



Securities Trust of Scotland plc

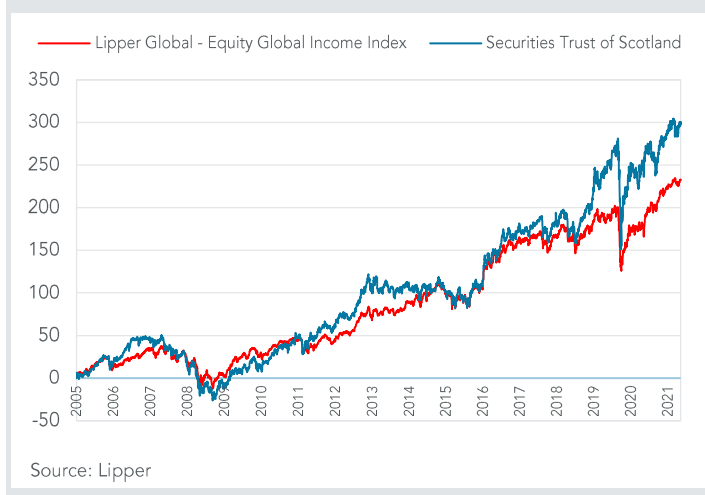
All data as at 31 October 2021

www.stsplc.co.uk

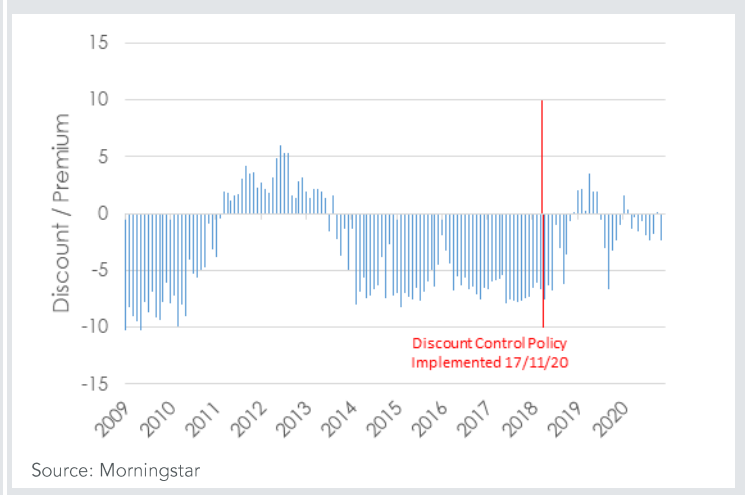
The investment objective of the Securities Trust of Scotland plc is to achieve rising income and long-term capital growth through investment in a balanced portfolio constructed from global equities.

Price	NAV (ex Inc)	Yield
213.00p	216.80p	2.7%
Premium (Discount) to NAV	Total Net/Gross Assets	
-2.7%	£219m/£234m	

Share Price Performance to 31 October 2021



Share Price Discount / Premium to NAV



Total Return to 31 October 2021	Since Troy Appt*	31/10/16 5 years	31/10/18 3 years	31/10/20 1 year	30/04/21 6 months
Securities Trust of Scotland Share Price	+9.5%	+59.5%	+45.2%	+18.0%	+5.4%
Securities Trust of Scotland NAV	+10.0%	+52.4%	+37.8%	+18.3%	+6.5%
Lipper Global - Equity Global Income Index	+15.5%	+35.7%	+26.1%	+25.1%	+4.5%

*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%	+5.3%
Securities Trust of Scotland NAV	+4.1%	+0.2%	+28.5%	+11.9%	-8.2%	+27.4%	+3.7%	+9.9%

Source: Lipper/Morningstar

Past performance is not a guide to future performance

October Commentary

The Trust produced a Net Asset Value total return of +3.0% during the month and a price total return of +0.2%, compared to a return of +1.3% for the Lipper Global - Equity Global Income Index.

It is nearly a year since we were appointed to manage STS. Our aim has been to provide investors with a trust that is true to Troy's investment principles, providing both income and capital returns that are above average but with below average volatility over a full market cycle.

The current backdrop remains similar to the time of our appointment in that income remains scarce. What has changed is that valuations have become less attractive and inflation fears have become more apparent (we remain open-minded as to whether these fears are misplaced or not).

In such an environment the Troy approach of focusing on absolute rather than relative returns and on the quality of the businesses in which we invest rather than positioning relative to benchmark is more important than ever. This gives us a clarity of process both with regard to investment and valuation. In our view equity benchmarks themselves are currently risky when the possibility of material capital loss is considered. We are acutely aware that many of our investors have irreplaceable capital, are dependent, at least in part, on the income we provide and wish to avoid substantial drawdowns.

In practice this means we confine ourselves to a relatively small number of companies and sectors that we think are resilient and high quality. We then interrupt the compounding of these companies reluctantly. As such we keep turnover low and tend to hold investments for 10 years or so. We are therefore not seeking to

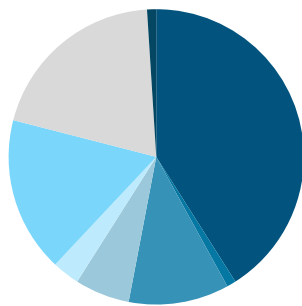
morph the portfolio to perform in each phase of the market cycle but to consistently, if sometimes modestly on a relative basis, compound capital. While our process historically delivers a return with lower volatility we do not seek to manage the return relative to the benchmark over shorter periods.

Over nearly 1 year the Trust has returned 9.5% compared to our peers¹ who have returned 15.5%. We also have a yield of 2.7% which we view as attractive and sustainable.

Thus we have been producing a decent absolute return, if somewhat less than our peers but believe we are well placed should the current buoyant market become less benign to continue to deliver both income and capital returns.

¹ Lipper Global - Equity Global Income Index.

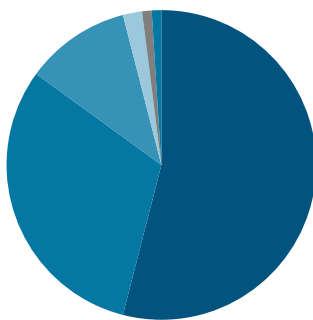
Asset Allocation by Sector



- Consumer Staples 41%
- Communication Services 1%
- Financials & Real Estate 11%
- Industrials 6%
- Consumer Discretionary 3%
- Health Care 17%
- Information Technology 20%
- Cash 1%

Source: Factset. Asset Allocation subject to change

Asset Class by Geography



- North America 54%
- United Kingdom 31%
- Europe ex UK 11%
- Asia Pacific ex Japan 2%
- Japan 1%
- Cash 1%

Source: Factset. Asset Allocation subject to change

Top 10 holdings

Top 10 holdings	% Trust
British American Tobacco	5.4
Paychex	5.3
Philip Morris International	5.0
Unilever	4.9
ADP	4.6
Reckitt Benckiser	4.6
CME Group	4.4
Diageo	4.3
Microsoft	4.3
PepsiCo	4.3
Total Top 10	47.1
24 other holdings	52.2
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	Dividend Yield (trailing 12 months) 2.7% 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 £219m Gross Assets £234m 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) -2.7% 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 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).