

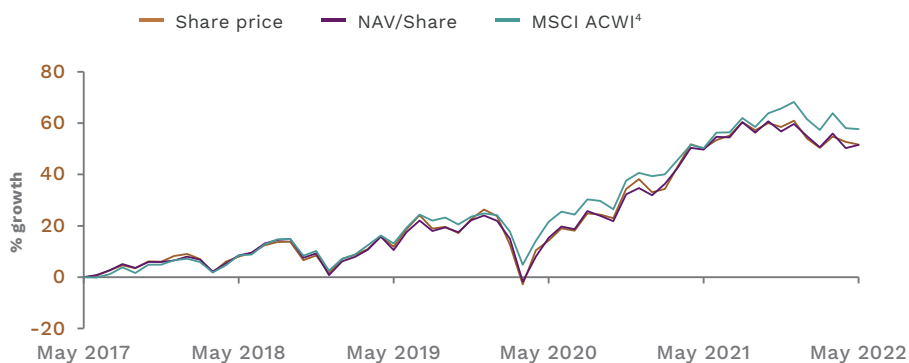
Monthly Factsheet

HOW WE INVEST

Alliance Trust aims to be a core equity holding for investors that delivers a real return over the long term through a combination of capital growth and a rising dividend. The Company invests primarily in global equities across a wide range of industries and sectors to achieve its objective.

The Company's investment manager, Willis Towers Watson, has appointed a number of Stock Pickers with different styles, who each ignore the benchmark and only buy a small number of stocks in which they have strong conviction. Therefore, we believe investors get the benefit of both highly focused stock picking to increase potential outperformance versus the benchmark and manager diversification which should reduce risk and volatility. We believe that the Company's diversified but highly active multi-manager portfolio is competitively priced.

INVESTMENT PERFORMANCE ABSOLUTE PERFORMANCE (TOTAL RETURN IN STERLING)



CUMULATIVE PERFORMANCE (%)

To 31 May 2022	5 Years	Since 01.04.17 ⁵	3 Years	1 Year	YTD	Month
Total shareholder return	51.6	54.7	35.5	1.0	-5.8	-0.7
NAV total return	51.6	55.3	37.0	1.2	-5.1	0.9
MSCI ACWI total return ⁴	57.6	58.5	39.4	4.9	-6.3	-0.3

DISCRETE PERFORMANCE (%)

From To	31-May-21 to 31-May-22	31-May-20 to 31-May-21	31-May-19 to 31-May-20	31-May-18 to 31-May-19	31-May-17 to 31-May-18
Total shareholder return	1.0	31.3	2.1	3.6	8.0
NAV total return	1.2	29.9	4.2	2.0	8.5
MSCI ACWI total return ⁴	4.9	23.6	7.5	4.2	8.5

Note: All data is provided as at 31 May 2022 unless otherwise stated.

Past performance does not predict future returns and the value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested.

KEY STATISTICS

Share Price	966.0p
Net Asset Value (NAV) per Share	1,028.4p
Premium (Discount)	(6.1%)
OCR Year to 31 Dec 2021 ⁷	0.60%

KEY FACTS

Total number of stocks	193
Market Capitalisation	£2,885.3m
Total Assets	£3,370.8m
Net Assets	£3,071.6m
Gross Gearing ¹	9.3%
Net Gearing ²	6.4%
Yield ³	2.0%
Year End	31 December
Incorporated	21 April 1888
Dividend Paid	Mar, Jun, Sep, Dec
Shares in Issue	298,688,181
Buybacks in May	0.41% of shares in issue
TIDM	ATST
ISIN	GB00B11V7W98
AIC Sector	Global
Next AGM	April 2023



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TOP 20 HOLDINGS

Name	£m	%
Alphabet	124.3	3.7
Visa	103.8	3.1
Microsoft	86.2	2.6
Amazon	63.1	1.9
Mastercard	60.1	1.8
Petrol Brasileiros	58.4	1.7
Exxon Mobil	58.1	1.7
salesforce.com	48.2	1.4
UnitedHealth Group	46.4	1.4
GlaxoSmithKline	41.1	1.2
Baidu	35.5	1.1
Charter Communication	35.2	1.0
Walmart	34.9	1.0
DBS	34.8	1.0
Transdigm	34.5	1.0
Booz Allen Hamilton	34.1	1.0
HDFC Bank	33.6	1.0
Interpublic Group	33.6	1.0
Bureau Veritas	33.2	1.0
Philip Morris International	32.9	1.0

Top 10 holdings 20.5%

Top 20 holdings 30.6%

The 20 largest stock positions, given as a percentage of the total assets. Each Stock Picker selects up to 20 stocks.⁹ A full breakdown of the portfolio can be viewed at www.alliancetrust.co.uk

[View all holdings](#)

RESPONSIBLE INVESTING

As long-term investors, we embed environmental, social and governance factors into every stage of our investment process.

Incorporating these factors has the dual benefit of reducing risk while increasing the sustainability of returns. Read more about this at www.alliancetrust.co.uk/how-we-invest

[Find out more](#)

INDIVIDUAL HOLDINGS:

Our portfolio looks very different to the benchmark.

ACTIVE SHARE:

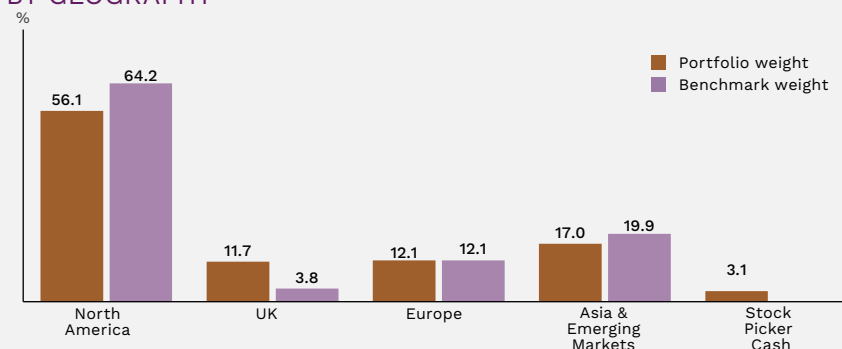
The measure of how different the portfolio is to the benchmark.

78%

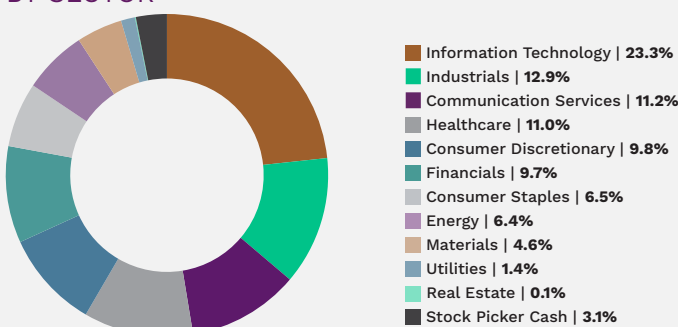
ACTIVE SHARE

PORTFOLIO ALLOCATION SIMILAR TO BENCHMARK BY DESIGN

BY GEOGRAPHY



BY SECTOR



INVESTMENT COMMENTARY

Volatility in the equity markets continued over May as markets digested further monetary policy action from the US Federal Reserve ('Fed'). The Fed hiked rates at the start of the month by 0.5 percentage points which was the largest increase in over two decades. Despite the size of the increase, markets were relieved as the Fed's guidance appeared to rule out an even bigger rise of 0.75 percentage points for now. Fed policy aside, the conflict in Ukraine continues to weigh down on global growth and in turn, the equity markets through oil price and supply chain impacts. The MSCI All Country World Index ended the month down -0.3%. The Company's NAV Total Return was +0.9%, some 1.2% above the benchmark and the Total Shareholder Return was -0.7%, as discounts widened in the sector.

Within the Company's portfolio, from a regional perspective, strong stock selection in the Americas delivered outperformance of +0.6%. The US has seen a lot of volatility over the period as a result of the Fed's policy changes and the Company's energy stocks were among the biggest outperformers whilst technology positions were the main laggards. Stock selection also contributed to relative outperformance in Europe, contributing +0.2% to relative returns. TotalEnergies (multinational energy), Continental AG (auto parts manufacturer) and Bayer AG (pharmaceutical, life sciences and agricultural chemical company) were the key contributors there.

From a sector perspective, Energy, Utilities and Financials were the strongest performing sectors as they benefited from the inflationary market environment. The portfolios overweight to energy stocks added +0.2% to relative returns but strong stock selection in the consumer sectors (Staples and Discretionary) was the biggest driver, adding +0.6% vs the benchmark. One of these successful stock picks was owned by Jupiter, H&R Block Inc, an American tax preparation company. ▶



Our investment manager, Willis Towers Watson, is responsible for manager selection, portfolio construction and risk management. Its Investment Committee comprises: Craig Baker, Mark Davis and Stuart Gray.

STOCK PICKERS

% OF PORTFOLIO MANAGED

13%	11%
Bill Kanko	Ben Whitmore
8%	20%
Andrew Wellington	Rajiv Jain*
10%	14%
Jonathan Mills, Simon Denison-Smith	Andy Headley
8%	11%
C.T Fitzpatrick	HK Gupta, Gordon Marchand, Rob Rohn
5%	
Michael Sramek	

Note: "JUPITER" and JUPITER are the trade marks of Jupiter Investment Management Group Ltd and registered in the UK and as Community Trade Marks and elsewhere.

► The company beat analyst expectations on its latest earnings report and raised forecasts for 2022 leading to the stock rising over 30% in May. Additionally, the portfolio's lack of exposure to Tesla Inc, an American automotive and clean energy company, added to relative returns as its share price dropped over 10% on the back of the continued sell-off in growth stocks.

In terms of manager performance, GQG continues to be one of the strongest performing managers in the portfolio, benefitting from strategically repositioning their portfolio towards energy and materials stocks and away from growth/technology stocks. Jupiter was the biggest contributor to the portfolio's outperformance in May, with their position in the previously discussed H&R Block being the biggest driver. Sands was the biggest underperformer over the month as the manager's growth portfolio continues to suffer as monetary policy tightens. The manager retains high conviction in the long-term growth potential and earnings power of the companies that it owns.

At a stock level, Petroleo Brasileiro SA was the biggest contributor to the portfolio's outperformance. The state-owned Brazilian petroleum corporation continued to benefit from high oil prices. Exxon Mobil Corporation, TotalEnergies, NRG Energy and BP plc also benefitted similarly and are among the top contributors to the portfolio's outperformance. As well as H&R Block, discussed earlier, not owning Apple or Tesla were the other key contributors to outperformance. Walmart and MercadoLibre Inc were the two biggest detractors relative to the benchmark. For MercadoLibre, despite above expected earnings, the Latin American e-commerce company has seen a decline in its share price as the company pointed to a number of headwinds that they are expecting in the coming months. These include strained consumer spending, rising interest rates and inflationary pressures. The company is held by Sands and Sustainable Growth Advisors. Walmart Inc, an American multinational retail company, returned -15.8% in May. The company slashed its earnings forecast for the year pointing to high food price inflation taking demand away from general merchandise. The position is held by GQG but was trimmed during the month.

As the market is still experiencing volatility, and the geopolitical situations remain uncertain, gross gearing levels have been maintained at around 9%, below our long term 10% target.

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Risk warnings – Past performance does not predict future returns. The value of shares and the income from them can rise and fall, so investors may not get back the amount originally invested. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns in line with NAV performance. Exchange rate changes may cause the value of overseas investments to go down as well as up and can impact on both the level of income received and capital value of your investment. Investment trusts may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the NAV, meaning that a relatively small movement, down or up, in the value of an investment trust's assets will result in a magnified movement, in the same direction, of that NAV. This may mean that you could get back less than you invested or nothing at all. The mention of any specific shares should not be taken as a recommendation to deal.

Important Information

Alliance Trust is an investment company with investment trust status. Alliance Trust invests primarily in equities and aims to generate capital growth and a progressively rising dividend from its portfolio of investments. Alliance Trust currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The shares in the Company may also be suitable for institutional investors who seek a combination of capital and income return. Private investors should consider consulting an Independent Financial Adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result. The views, information and data in this publication should not be deemed as a financial promotion or recommendation. Alliance Trust is not authorised to give financial advice.

For security and compliance monitoring purposes, telephone calls may be recorded.

The Alliance Trust Board has appointed Towers Watson Investment Management Limited (TWIM) as its Alternative Investment Fund Manager (AIFM). TWIM is part of Willis Towers Watson. Issued by Towers Watson Investment Management Limited. Towers Watson Investment Management Limited, registered office Watson House, London Road, Reigate, Surrey RH2 9PQ is authorised and regulated by the Financial Conduct Authority, firm reference number 446740.

Notes: All data is provided as at 31 May 2022 unless otherwise stated. All figures may be subject to rounding errors. Sources: Key Statistics, Key Facts, Top 20 Holdings and % of Portfolio Managed data is provided by The Bank of New York Mellon (International) Ltd; Equity Portfolio Allocation and Active Share is provided by The Bank of New York Mellon (International) Ltd and MSCI Inc. NAV and NAV total return is based on NAV including income with debt at fair value, after all manager fees (including Willis Towers Watson's fees) and allows for any tax reclaims when they are achieved. The NAV total return shown in factsheets up to May 2018 was based on NAV excluding income with debt valued at par. ISIN stands for International Securities Identification Number; TIDM stands for Tradable Instrument Display Mnemonics; and AIC stands for Association of Investment Companies.

- Total borrowings at par value divided by net assets with debt at par.
- Total borrowings at par value minus total cash and equivalents, divided by net assets with debt at par.
- Annual dividend per share divided by share price.
- MSCI All Country World Index Net Dividends Reinvested.
- 1 April 2017 was the date that Willis Towers Watson was appointed investment manager.
- <https://www.theaic.co.uk/income-finder/dividend-heroes>
- The OCR for year to 31 December 2021 was calculated in line with the industry standard using the average of net asset values at each NAV calculation date.
- GQG manages an emerging markets mandate of up to 60 stocks as well as a global equity mandate of up to 20 stocks.