



Securities Trust of Scotland plc

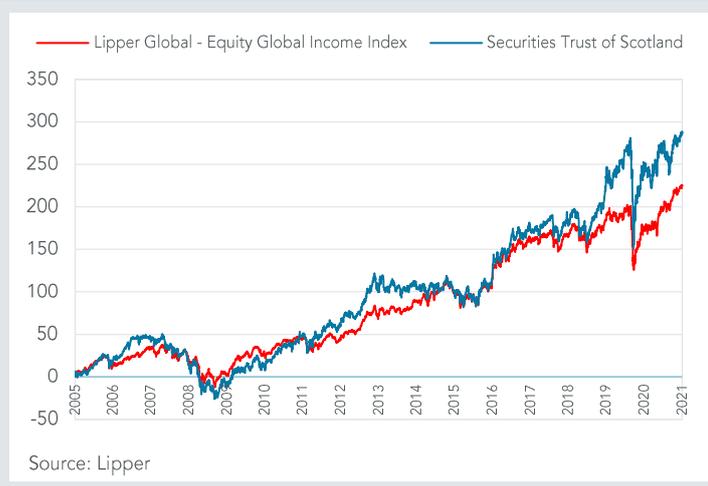
All data as at 30 June 2021

www.stsplc.co.uk

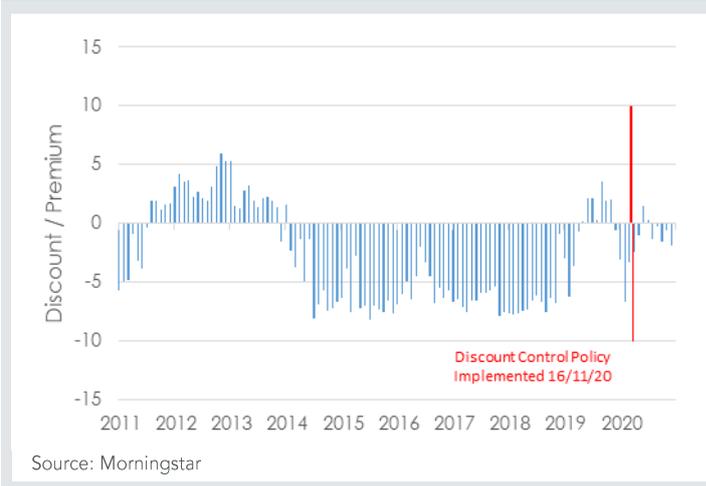
The investment objective of the Securities Trust of Scotland plc is to achieve rising income and long-term capital growth through investment in a balanced portfolio constructed from global equities.

Price	NAV (ex Inc)	Yield
210.00p	211.25p	2.7%
Premium (Discount) to NAV	Total Net/Gross Assets	
-1.9%	£216m/£230m	

Share Price Performance to 30 June 2021



Share Price Discount / Premium to NAV



Total Return to 30 June 2021	Since Troy Appt*	30/06/16 5 years	30/06/18 3 years	30/06/20 1 year	31/12/20 6 months
Securities Trust of Scotland Share Price	+6.4%	+69.4%	+38.3%	+12.6%	+2.4%
Securities Trust of Scotland NAV	+6.1%	+58.3%	+29.9%	+14.1%	+5.9%
Lipper Global - Equity Global Income Index	+12.8%	+47.0%	+22.5%	+18.9%	+9.7%

*Troy appointed Investment Manager 12 November 2020

Discrete Annual Total Returns	2014	2015	2016	2017	2018	2019	2020	2021 YTD
Securities Trust of Scotland Share Price	+0.8%	-5.4%	+35.8%	+6.8%	-7.9%	+39.3%	+3.1%	+2.4%
Securities Trust of Scotland NAV	+4.1%	+0.2%	+28.5%	+11.9%	-8.2%	+27.4%	+3.7%	+5.9%

Source: Lipper/Morningstar

Past performance is not a guide to future performance

June Commentary

The Trust produced a Net Asset Value total return of +3.2% during the month and a price total return of +1.9%, compared to a return of +1.9% for the Lipper Global - Equity Global Income Index.

During the month the portfolio company, Vonovia, announced their intention to acquire fellow German residential property company, Deutsche Wohnen (DWN) for a total of €28.4bn. The transaction is being funded with a mixture of equity and debt leading to an upcoming rights issue. There is history here - Vonovia attempted a hostile takeover in 2015 which failed.

The logic for the deal is that by joining forces with DWN, Vonovia will be able to extract cost synergies by servicing a larger property portfolio more efficiently. Further, as the largest and most diversified operator in the sector, Vonovia is able to dilute DWN's concentration of properties in Berlin, which carries political risk. To further reduce this risk, the company has agreed sell 20,000 units to the Berlin government to alleviate social housing shortages.

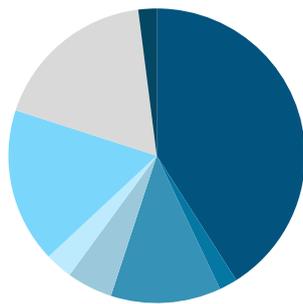
Historically Vonovia has positioned itself as at the vanguard of managing environmental risks and this remains true. Both companies have targets to become carbon neutral by 2050 at the latest.

The purchase price represents a c.5-8% discount to NAV. However, owing to DWN trading at a premium to Vonovia, the deal is slightly value dilutive.

We see the deal as marginally incrementally negative owing to the price paid. Equally, we are pleased the company is raising equity rather than overstretching the balance sheet. On balance we do not believe this changes the long term investment case.

At a time when most assets have been driven to levels that are expensive relative to history, Vonovia remains excellent value.

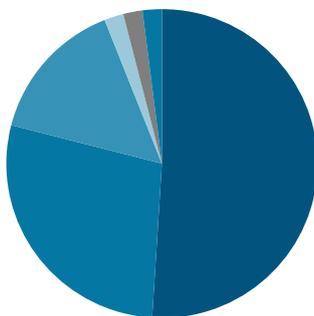
Asset Allocation by Sector



- Consumer Staples 41%
- Communication Services 2%
- Financials & Real Estate 12%
- Industrials 5%
- Consumer Discretionary 3%
- Health Care 17%
- Information Technology 18%
- Cash 2%

Source: Factset. Asset Allocation subject to change

Asset Class by Geography



- North America 51%
- United Kingdom 28%
- Europe ex UK 15%
- Asia Pacific ex Japan 2%
- Japan 2%
- Cash 2%

Source: Factset. Asset Allocation subject to change

Top 10 holdings

Top 10 holdings	% Trust
British American Tobacco	6.0
Philip Morris International	5.2
Unilever	5.1
Reckitt Benckiser	4.7
Paychex	4.6
Diageo	4.2
ADP	4.1
CME Group	4.0
PepsiCo	3.9
Medtronic	3.8
Total Top 10	45.7
24 other holdings	52.5
Cash	1.8
TOTAL	100.0

Source: Factset. Holdings subject to change

Trust information

Structure London Listed Investment Trust	Capital Structure Shares with voting rights 102,468,075 Shares held in treasury 19,831,073	Dividend Yield (trailing 12 months) 2.7% Q1 2020/21 1.375p Q4 2019/20 1.375p Q3 2019/20 1.375p Q2 2019/20 2.06p
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 £216m Gross Assets £230m Ongoing Charges Ordinary shares: 0.89% (31.03.20)	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) -1.85% Gearing 8%	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 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 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).