 2002, Simon was Special Correspondent at Citywire and Editor of International Financial Adviser. Simon has an MA degree in War Studies from King's College London and a BA degree in Modern History and Economics from Manchester University.

Vinay Abrol left the Management Committee for the Assessment of Value in April 2023 and Quintin Price left in March 2023.



Ian Chimes

Ian is Head of Global Distribution at Liontrust. Ian joined Liontrust in February 2017, having previously been Sales and Marketing Director at Miton Group. From 2007 to 2013, Ian was Managing Director of PSigma Asset Management, a UK equity income boutique that he co-founded, and before that was Managing Director of Credit Suisse's UK Retail fund management business. Ian was also with Henderson for eight years and has an English degree from Leeds University.



Tony Morrison

Tony is Head of Finance at Liontrust. Tony, who joined Liontrust in 2005, qualified as an accountant (FCCA) with PwC in 2001, specialising in the asset management sector. Tony previously worked for Ivory & Sime PLC and the WM Company in Edinburgh as an investment accountant and performance measurement analyst. He graduated in 1993 from the University of Leeds with a BA in Economics.

Non-Executive members



Mandy Donald

Mandy has board experience in both complex organisations and early-stage environments, and brings a background of strategic planning and operational management to the ManCo. A chartered accountant by training, she spent 18 years with EY before steering her focus towards the growth of new companies, serving on the boards of a diverse range of start-up businesses. Mandy is a Trustee of The Institute of Cancer Research, where she is also Chair of the Audit Committee; she is also a Non-Executive Director and Chair of the Audit Committee of Punter Southall Group. Mandy holds a Financial Times Non-Executive Diploma with a focus on corporate governance. Mandy is also a Non-Executive Director of Liontrust Asset Management PLC for which she is Chair of the Audit & Risk Committee and is the Liontrust Consumer Duty Champion.



George Yeandle

George is a chartered accountant with over 30 years' experience, having specialised throughout most of his career in advising clients on executive pay and remuneration issues. He has also held a number of internal leadership roles. He trained with Coopers & Lybrand (now PwC LLP) before being admitted as a partner in 1989. More recently, George was Operational Leader of the London Region Human Resource Services Business and a Senior Partner of PwC LLP, retiring in December 2013. George is also a Non-Executive Director of Liontrust Asset Management PLC, having joined the Board in January 2015.

Governance

As outlined in the table below, Liontrust acquired Majedie Asset Management on 1 April 2022, and there were changes in entities throughout the reference period for the acquired UK-domiciled

funds. As part of the Assessment of Value, Liontrust has gathered inputs and metrics from different entities, covering different periods across the reference period.

Period in 2022	Investment Manager	Authorised Fund Manager	Administrator
1 January to 31 March	Majedie Asset Management	Link Fund Solutions	Link Fund Administrators
1 April to 30 September	Liontrust Investment Partners	Link Fund Solutions	Link Fund Administrators
1 October to 31 December	Liontrust Investment Partners	Liontrust Fund Partners LLP	Bank of New York Mellon

Assessment of Value Governance

Liontrust Fund Partners (LFP) Management Committee (ManCo)

The ManCo is responsible for ensuring the organisation complies with the FCA's requirements and provides oversight of all activities related to the annual Assessment of Value and any associated ongoing activities. The ManCo (see pages 10-11) comprises a number of senior Liontrust managers as well as two independent Non-Executive members who have a specific obligation to ensure Liontrust is consistently acting in its investors' best interests, including providing challenge throughout the annual Assessment of Value process.

Assessment of Value Working Group (Working Group)

This is a working group of the Distribution and Product Committee (DPC) that takes day-to-day responsibility for the Assessment of Value project. The Working Group initiates the annual Assessment of Value process, gathers and collates required inputs, and completes and reviews all aspects of the Assessment of Value prior to submission to the ManCo.

Portfolio Risk Committee (PRC)

The PRC is responsible for reviewing the performance of the Liontrust funds/share classes and for ensuring they are meeting their investment objectives while staying within their risk profiles. The PRC regularly reviews the funds to ensure that they are performing in line with expectations. Output from the performance reviews feeds into the Assessment of Value process.

Operations Oversight and Governance Committee

The Operations Oversight and Governance Committee operates as part of the oversight framework governing the daily workflows undertaken by our fund administrator on behalf of Fund Accounting, Custody, Transfer Agency and Middle Office. The Committee regularly reviews monthly service delivery from our fund administrator, which is a key factor in our Assessment of Value.

Assessment of Value Process

Methodology and framework

The ManCo approves the methodology and framework used for assessing the value of Liontrust funds.

Data gathering and inputs

Teams across Liontrust are responsible for providing input into the Assessment of Value process, including Product, Operations, Compliance, Performance and Marketing. We also leverage other companies to provide fund charges, peer group information, and to conduct an annual investor survey.

Assessments and validation of output

The Working Group evaluates all the data received from the various teams and third parties and ratings for each of the assessment criteria outlined on pages 6 to 9 are recommended. Once a rating for each of the criteria has been agreed, these are combined to create one overall rating for each fund. The assessments and ratings are then

consolidated into a report and presented to the ManCo for review, challenge and approval. The ManCo performs a detailed review of all information presented to assess whether value is being delivered for each fund and share class, considering all assessment criteria.

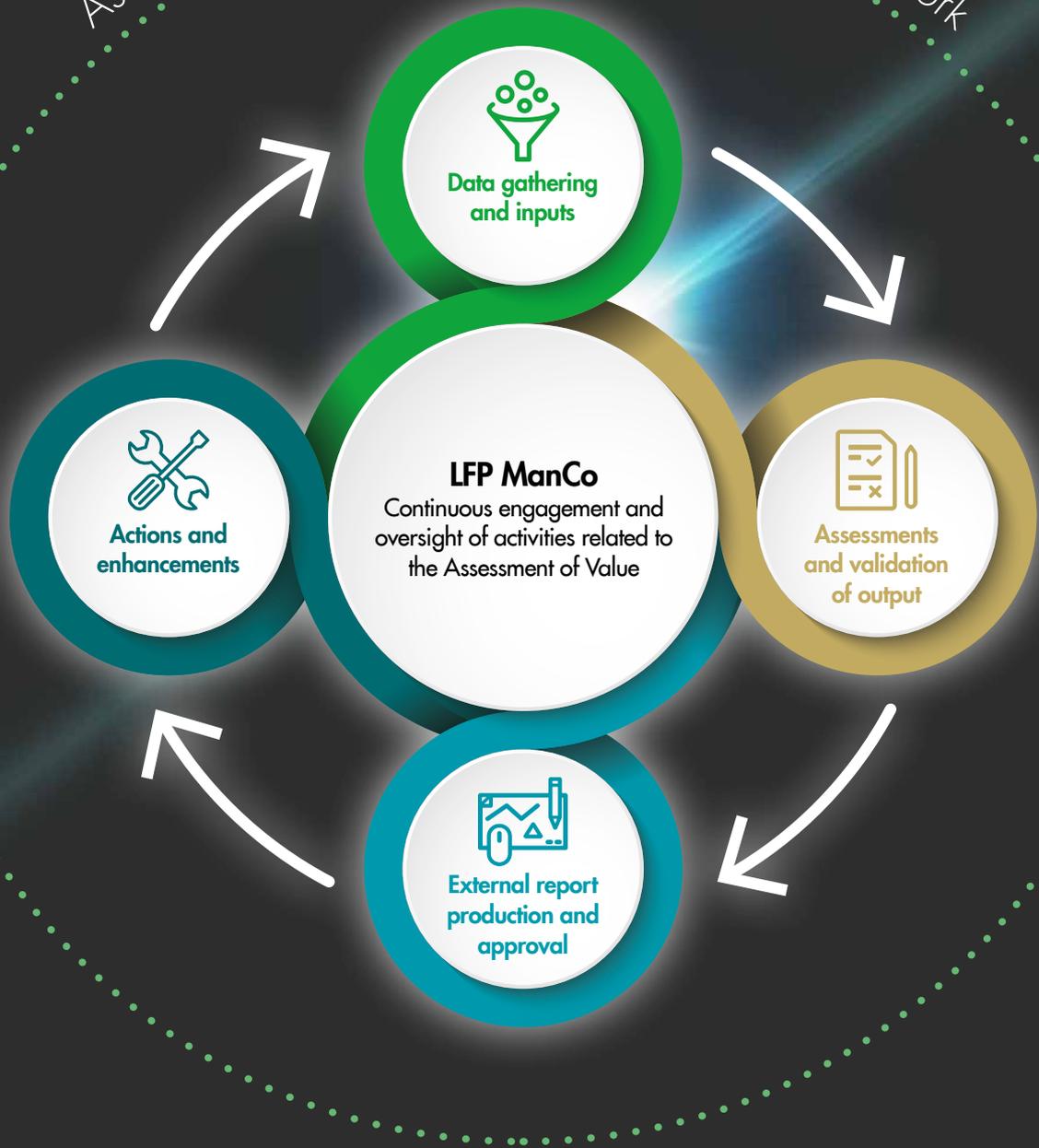
External Report production and approval

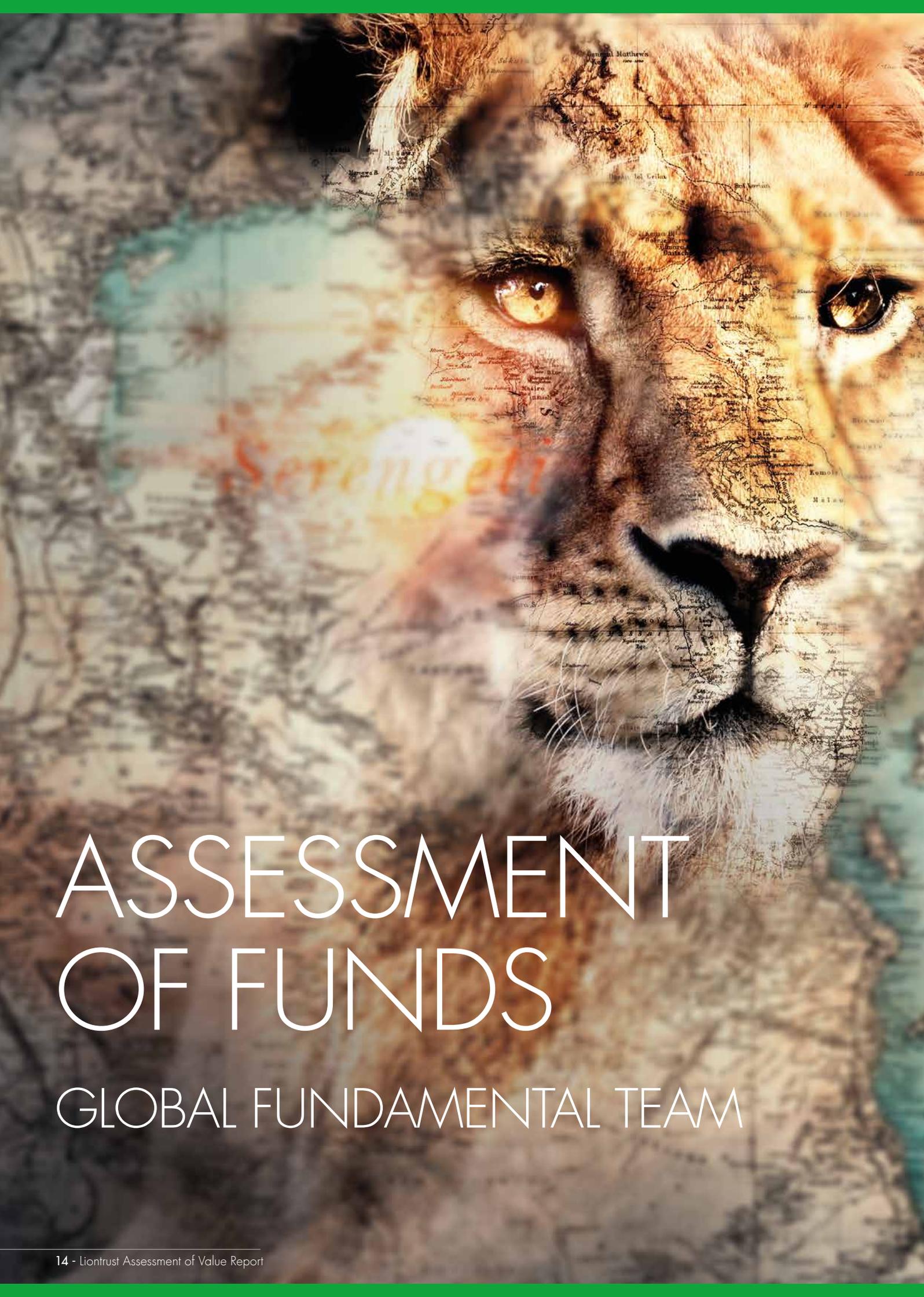
Once all final ratings for the funds and share classes, and any associated actions required to enhance value, are agreed, the external Assessment of Value Report is produced. The external Report is presented to the ManCo for review and sign-off before publication on Liontrust's website.

Actions and enhancements

Any actions identified throughout the Assessment of Value process to enhance value are allocated to the relevant business areas to take forward. The progress of these actions is monitored by the Working Group and reported to the ManCo.

Assessment of Value methodology and framework





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ASSESSMENT OF FUNDS

GLOBAL FUNDAMENTAL TEAM



Global Fundamental team

Headed by James de Uphaugh, the Global Fundamental investment team joined Liontrust as part of the acquisition of Majedie Asset Management that completed on 1 April 2022. The team has been managing equity funds for institutional investors, professional advisers and their clients since 2002. The team's offering initially focused on UK equities but expanded in 2007 to include a global long/short equity fund and again in 2014 to include US, Global and International equities strategies. The team has expanded since joining Liontrust through consolidation of the global equity teams. This led to the Global Equity team and funds becoming part of the Global Fundamental team, with the former reporting to Tom Record, who is responsible for global equities within the enlarged Global Fundamental team. The former Global Equity team funds are not included in this Report having been assessed as part of the Liontrust Assessment of Value Report published in December 2022.

Fund managers

- James de Uphaugh was Chairman and Chief Investment Officer at Majedie. Before co-founding Majedie in 2002, James had been a Managing Director at Mercury Asset Management (subsequently acquired by Merrill Lynch, now BlackRock) from 1988, where he was also Chairman of the UK Investment Group and Alpha Team Leader.
- Chris Field managed funds for 20 years at Majedie. Before co-founding Majedie in 2002, Chris had been a Director at Mercury Asset Management. Chris joined Rowan Investment Managers (a predecessor firm to Mercury Asset Management) in 1980.
- Tom Record managed funds at Majedie for eight years. Before joining Majedie in 2014, Tom had been an Investment Manager at Baillie Gifford, where his team was responsible for managing institutional portfolios with combined international equity assets of \$30 billion. While at Baillie Gifford, he also managed a selection of Global Emerging Market funds.
- Matthew Smith managed funds at Majedie for 16 years. Before joining Majedie in 2006, Matthew had been a Director at Deutsche Bank, where he was Pan European Support Services Analyst. Until 2004, he had been a Director and Transport Analyst at Credit Suisse. Prior to that, Matthew was a Fund Manager and Analyst at NPI, where he managed the NPI UK Extra Income Unit Trust. Matthew joined NPI in 1994.

- Before joining Majedie in 2018, Imran Sattar was a Managing Director and Fund Manager at BlackRock, where he managed funds with combined UK equity assets of over £2 billion. Imran joined Mercury Asset Management in 1997.
- Tom Morris was an Equity Analyst and Fund Manager at Majedie for 13 years.
- Hong Yi Chen was an Equity Analyst and Co-Fund Manager at Majedie for 12 years.
- Dan Ekstein was an Equity Analyst at Majedie for three years and prior to that worked at UBS Investment Bank where he was Head of European Food Retail Equity Research and previously a Director of Oil and Gas Equity Research.
- John King had managed funds at Majedie for three years before joining Liontrust. Prior to Majedie, John was a Portfolio Manager at AXA, where he was Deputy Manager of the AXA UK Select Opportunities Fund and the AXA WF Framlington UK Fund, also managing long-only institutional UK equity mandates on behalf of a UK university endowment.

Investment process

At the core of the team's investment approach is deep, fundamental research driven by original thinking to find share price inflection points that can drive long-term performance. The managers look for distinct inflection points and drivers of returns for the different funds.

Funds covered by this Report

- Liontrust Global Equity Fund
- Liontrust Global Focus Fund
- Liontrust Institutional Small Cap Fund
- Liontrust Tortoise Fund
- Liontrust UK Equity Fund
- Liontrust UK Equity Income Fund
- Liontrust UK Focus Fund

Liontrust Global Equity Fund

Managed by Tom Record, Tom Morris and Hong Yi Chen, the Liontrust Global Equity Fund was launched in 2014 and aims to deliver a total return after costs and charges, combining income and capital growth, in excess of the benchmark over any five-year period. The investment process is based on the philosophy that where multiple changes coincide, opportunities open up for

investors. The managers look for companies that are exploiting change to become stronger, better and more highly valued in the future. The changes that the companies within the portfolio seek to exploit sit along a range from External Change at one end to Internal Change at the other.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. We have concluded that the Fund has performed in line with expectations and the Fund's charges are justified given the overall value that has been delivered to investors.



[Go back to the Summary of the Assessment of Value table](#)

This document is intended to be for information purposes only. It is not marketing material.

*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP.

	Class X**	Class B
	Wholesale	Internal
Performance		
Quality of service		
AFM costs		
Comparable market rates		
Economies of scale		
Comparable services		
Classes of units		

**This is the representative share class for Performance and Comparable market rates.



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Liontrust Global Equity Fund X acc share class returned 48.1% over the five years to 31 December 2022, outperforming the MSCI All Country World Net Total Return Index and the IA Global sector, which delivered 45.1% and 38.7% respectively.*

At the core of the team's investment approach is deep, fundamental research to find shares that can capitalise on change and have a skew of potential returns to the upside. The team believes this broad selection of stocks can drive long-term performance.

The Fund reflects the convictions of the fund managers' different yet complementary bottom-up investment styles. Ideas are generated from a range of sources, blending company-specific and economic analysis. The management team embraces uncertainty, scouring markets for long-term opportunities where valuations and/or earnings are suppressed by short-term issues and where long-run potential is underestimated.

Much of the Fund's performance is attributed to a wide variety of different stocks in a range of sectors that have made strong gains over the past five years. These include the container shipper AP Moller Maersk, the Latin American e-commerce and fintech business Mercadolibre and the mobile office provider WillScot Mobile Mini. An emphasis on a broad range of drivers for performance has guided the Fund towards companies that the managers believe have the potential for exceptional returns.

The Fund maintains its overweight to the consumer discretionary and healthcare sectors while industrials, in which the Fund was on average underweight over the five-year period, was the most significant contributor to the outperformance over the period.



One of the most positive decisions for performance made over the five-year period was to increase the cyclical exposure in the summer of 2020. At the time, there was great pessimism following Covid lockdowns. The fund managers took the view that governments were likely to stimulate the economy and that the pessimism would be relatively short-lived. This tactical switch into more cyclically exposed stocks such as AP Moller Maersk benefited the performance of the Fund over the following year or so.

The fund managers are finding a wide variety of stocks with potential returns skewed to the upside, both in the US and elsewhere. They have recently added to companies with defensive revenue characteristics, such as subscription models with good pricing power, and which have derated in the last 18 months amid the sell-off of growth-style stocks.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the ongoing charges figure (OCF) is less than, or in line with, other comparable funds in its peer group.

Additionally, we assessed the OCF of the other classes of this Fund, and the outcome of each class can be found in the table on the previous page. We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

We have assessed the charges of this Fund against other Liontrust funds and dedicated accounts set up for large institutional investors (such as pension funds) with a similar investment objective, strategy, and policy. Any fee differences between Liontrust funds and comparable services have been evaluated to determine whether they are reasonable. Our assessment has concluded that investors in this Fund are charged appropriately relative to investors in other, similar Liontrust funds and services provided to institutional investors.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. Based on the information available to us, our review concluded that it is appropriate for investors in this Fund to be invested in the share class they are currently invested in. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Liontrust Global Focus Fund

Managed by Tom Record, Tom Morris and Hong Yi Chen, the Liontrust Global Focus Fund is a concentrated global equities portfolio that was launched in 2014 and aims to deliver a total return after costs and charges, combining income and capital growth, in excess of its benchmark over any five-year period. The investment process is based on the philosophy that where

multiple changes coincide, opportunities open up for investors. The managers look for companies that are exploiting change to become stronger, better and more highly valued in the future. The changes that the companies within the portfolio seek to exploit sit along a range from External Change at one end to Internal Change at the other.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. We have concluded that the Fund has performed in line with expectations and the Fund's charges are justified given the overall value that has been delivered to investors.



[Go back to the Summary of the Assessment of Value table](#)

	Class X
	Wholesale
Performance	
Quality of service	
AFM costs	
Comparable market rates	
Economies of scale	
Comparable services	
Classes of units	



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Liontrust Global Focus Fund X acc share class returned 42.8% over the five years to 31 December 2022, underperforming the MSCI All Country World Net Total Return Index (+45.1%) but outperforming the IA Global sector (+38.7%).*

The Fund has provided a positive total return over the last five years and has outperformed the sector, although the Fund is slightly behind the benchmark over the five-year period. The gross performance of the Fund did outperform the index, suggesting that the main reason for the underperformance versus the index were the costs and charges rather than the underlying investment decisions. The Fund has outperformed both the index and the sector over one and three years.

The Liontrust Global Focus Fund is a concentrated fund run by a team of three fund managers who have different yet complementary bottom-up investment styles. As active managers, they seek to identify a range of individual stock opportunities in which the potential return profile is heavily skewed to the upside, incorporating ESG considerations as part of the overall investment process.

Leading up to 2020, the Fund had been cautiously positioned with the view that the global economy was near the end of its cycle and equity market valuations were stretched. Although the Fund's underweight exposure to the US was a relative performance headwind during this period, this was largely offset by positive stock selection.

The Fund performed strongly in 2020 due to a combination of positive stock selection and the tactical increase in exposure to businesses that were benefiting from the rapid structural changes occurring due to the global pandemic, as well as deeply out-of-favour stocks that would benefit from the development of a viable Covid vaccine.

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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP



From 2021, the market experienced large gyrations in different directions, with value outperforming growth, larger stocks outperforming smaller companies as well as energy and financials benefiting from the Ukraine war and the higher inflationary environment. The Global Focus Fund's active managed approach and high active share naturally leads to an underweight in large cap stocks, which has been a headwind over this period. But the investment process highlighted opportunities to switch exposure from defensive companies to cyclical post-lockdown winners, which was beneficial for the Fund. To demonstrate the impact of US mega caps not held in the strategy, not owning Apple was one of the largest negative contributors to relative performance.

The investment team deliberately positions the Fund away from the index to provide investors with a complementary and differentiated approach and so the Fund will tend to be invested outside of the largest companies. Therefore, at times when the largest businesses outperform, the Fund is likely to underperform the index.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the ongoing charges figure (OCF) is less than, or in line with, other comparable funds in its peer group.

We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

There are no comparable services provided for this Fund.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. This Fund has one share class and, based on the information available to us, our review concluded this is appropriate for investors in this Fund. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Liontrust Institutional UK Small Cap Fund

The Liontrust Institutional UK Small Cap Fund is managed by John King and invests primarily in UK smaller companies.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. While the Fund has received Amber for performance, we understand why and have explained the reasons for this, and we continue to keep the Fund under close review. The Fund has performed in line with expectations for the remaining criteria, and the Fund charges are justified given the overall value that has been delivered to investors.



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	Class A**	Class B
	Wholesale	Internal
Performance		
Quality of service		
AFM costs		
Comparable market rates		
Economies of scale		
Comparable services		
Classes of units		

* **This is the representative share class for Performance and Comparable market rates.



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Institutional Small Cap Fund A share class returned -13.72% over the five years to 31 December 2022, underperforming the Numis Smaller Companies plus (AIM) excluding Investment Companies Total Return Index which returned 1.08%.

Between 2018 and early 2019, the Fund had a 'value' bias under the previous investment manager. During this period, the portfolio underperformed due to an underrepresentation in AIM-listed shares that performed strongly. During 2019, responsibility for the Fund was passed to James de Uphaugh, as team leader. A full review of the portfolio was then undertaken by the team, pending the appointment of a specialist small companies manager.

The current manager, John King, took over the fund in January 2020. The fund is now being run with a bottom up, stock selection investment process with a quality growth bias. The Fund outperformed over 2020-21 but underperformed in 2022. Over the last three years since the current manager was appointed, the Fund fell 7.18%, 5.5% behind the index.

The Fund profited from holding 10% cash as Covid hit in Q1 2020 when the market was down over 30%, benefiting the fund by +4%. The market rebound, however, reduced this relative gain. Performance in 2021 was driven by good stock selection in Technology and the Fund's positioning in Basic Materials. In 2022, the Fund benefited from a cash position of 5% as the markets fell but suffered from poor selection in the Consumer Discretionary and Technology growth sectors as well as being underweight Energy, which outperformed significantly following the invasion of Ukraine. In the last six months, however, the level of underperformance has reduced as the Fund has been aided by good selection in Technology, Consumer Discretionary and Financials sectors over this period.

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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP



Due to the negative total returns over one, three (since the appointment of the current manager) and five-year periods, as well as the relative underperformance versus the index over each of the periods, the Fund continues to be reviewed.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the ongoing charges figure (OCF) is less than, or in line with, other comparable funds in its peer group.

Additionally, we assessed the OCF of the other classes of this Fund, and the outcome of each class can be found in the table on the previous page. We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

There are no comparable services provided for this Fund.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. Based on the information available to us, our review concluded that it is appropriate for investors in this Fund to be invested in the share class they are currently invested in. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Liontrust Tortoise Fund

The Liontrust Tortoise Fund is a long/short global equity fund managed by Matthew Smith and Tom Morris, which invests globally and aims to deliver a positive absolute return over rolling

three-year periods. The fund managers combine a bottom-up stock picking process with detailed study of the macro environment and generally take a value-orientated approach to investing.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. We have concluded that the Fund has performed in line with expectations and the Fund's charges are justified given the overall value that has been delivered to investors.



[Go back to the Summary of the Assessment of Value table](#)

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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP.

	Class C
	Wholesale
Performance	
Quality of service	
AFM costs	
Comparable market rates	
Economies of scale	
Comparable services	
Classes of units	



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Tortoise Fund C share class returned 40.9% over five years and 51.6% over three years to 31 December 2022. * The Fund does not have a benchmark or a comparable sector, but its performance fee is measured against the sterling overnight index average (SONIA). The Fund significantly outperformed SONIA over the five-year period.

The Fund's 'value' investment style struggled during the initial two years of the review period (2018 and 2019) which included the latter stage of the 'growth mania' that began in the aftermath of Global Financial Crisis (GFC) in 2009, when the growth style of stocks was increasingly favoured by investors.

The latter three years covered a tumultuous period, which encompassed the Covid pandemic and its associated global economic shock, the extraordinary central bank support packages and consequential inflationary forces and interest rate rises, not to mention Russia's invasion of Ukraine.

The Fund's flexibility and dynamic approach to positioning served clients very well in this period, not least in some deft handling of the net and gross exposures and sound judgment of when to make use of directional market exposure. The team made some bold decisions during the market rout of March/April 2020, expanding the long book through investing in high-quality cyclical stocks, in particular European industrials, as well as banks, which the team felt would benefit from the extraordinary stimulus packages, low interest rates and a probable increase in growth once a Covid vaccine was approved.

The diversity of stocks and the identification of companies on attractive valuations in the aftermath of the initial Covid-inspired sell-off contributed positively throughout this period. The team also introduced hedging during periods of market volatility, in particular when it became obvious that the



path out of the pandemic would not be smooth, in the early stages of Russia's invasion of Ukraine and more recently when concerns rose over increasing interest rate rises.

The Fund also met its secondary aim of having a lower volatility than the market. As at 31 December 2022, the Fund had a five-year volatility of 13.9%. This is lower than the volatility of the MSCI World Net Total Return Index which had a volatility of 16.1% over the same period.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the OCF is less than, or in line with, other comparable funds in its peer group.

The Fund has a performance fee of 20% based on out-performance of the relevant benchmark. Our assessment has concluded that the performance fee rate remains appropriate.

We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.

Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

We have assessed the charges of this Fund against other Liontrust funds and dedicated accounts set up for large institutional investors (such as pension funds) with a similar investment objective, strategy and policy. Any fee differences between Liontrust funds and comparable services have been evaluated to determine whether they are reasonable. Our assessment has concluded that investors in this Fund are charged appropriately relative to investors in other, similar Liontrust funds and services provided to institutional investors.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. This Fund has one share class and, based on the information available to us, our review concluded this is appropriate for investors in this Fund. We will continue to monitor the charges of our classes to ensure they meet the needs of our investors.

Liontrust UK Equity Fund

The Liontrust UK Equity Fund is constructed of four sub-portfolios, managed by James de Uphaugh, Chris Field, Imran Sattar and John King. Three of the sub-portfolios, which account for roughly 90% of the Fund, invest primarily in FTSE 350 stocks, while the fourth sub-portfolio invests in UK smaller companies. The team has

the ability to invest up to 20% of the Fund in overseas equities. The Fund aims to deliver a total return after costs and charges, combining income and capital growth, in excess of its benchmark over any five-year period.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. While the Fund has received Amber for performance, we understand why and have explained the reasons for this, and we continue to keep the Fund under close review. The Fund has performed in line with expectations for the remaining criteria, and the Fund charges are justified given the overall value that has been delivered to investors.



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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP.

	Class X**	Class B
	Wholesale	Internal
Performance		
Quality of service		
AFM costs		
Comparable market rates		
Economies of scale		
Comparable services		
Classes of units		

**This is the representative share class for Performance and Comparable market rates.



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Liontrust UK Equity Fund X acc share class returned 2.5% over the five years to 31 December 2022, underperforming the FTSE All-Share Total Return Index and the IA UK All Companies sector (both of which are comparator benchmarks), which delivered 15.5% and 8.8% respectively.*

The Liontrust UK Equity Fund is actively managed, with investment ideas generated primarily through the bottom-up stock research of the investment team. Four portfolio managers make the final investment decisions for the Fund. Materiality assessments, resiliency scoring and engagement are important elements of the investment process. Holding periods for stocks are typically expected to be three to five years.

There were a number of changes in the investment team over the five-year period, with Imran Sattar appointed to co-manage the Fund in June 2019 and John King's appointment as manager of the small cap element of the Fund in December 2019.

Although investors in the Fund have benefited from a positive total return over the five-year period, it is less than that of the index and the sector. The Fund underperformed significantly between 2021 and June 2022, bringing down its previously good longer-term numbers – since inception the Fund has performed well, outperforming the index by 150.2%. This underperformance was mainly due to competing against a defensively focused, value orientated, large cap-dominated index, especially given the significant divergence between the returns from large and small cap stocks over that period.

The final months of the period saw improved performance, beating the index and the sector; however, due to the relative underperformance over the five years as a whole, the Fund will be monitored carefully over the next year to check that the investment process reverts to long-term outperformance.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the ongoing charges figure (OCF) is less than, or in line with, other comparable funds in its peer group.

Additionally, we assessed the OCF of the other classes of this Fund, and the outcome of each class can be found in the table on the previous page. We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

We have assessed the charges of this Fund against other Liontrust funds and dedicated accounts set up for large institutional investors (such as pension funds) with a similar investment objective, strategy, and policy. Any fee differences between Liontrust funds and comparable services have been evaluated to determine whether they are reasonable. Our assessment has concluded that investors in this Fund are charged appropriately relative to investors in other, similar Liontrust funds and services provided to institutional investors.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. Based on the information available to us, our review concluded that it is appropriate for investors in this Fund to be invested in the share class they are currently invested in. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Liontrust UK Equity Income Fund

Managed by Chris Field and Dan Ekstein, the Liontrust UK Equity Income Fund is a focused, high-conviction UK equity income fund which invests up to 20% in overseas equities. The Fund aims to deliver an income yield and total return in excess of its benchmark. To achieve these aims, the managers invest in high-quality dividend paying companies with competitor powers. Their

building blocks of quality include strong and improving returns on capital, clean cash generative financial models, prudent balance sheets, attractive underlying markets, and skilled and motivated management. Companies with at least one of seven competitor powers have strong strategic traits that underpin persistent and predictable profitability.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. While the Fund has received Amber for performance, we understand why and have explained the reasons for this, and we continue to keep the Fund under close review. The Fund has performed in line with expectations for the remaining criteria, and the Fund charges are justified given the overall value that has been delivered to investors.

	Class X
	Wholesale
Performance	
Quality of service	
AFM costs	
Comparable market rates	
Economies of scale	
Comparable services	
Classes of units	



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Liontrust UK Equity Income Fund X Inc share class returned -4.0% over the five years to 31 December 2022, underperforming the FTSE All-Share Total Return Index return of 15.5% and the IA UK Equity Income sector average return of 11.6% (both comparator benchmarks)*. Both share classes also yielded more than the benchmark yield (calculated on an accounting period basis).

Chris Field, was appointed as fund manager in May 2021 and Dan Ekstein became Co-Manager in October 2022. The Fund has underperformed in each calendar year since 2019 versus the index, and is down 19% over five years against the index and 15% relative to peers (4th decile in its IA (Investment Association) sector over one, three and five years). Losses have mainly been driven by growth stocks outperforming value over the first three years and, more recently, the significant underperformance of mid cap stocks, as well as poor stock selection in the UK, particularly in the consumer discretionary sector, and a low allocation to energy and banks. The Covid pandemic was a challenging time for UK income investing in general given the number of companies reducing or pausing their dividend payments. Many UK income funds have struggled to provide a positive total return whilst maintaining a high yield.

Since the start of the pandemic, company fundamentals have often been overshadowed by shifts in market sentiment, as seen in the dominance of banks and energy companies in the past 18 months. As these companies make up some of the largest constituents of the FTSE All-Share Index, this combination of events has proven a headwind for active managers in general – as exemplified by the fact that both the IA UK All Companies and IA UK Equity Income sector averages underperformed the FTSE All-Share. The macro environment continues to be challenging, dominated by high inflation and



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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP.



rising interest rates, which benefits the large cap sectors such as energy, mining and pharmaceuticals, where the Fund has been under-represented given its overweight in mid caps.

Among the Fund's larger contributors to underperformance were the consumer discretionary holdings Currys and boohoo. They were significantly derated as investors became concerned that household disposable income was being crimped by high energy prices, and also by supply chain issues. Cazoo (received from the break-up and sale of DMGT) was impacted by investors' increased reluctance to fund unprofitable growth businesses.

Although the performance of the Fund has improved since October 2022, due to this longer term relative underperformance, the Fund continues to be reviewed.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the ongoing charges figure (OCF) is less than, or in line with, other comparable funds in its peer group.

We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The OCF of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

There are no comparable services provided for this Fund.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. This Fund has one share class and, based on the information available to us, our review concluded this is appropriate for investors in this Fund. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Liontrust UK Focus Fund

The Liontrust UK Focus Fund is a concentrated, high conviction fund comprised of two sub-portfolios, managed by Imran Sattar. The manager invests primarily in FTSE 350 stocks with the ability to

invest up to 20% in overseas equities. The Fund aims to deliver a total return after costs and charges, combining income and capital growth, in excess of its benchmark over any five-year period.



Overall value assessment

We have evaluated the Fund against all seven criteria in our assessment of the value it provides to investors. While the Fund has received Amber for performance, we understand why and have explained the reasons for this, and we continue to keep the Fund under close review. The Fund has performed in line with expectations for the remaining criteria, and the Fund charges are justified given the overall value that has been delivered to investors.



Go back to the Summary of the Assessment of Value table

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*Source: Financial Express, bid-to-bid basis, cumulative net of fee returns, in GBP.

	Class X**	Class B
	Wholesale	Internal
Performance		
Quality of service		
AFM costs		
Comparable market rates		
Economies of scale		
Comparable services		
Classes of units		

**This is the representative share class for Performance and Comparable market rates.



Performance

We have assessed the investment performance of the Fund against its stated investment objective that is set out in its prospectus. We considered whether the Fund has met its investment objective, given the market conditions it has been operating under and its investment philosophy, strategy, and process.

The Liontrust UK Focus Fund X acc share class returned -2.2% over the five years to 31 December 2022, underperforming the FTSE All-Share Index and the IA UK All Companies sector, which delivered 15.5% and 8.8% respectively.*

Investors in the B share class of the Fund have had some capital growth over the five-year period, but those in the X classes have not. All classes underperformed the index and the sector over five years. The Fund has underperformed significantly in the last 18 months, bringing down its previously good longer-term numbers. This is mainly due to exposures to growth and smaller companies against a defensively biased, value-orientated, large cap index.

The Liontrust UK Focus Fund is actively managed, with investment ideas generated primarily through the bottom-up stock research of the investment team. The investment team has had a number of changes over the last five years, with the number of individual manager sleeves reducing from four to three in May 2021, three to two in June 2022, and now to one single portfolio with one lead manager, Imran Sattar as of February 2023. Imran had managed a sleeve of the UK Focus Fund since August 2018. These changes refocus the Fund and are in line with the overall ethos, which is to offer investors a high-conviction, concentrated, predominantly UK portfolio comprising idiosyncratic alpha opportunities spread across a range of economic drivers. Materiality assessments, resiliency and conviction scoring and engagement are important elements of the investment process. Holding periods for stocks are typically expected to be three to five years.

With a high active share, the Fund's performance is expected to deviate from the benchmark, but it underperformed in the past 18 months as the investment process struggled in a macro-driven risk-off environment. The Fund had lower-than-



benchmark exposure to larger companies, in particular energy stocks and financials, which rose following the Ukraine invasion and a shift to a more inflationary, higher interest rate world. The Fund also held a number of mid cap growth stocks which underperformed, including AVEVA, Dr Martens, Fevertree, Made.com and Moonpig.

The move to a single manager in February 2023 will result in a more concentrated portfolio. This change is designed to improve the performance over the next five years; however, as the Fund has not delivered as expected for clients over the holding period, it has been marked as Amber until it demonstrates that clients are benefiting from the changes.



Quality of service

Our assessment has considered the range and quality of services experienced by investors. We have concluded that the quality of services provided by Liontrust or by the companies we work with to deliver services to our investors is in line with expectations. This has been assessed through a detailed review of the services we provide, including the governance frameworks in place to support the Funds. We continue to focus on elements of our services that can be enhanced to improve the service that investors receive.



General costs of authorised fund manager

We have reviewed the costs that investors pay as part of the operation and management of the Fund they are invested in. Our assessment has concluded that the costs of services provided to the Fund remain appropriate. We will continue to review the costs and charges of the Fund at least annually.



Comparable market rates

We have assessed the charges of this Fund against comparable funds in its peer group. Our assessment has concluded that the OCF is less than, or in line with, other comparable funds in its peer group.

Additionally, we assessed the OCF of the other classes of this Fund, and the outcome of each class can be found in the table on the previous page. We will continue to monitor the charges of the Fund to ensure these remain appropriate on an ongoing basis.



Economies of scale

Our assessment has considered whether we are able to generate efficiencies to achieve economies of scale and if benefits have been passed on to our investors. The ongoing charges figure (OCF) of the Fund is limited to the rate of the annual management charge (AMC) out of which the fund expenses are paid on behalf of investors.



Comparable services

There are no comparable services provided for this Fund.



Classes of shares or units

Our assessment has considered whether investors are invested in the most appropriate share class that is available to them. Based on the information available to us, our review concluded that it is appropriate for investors in this Fund to be invested in the share class they are currently invested in. We will continue to monitor the charges of our share classes to ensure they meet the needs of our investors.

Key risks

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.

Disclaimer

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