



Securities Trust of Scotland plc

All data as at 31 December 2021

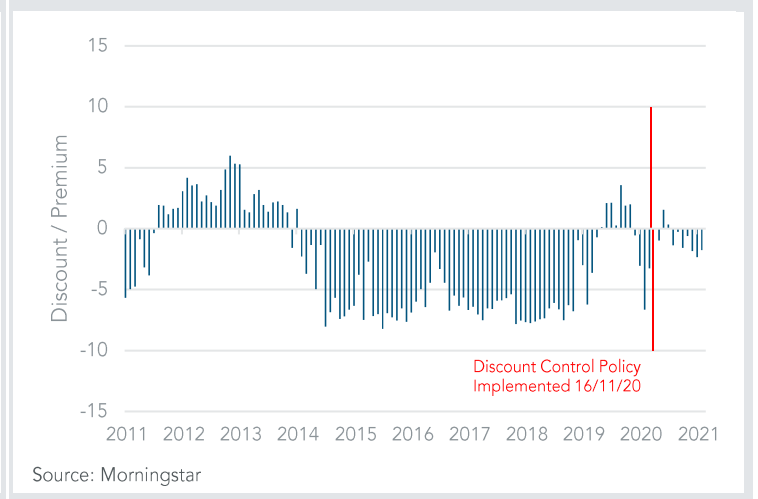
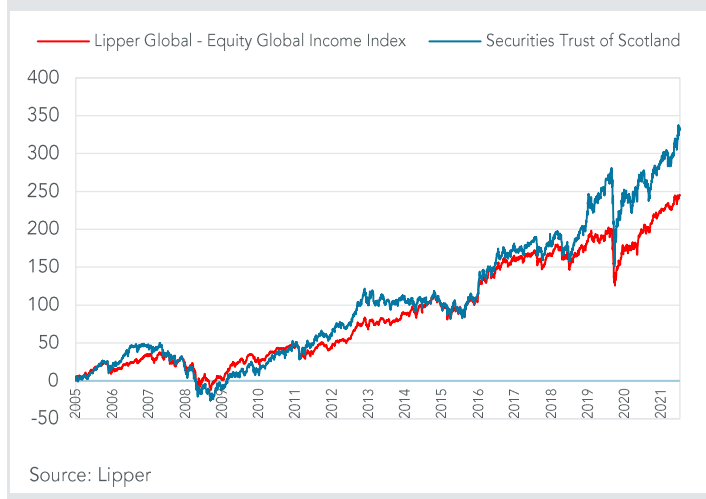
www.stsplc.co.uk

The investment objective of the Securities Trust of Scotland plc is to achieve rising income and long-term capital growth through investment in a balanced portfolio constructed from global equities.

Price	NAV (ex Inc)	Historic Dividend Yield
232.00p	231.29p	2.5%
Premium (Discount) to NAV	Total Net/Gross Assets	
-0.4%	£233m/£250m	

Share Price Performance to 31 December 2021

Share Price Discount / Premium to NAV



Total Return to 31 December 2021	Since Troy Appt*	31/12/16 5 years	31/12/18 3 years	31/12/20 1 year	30/06/21 6 months
Securities Trust of Scotland Share Price	+20.0%	+63.1%	+65.8%	+15.4%	+11.8%
Securities Trust of Scotland NAV	+17.8%	+59.7%	+55.4%	+17.6%	+10.2%
Lipper Global - Equity Global Income Index	+19.6%	+39.3%	+37.2%	+16.3%	+6.1%

*Troy appointed Investment Manager 12 November 2020

Discrete Annual Total Returns	2014	2015	2016	2017	2018	2019	2020	2021
Securities Trust of Scotland Share Price	+0.8%	-5.4%	+35.8%	+6.8%	-7.9%	+39.3%	+3.1%	+15.4%
Securities Trust of Scotland NAV	+4.1%	+0.2%	+28.5%	+11.9%	-8.2%	+27.4%	+3.7%	+17.6%

Source: Lipper/Morningstar

Past performance is not a guide to future performance

December Commentary

The Trust produced a Net Asset Value total return of +6.3% during the month and a price total return of +6.6%, compared to a return of +3.1% for the Lipper Global - Equity Global Income Index.

Two of our portfolio companies delivered exceptional results in the quarter. Accenture and Paychex both materially beat expectations and their respective share prices rose pleasingly on the news.

Accenture is a leading global IT services company. The company helps other businesses as they become increasingly digitised – what Accenture terms “compressed transformation”. In recent years the migration of computing power from in-house to an outsourced “cloud” based structure, hosted by a third party, has been a meaningful driver of revenue for the company. We have long thought of

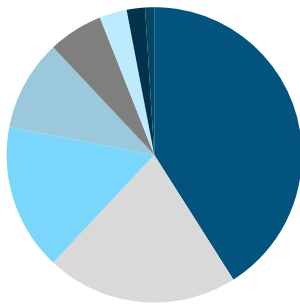
this business as a high quality, broad-based beneficiary of the structural increase in IT spending in the economy.

These trends were evident in the most recent quarterly results. Notwithstanding the distortions of COVID, revenue for the quarter increased by 27% and was strong across industries and geographies. Examples of companies benefitting from Accenture’s expertise include a Brazilian logistics company, New York’s Mount Sinai Health System, a Finnish financial services group and a German utility. The scale and scope of the opportunity for Accenture is vast. This enabled the company to increase its full year 2022 revenue growth expectation to 19-22% (versus prior guidance of 12-15%) relative to the previous year. The dividend was increased by 10%.

Paychex also had excellent recent results. Paychex is a provider of “Human Capital Management” software for human resources, payroll (as the name suggests), benefits and insurance. Similar to Accenture, and once again acknowledging the problems of COVID, demand was strong across different business sizes, types and offerings. This also allowed Paychex to raise its guidance. Growth in expected sales was revised up from 8% to 10-11% and earnings per share from 12-14% to 18-20%.

While these results are encouraging in themselves they also point to a strong environment for enterprise technology spending. We see this as positive for a number of our holdings as well as the economy more generally. Both companies have made a welcome contribution to the performance of the portfolio in December as well as for the year as a whole.

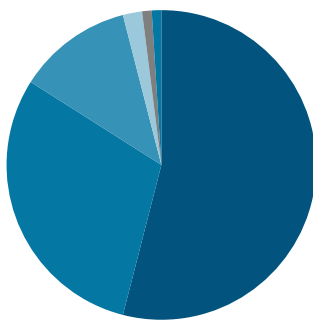
Asset Allocation by Sector



- Consumer Staples 41%
- Information Technology 21%
- Health Care 16%
- Financials & Real Estate 10%
- Industrials 6%
- Consumer Discretionary 3%
- Communication Services 2%
- Cash 1%

Source: Factset. Asset Allocation subject to change

Asset Class by Geography



- North America 54%
- United Kingdom 30%
- Europe ex UK 12%
- Asia Pacific ex Japan 2%
- Japan 1%
- Cash 1%

Source: Factset. Asset Allocation subject to change

Top 10 holdings	% Trust
Paychex	5.6
British American Tobacco	5.4
ADP	4.8
Philip Morris International	4.8
Unilever	4.7
Reckitt Benckiser	4.6
Diageo	4.6
PepsiCo	4.4
CME Group	4.4
Microsoft	4.1
Total Top 10	47.4
23 other holdings	51.9
Cash	0.7
TOTAL	100.0

Source: Factset. Holdings subject to change

Trust information

Structure London Listed Investment Trust	Capital Structure Shares with voting rights 100,460,075 Shares held in treasury 21,839,073	Historic Dividend Yield (trailing 12 months) 2.5% Q2 2020/21 1.575p Q1 2020/21 1.375p Q4 2019/20 1.375p Q3 2019/20 1.375p
Board Chairman John Evans Non-Executive Director Mark Little Non-Executive Director Angus Gordon Lennox Non-Executive Director Sarah Harvey Non-Executive Director Angus Cockburn	Net Assets £233m Gross Assets £250m Ongoing Charges Ordinary shares: 0.92% (31.03.21)	Dividend Payments January, April, July, October Market Makers: JPMORGAN, NUMIS, WINTERFLOOD, INVESTEC, PANMURE, PEEL HUNT
Investment Manager Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: info@taml.co.uk	Management Fee 0.65% - Troy's investment management fee will be waived for 12 months from its appointment as investment manager (12 November 2020).	Bloomberg/Epic/Reuters Code STS Sedol B09G3N2
Manager James Harries	Allocation of Expense and Interest Capital 65% Revenue 35%	AIFM Juniper Partners Limited
Benchmark Lipper Global Equity Global Income Index	Mandate Established 2005 Year End 31 March Premium (Discount) -0.4% Gearing 7%	Pricing Share price is listed daily in the FT Auditor Ernst & Young LLP

Important Information

The Trust can use gearing to purchase assets for the Trust; the use of this facility will have the effect of magnifying any gains or losses made. Asset allocation and holdings information is based on the gross assets. All performance data is calculated net of fees, unless otherwise stated. The Trust is registered for distribution to the public in the UK and to professional investors only in Ireland. All references to benchmarks are for comparative purposes only. The views expressed in this document are not intended as an offer or solicitation for the purchase or sale of any investment or financial instrument. The information contained within this document does not constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the sole basis of any investment decision. Should you wish to obtain financial advice, please contact a professional advisor. The historic dividend yield reflects distributions declared over the past twelve months as a percentage of the Trust's price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The historic dividend yield is not guaranteed and will fluctuate. References to specific securities are included for the purposes of illustration only and should not be construed as a recommendation to buy or sell these securities. Although Troy Asset Management Limited ("Troy") considers the information included in this document to be reliable, no warranty is given as to its accuracy or completeness. The opinions expressed are expressed at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice. Past performance is not a guide to future performance. The investments discussed may fluctuate in value and investors may get back less than they invested. Overseas investments may be affected by movements in currency exchange rates. The investment policy and process of the Trust may not be suitable for all investors. Third party data is provided without warranty or liability and may belong to a third party. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Registered office: Hill House, 1 Little New Street, London EC4A 3TR. Authorised and regulated by the Financial Conduct Authority (FRN: 195764).