

Monthly FACTSHEET

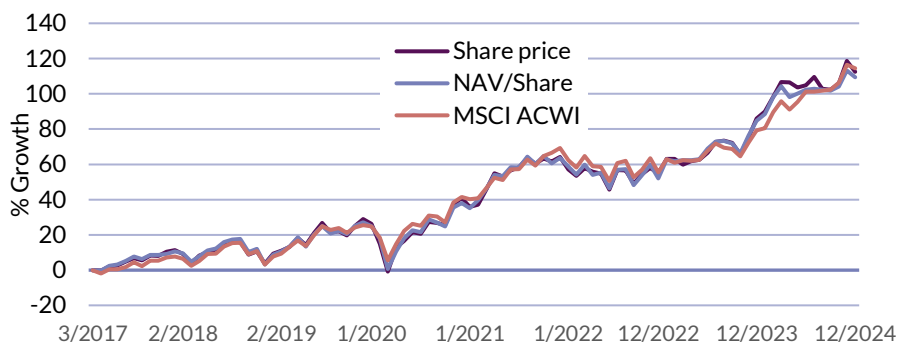
December 2024

How We Invest

Alliance Witan 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, WTW, 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.

Cumulative Performance (Total return in sterling)



Cumulative Performance (%)

To 31 December 2024	Since 1/4/17 ¹	5 Years	3 Years	1 Year	YTD	Month
Total Shareholder Return	112.5	64.9	29.4	14.3	14.3	-2.8
NAV Total Return	109.4	64.7	28.0	13.3	13.3	-1.8
MSCI ACWI Total Return ²	114.5	70.8	26.8	19.6	19.6	-0.9

Discrete Performance (%)

From To	31/12/23	31/12/22	31/12/21	31/12/20	31/12/19
Total Shareholder Return	14.3	20.2	-5.8	16.5	9.4
NAV Total Return	13.3	21.6	-7.1	18.6	8.5
MSCI ACWI Total Return ²	19.6	15.3	-8.1	19.6	12.7

Note: All data is provided as at 31 December 2024 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	1,244.0p
Net Asset Value (NAV) Per Share	1,304.7p
Premium (Discount)	(4.7%)
OCR Year to 31 Dec 2023 ³	0.62%

Key Facts

Total No. of Stocks	227
Market Capitalisation	£4,978.4m
Total Assets	£5,580.7m
Net Assets	£5,221.1m
Gross Gearing ⁴	8.4%
Net Gearing ⁵	4.9%
Yield ⁶	2.1%
Year End	31/12
Incorporated	21/4/1888
Dividend Paid	Mar, Jun, Sep, Dec
Shares in Issue ⁷	400,191,982
Buybacks in December	0.01% of shares in issue
TIDM	ALW
ISIN	GB00B11V7W98
AIC Sector	Global



Alliance Witan has been awarded the AIC Dividend Hero award⁸ and is proud to have over 57 years of consecutive growth.

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Top 20 Holdings

Name	£m	%
Microsoft	236.3	4.2
Amazon	197.4	3.5
Visa	156.2	2.8
UnitedHealth Group	116.4	2.1
Alphabet	107.7	1.9
Diageo	92.4	1.7
Meta Platforms	88.6	1.6
NVIDIA	82.7	1.5
Aon	75.1	1.3
Novo Nordisk	73.1	1.3
Netflix	70.9	1.3
Mastercard	70.7	1.3
Eli Lilly	69.9	1.3
Salesforce	61.5	1.1
HDFC Bank	58.2	1.0
Safran	53.3	1.0
Taiwan Semiconductor	49.9	0.9
Petrobras	48.1	0.9
State Street	48.0	0.9
Philip Morris Intl	47.6	0.9

Top 10 holdings 21.9%

Top 20 holdings 32.5%

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.alliancewitan.com

[To view all holdings click here](#)

Responsible Investing

As long-term investors, we embed environmental, social and governance factors into every stage of our investment process. We believe incorporating these factors has the potential to reduce risk and protect returns. Read more about this at: www.alliancewitan.com/how-we-invest

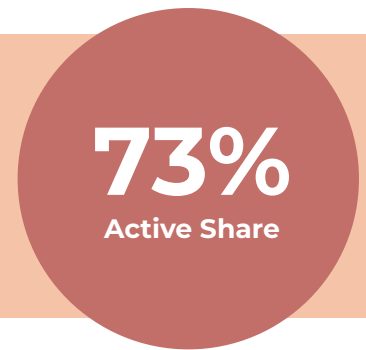
[To find out more click here](#)

Individual Holdings:

Our portfolio looks very different to the benchmark.

Active Share:

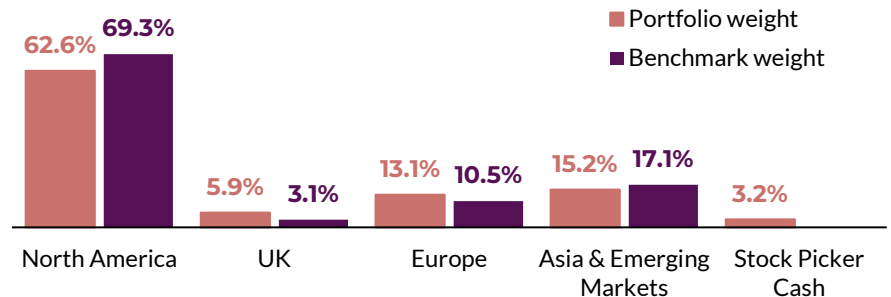
The measure of how different the portfolio is to the benchmark.



Country/Sector Allocation

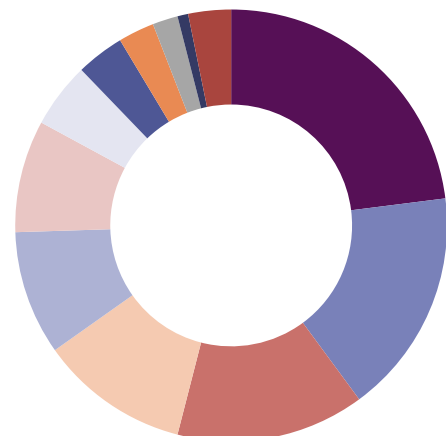
Similar to benchmark by design

By Geography



By Sector

- Information Technology 23.0%
- Financials 16.9%
- Consumer Discretionary 14.1%
- Industrials 11.2%
- Health Care 9.3%
- Communication Services 8.4%
- Consumer Staples 4.9%
- Materials 3.6%
- Energy 2.7%
- Utilities 1.9%
- Real Estate 0.8%
- Stock Picker Cash 3.2%



Investment Commentary

After posting strong gains through the rest of the year, global equities retreated in December, led by a sell-off in the US triggered by the Federal Reserve signalling a slower pace of interest rate cuts due to sticky inflation. Having initially celebrated Donald Trump's victory in the presidential election, market participants also started to express concerns about the potentially damaging impact of his economic policies, particularly the risk of tariffs, tax cuts, and immigration restrictions reigniting price pressures.

Our net asset value (NAV) fell -1.8%, compared to -0.9% for our benchmark index, MSCI ACWI, while total shareholder returns were lower at -2.8% due to a slight widening of the discount compared to November.

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.

Notes: All figures may be subject to rounding differences. Sources: Key Statistics, Key Facts, Top 20 Holdings and % of Portfolio Managed data is provided by Juniper Partners Limited; Equity Portfolio Allocation and Active Share is provided by WTW, Juniper Partners Limited and MSCI Inc. NAV and NAV total return is based on NAV including income with debt at fair value, after all manager fees (including WTW’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.

Important Information

Alliance Witan is an investment company with investment trust status. Alliance Witan invests primarily in equities and aims to generate capital growth and a progressively rising dividend from its portfolio of investments. Alliance Witan 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. Alliance Witan is not authorised to give financial advice. For security and compliance monitoring purposes, telephone calls may be recorded. The Alliance Witan Board has appointed Towers Watson Investment Management Limited (TWIM) as its Alternative Investment Fund Manager (AIFM). TWIM is part of WTW. 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.

The underperformance of our portfolio was largely due to positions in US stocks relative to the benchmark, especially Apple, Tesla, Broadcom, and UnitedHealth Group. Despite a small holding in Apple via Jennison, we are more than 4% underweight and have no exposure to Tesla. With both stocks performing well during the month, this detracted from portfolio returns versus the index. We also own chipmaker, Broadcom, which surged 45%, driven by huge gains in artificial intelligence revenues and projected growth, but our underweight relative to the index saw this detract from relative returns.

UnitedHealth Group was hit by the fallout from the fatal shooting of CEO Brian Thompson which led to a 15% decline in the company’s share price in December. The targeted attack was apparently based in part on grievances with the US health insurance system and led to a spotlight on health insurance companies’ policies and a small anti-health insurance company movement online. Veritas took advantage of the share price fall to add to its position, pointing out that no company designed the US health system and while there is always the potential for change, UnitedHealth Group is well positioned with a strong business model and has better prospects than its share price suggests. “Healthcare has grown increasingly unaffordable among US adults over the past few years and US healthcare has been a controversial topic over that time. Therefore, investors must respectfully look beyond the recent events and political controversy surrounding healthcare and focus on the facts and fundamentals of the business.”

The main contributors to returns were Diageo, Alaska Air, and Amazon. Having fallen by 40% in the last three years, the shares of Diageo, the UK based drinks group, rallied after the company reported good progress on strategic initiatives, including how it distributes its products in the key US market, after excess inventory had caused problems in late 2023, and restructuring of its business in Nigeria.

Owned by ARGA, Alaska Air’s shares rose strongly due to the airline reporting higher revenue and improved earnings prospects. The recent acquisition of Hawaiian Airlines also contributed to optimism. Amazon, owned by six of our managers, and therefore one of our largest positions, reported another year of strong revenue with cash flow up 128% or \$25.9 billion.

December’s performance meant that the NAV total return for the year was a robust 13.3% versus 19.6% for the index. Disappointing though it was not to beat the index, AJ Bell calculated that, to the end of November, just 18% of active global equity funds outperformed their passive peers, largely due to their unwillingness to match the concentration of risk that the index has due to its weightings in the Magnificent Seven, which contributed close to half of the index’s return for the period.

While we continue to hold most of the Magnificent Seven, our portfolio is not as reliant on them as the index. We view this as an advantage, as it also contains many stocks that have remained in the shadows but have been performing well operationally and have excellent prospects not yet reflected in their share prices. In the long run, share prices follow earnings. We look forward to the strong fundamentals of our holdings receiving the recognition from the market that they deserve.

Stock Pickers

% of portfolio managed



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

A. Rama Krishna

8%

*James B. Rosenwald III,
Gifford Combs,
Shiro Hayashi*

5%

*Tye Bousada,
Geoff MacDonald*

7%



DaltonInvestments



EDGEPOINT®

*Rajiv Jain,
Brian Kersman,
Sudarshan Murthy⁹*

19%

*Mark Baribeau,
Tom Davis,
Rebecca Irwin*

6%

Andrew Wellington

7%



JENNISON ASSOCIATES



*Jonathan Mills,
Simon Denison-Smith*

10%

*Dave Levanson,
Sunil Thakor*

5%

*HK Gupta,
Kishore Rao,
Rob Rohn*

11%





*Andy Headley,
Mike Moore,
Ian Clark*

14%

C.T Fitzpatrick

8%




Contact

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Notes:

- 1 April 2017 was the date that WTW was appointed investment manager.
- MSCI All Country World Index Net Dividends Reinvested.
- The OCR for year to 31 December 2023 was calculated in line with the industry standard using the average of net asset values at each NAV calculation date.
- 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.

6. Annual dividend per share divided by share price.
7. Excluding ordinary shares held in Treasury.
8. <https://www.theaic.co.uk/income-finder/dividend-heroes>
9. GQG manages an emerging markets mandate of up to 60 stocks as well as a global equity mandate of up to 20 stocks.