



Securities Trust of Scotland plc

All data as at 31 October 2022

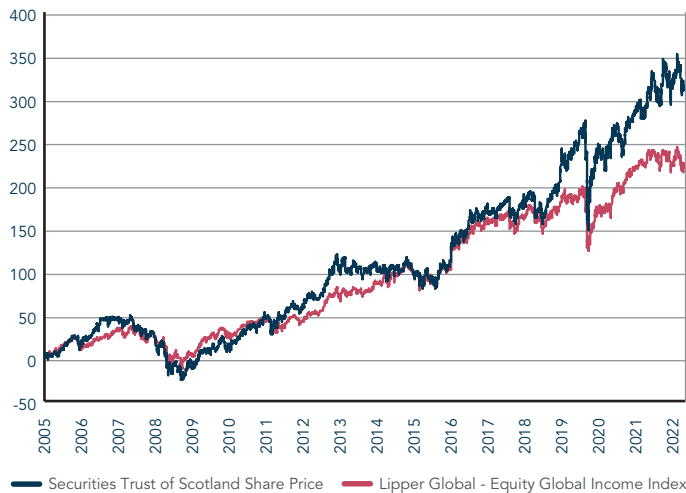
www.stsplc.co.uk

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.

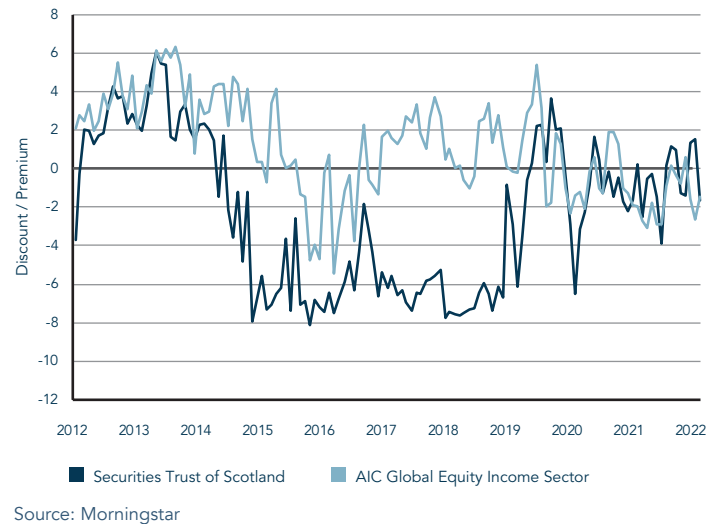
PRICE	NAV (EX INC)	PREMIUM/DISCOUNT	YIELD*	TOTAL NET/GROSS ASSETS
223.50p	225.54p	-1.8%	2.7%	£227m/£243m

*historic dividend yield

PERCENTAGE GROWTH FROM 30/06/2005 TO 31/10/2022



SHARE PRICE DISCOUNT/PREMIUM TO NAV



Total Return to 31 October 2022	Since Troy Appt*	31/10/17 5 years	31/10/19 3 years	31/10/21 1 year	30/04/22 6 months
Securities Trust of Scotland Share Price	+17.9%	+54.5%	+24.8%	+7.7%	-4.5%
Securities Trust of Scotland NAV	+17.5%	+44.9%	+26.1%	+6.7%	-1.8%
Lipper Global – Equity Global Income Index	+14.9%	+25.4%	+15.9%	-0.5%	-2.8%

Discrete Annual Total Returns	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
Securities Trust of Scotland Share Price	+0.8%	-5.4%	+35.8%	+6.8%	-7.9%	+39.3%	+3.1%	+15.4%	-1.7%
Securities Trust of Scotland NAV	+4.1%	+0.2%	+28.5%	+11.9%	-8.2%	+27.4%	+3.7%	+17.6%	-0.3%

*Troy appointed Investment Manager 12 November 2020

Past performance is not a guide to future performance.

Source: Lipper/Morningstar

October Commentary

The Trust produced a Net Asset Value total return of +2.8% during the month and a price total return of -0.5%, compared to a return of +2.4% for the Lipper Global – Equity Global Income Index

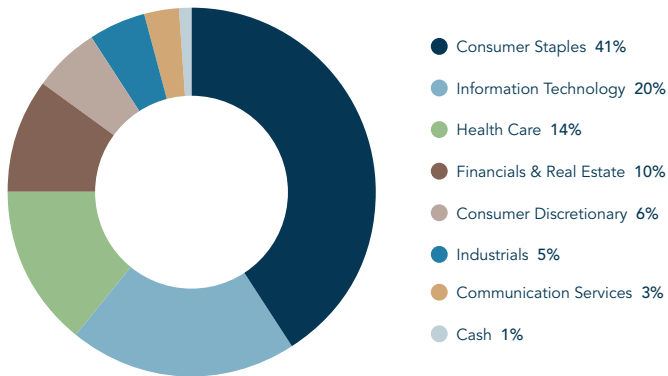
We have established an initial investment in Texas Instruments (TI). The company is a leader in analogue semiconductors. We have spent the last few years patiently building our semiconductor industry knowledge. At the risk of oversimplification, TI designs and manufactures relatively “simple” chips that don’t require the latest manufacturing technology and have incredibly long shelf lives. While other semiconductor companies have to constantly design and manufacture new CPUs to satisfy the insatiable need for greater computing power, TI chips work for decades. We believe that roughly half of TI’s sales derive from chips designed more than ten years ago. The result is a business with little technological risk and relatively low capital intensity.

The semiconductor industry has a degree of **cyclicality**, however in the case of TI, we consider this risk to be mitigated by having a conservative balance sheet and capital allocation policy that rewards long-term shareholders. Indeed, we believe TI has one of the clearest frameworks for value creation, and we urge our readers to peruse the Investor Overview document on TI’s website. The business is fantastically profitable, ranking in the 89th percentile of S&P500 companies in terms of **free cash flow** margins. We consider the shares to be attractively valued and currently yield 3.0%.

The purchase was funded from the sale of Western Union and a reduction in ADP.



ASSET ALLOCATION BY SECTOR



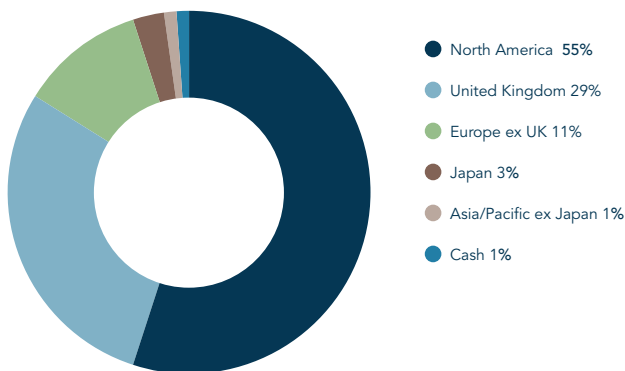
Source: Factset. Asset Allocation subject to change

TOP 10 HOLDINGS

British American Tobacco	6.6%
Paychex	5.6%
PepsiCo	5.5%
Unilever	4.8%
ADP	4.7%
Philip Morris International	4.5%
Reckitt Benckiser	4.1%
Johnson & Johnson	4.0%
CME Group	4.0%
Diageo	3.9%
Total Top 10	47.6%
23 other holdings	51.5%
Cash	0.9%
TOTAL	100.0%

Source: Factset. Holdings subject to change.

ASSET CLASS BY SPLIT



Source: Factset. Asset Allocation subject to change

TRUST INFORMATION

Structure

London Listed Investment Trust

Board

Chairman	John Evans
Non-Executive Director	Mark Little
Non-Executive Director	Sarah Harvey
Non-Executive Director	Angus Cockburn
Non-Executive Director	Alexandra Innes

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

Manager

James Harries

Benchmark

Lipper Global Equity Global Income Index

Capital Structure

Shares with voting rights	99,710,575
Shares held in treasury	22,588,573

Net Assets £227m

Gross Assets £243m

Ongoing Charges

Ordinary shares: (31.03.22)	0.93%
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Management Fee 0.65%

Allocation of Expense and Interest
Capital 65%
Revenue 35%

Mandate Established 2005

Year End 31 March

Premium (Discount) -1.79%

Gearing 7%

Currency £ Sterling

Historic Dividend Yield

(trailing 12 months)	2.66%
Q2 2022	1.75p
Q1 2022	1.375p
Q4 2021	1.375p
Q3 2021	1.375p

Dividend Payments January, April, July, October

Market Makers: JPMORGAN, NUMIS, WINTERFLOOD, INVESTEC, PANMURE, PEEL HUNT

Bloomberg/Epic/
Reuters Code STS

Sedol B09G3N2

AIFM Juniper Partners Limited

Pricing Share price is listed daily in the FT

Auditor Ernst & Young LLP



Important Information

Please refer to Troy's Glossary of Investment terms [here](#). 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.

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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.

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