

Portfolio Update: Alliance Trust Stock Picker Changes and commitment to targeting net zero by 2050

Alliance Trust PLC today announces that its investment manager, Willis Towers Watson (WTW), has appointed Metropolis Capital Limited (Metropolis) and Sands Capital Management, LLC (Sands) as two new Stock Pickers for its multi-manager global equity portfolio.

With more than \$68bn in client assets¹, Sands is an independent, employee-owned firm based in the Greater Washington D.C. area of the United States. It specialises in investing in concentrated portfolios of high-quality businesses from around the world that are innovative and can sustain above-average growth over the long term. The lead manager on the Alliance Trust mandate will be A. Michael Sramek who has been with the firm since 2001.

Metropolis is a UK-based investment management firm specialising in unconstrained, high conviction, global equity investment. With each having well over 20 years' experience, founders Simon Denison-Smith and Jonathan Mills are value investors with a private equity style of evaluating holdings. They focus on long-term market recognition of the fundamental value of their investments and income generated from those investments. Metropolis has assets under management of \$1.4bn¹.

Metropolis is being initially allocated c.9.5% of the Company's portfolio to manage, while Sands will be allocated c.8%. This will be funded from a reallocation of the portfolio from the existing eight Stock Pickers. A transition manager has been appointed and Metropolis' and Sands' appointments will be effective once the transition has been completed. In keeping with WTW's philosophy for the Alliance Trust strategy, the overall exposure of the portfolio will remain broadly style, sector and region neutral, seeking to generate market outperformance primarily from stock selection.

The Company and WTW also announces today they are targeting net zero greenhouse gas emissions by 2050 for the Company's portfolio and aiming to reduce emissions over the medium term on a pathway that is consistent with the goals of the Paris Agreement and the principles of the Institutional Investors Group on Climate Change Net Zero Investing Framework.

As part of its responsible investment approach, the Company encourages its Stock Pickers to engage actively with investee companies on their own plans to reduce their emissions and employs EOS at Federated Hermes as an engagement specialist. In addition, WTW monitors the carbon intensity of the Company's portfolio against recognised benchmarks and other metrics. Recognising the significant challenge that climate change presents, the Company has decided that its portfolio should also be managed in line with the attainment of net zero greenhouse gas emissions by 2050.

¹ As at 31 December 2020

Craig Baker, Chairman of the Alliance Trust Investment Committee and Global Chief Investment Officer of Willis Towers Watson, said:

“Sands and Metropolis have proved themselves to be highly skilled stock pickers with strong track records of adding value for mainly institutional clients. We believe they will bring differentiated sources of return to the Alliance Trust portfolio and provide further flexibility in terms of how we allocate capital. In addition, being strategically ahead of a net zero transition will, in our opinion, significantly improve risk-adjusted returns. This will come from two sources – better market returns due to more effective stewardship and outperformance opportunities as the mispricing of climate issues is resolved.”

Further information on both Metropolis and Sands will be available on the Company’s website (www.alliancetrust.co.uk) where you can also find its Responsible Investment Statement and quarterly Responsible Investment Reports.

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About Alliance Trust PLC (ATST)

Alliance Trust PLC is one of the oldest and largest investment trusts in the UK, offering a diversified but highly active global equity portfolio at a competitive cost. The portfolio is managed by Willis Towers Watson which selects best-in-class stocks pickers from around the world, all with different styles and approaches to investing, and asks them to invest only in their best ideas. Alliance Trust is an AIC Dividend Hero with 54 consecutive years of rising dividends.

<https://www.alliancetrust.co.uk>

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