THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser, authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom.

If you have sold or otherwise transferred all of your Shares in The Scottish Investment Trust PLC (the "**Company**") you should pass this document (but not any Form of Proxy) as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

THE SCOTTISH INVESTMENT TRUST PLC

(Incorporated in Scotland with registered number SC001651)
(An investment company within the meaning of section 833 of the Companies Act 2006)

Recommended proposals for the appointment of a new investment manager

and

Notice of General Meeting

Notice of a general meeting of the Company to be held at The Royal College of Physicians of Edinburgh, 11 Queen Street, Edinburgh EH2 1JQ on 9 December 2021 at 10.00 a.m. is set out at the end of this document.

All Shareholders are encouraged to vote in favour of the Resolution to be proposed at the General Meeting and if the Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf. To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed thereon to be received by the Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, by no later than 10.00 a.m. on 7 December 2021. You may appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy and following the instructions. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Registrars by no later than 10.00 a.m. on 7 December 2021. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST for the General Meeting must be transmitted so as to be received by the Registrars as soon as possible and, in any event, by no later than 10.00 a.m. on 7 December 2021.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 to 8 of this document and which recommends that you vote in favour of the Resolution to be proposed at the General Meeting. Your attention is drawn to the section entitled "Action to be Taken" on page 8 of this document.

CONTENTS

EXPECTED TIMETABLE		3
PART 1	LETTER FROM THE CHAIRMAN	4
PART 2	JPMORGAN GLOBAL GROWTH & INCOME PLC'S INVESTMENT STRATEGY	9
PART 3	RISKS ASSOCIATED WITH THE PROPOSALS	13
DEFINITIONS		15
NOTICE OF GENERAL MEETING		17

EXPECTED TIMETABLE

	2021
Latest time and date for receipt of Forms of Proxy from Shareholders	10.00 a.m. on 7 December
General Meeting	10.00 a.m. on 9 December
Results of General Meeting announced	9 December

Notes

1. References to times in this document are to London time.
2. The dates set out in the expected timetable may be adjusted by the Company, in which event details of the new dates will be notified to Shareholders by an announcement made by the Company through a Regulatory Information Service.

PART 1

LETTER FROM THE CHAIRMAN

THE SCOTTISH INVESTMENT TRUST PLC

(Incorporated in Scotland with registered number SC001651)
(An investment company within the meaning of section 833 of the Companies Act 2006)

Directors:	*Registered office:*
James Will *(Chairman)*	6 Albyn Place
Mick Brewis	Edinburgh
Karyn Lamont	EH2 4NL
Jane Lewis	
Neil Rogan	

16 November 2021

Dear Shareholder

Introduction and overview

Earlier this year, your Board announced its intention to undertake a review of its investment management arrangements. The Board explained that the Company's high conviction, global contrarian investment approach, adopted in 2015, had resulted in the Company's NAV total return underperforming the sterling total return of the MSCI All Country World Index over the 5 years ended 30 April 2021 and as such that the Board felt it was appropriate to consider the future of the Company's management arrangements at this time. The Board invited proposals from established management groups and, having reviewed and evaluated the various submissions with the assistance of Stanhope Consulting (alongside the Company's existing management arrangements), it announced on 20 October 2021 that it had agreed heads of terms with JPMorgan Global Growth & Income plc ("**JGGI**") and JGGI's manager, JPMorgan Funds Limited ("**JPMF**"), for a combination of the assets of the Company with JGGI by means of a section 110 scheme of reconstruction (the "**Transaction**").

It is anticipated that it may be a number of months before the Transaction can formally proceed, due to the additional complexities inherent in a self-managed investment vehicle such as the Company. The Board, JGGI and JPMF have therefore agreed that the process should be effected in two stages, with the Company initially appointing JPMF (which will delegate to JPMorgan Asset Management (UK) Limited ("**JPMAM**")) to manage its portfolio and adopting a new investment strategy substantially identical to that of JGGI (referred to herein as the "**Investment Management Change**"). It will only be at a later date, as and when the Company has taken all steps necessary to allow it to be placed into liquidation in an orderly fashion, that the Transaction will actually take place.

The purpose of this document is to explain the Transaction in further detail, and to convene a general meeting (the "**General Meeting**") at which approval will be sought from the Company's Shareholders for the first phase of the process to be implemented i.e. for JPMF to be appointed as the Company's manager and for the Company to adopt the new investment strategy, further details of which are set out in Part 2 of this document. For the avoidance of doubt, neither the Company's current investment objective and policy, nor its dividend policy, will change as part of this phase.

Notice of the General Meeting, which is to be held at The Royal College of Physicians of Edinburgh, 11 Queen Street, Edinburgh EH2 1JQ on 9 December 2021 at 10.00 a.m. is set out at the end of this document.

Change of investment management arrangements

The review process

As explained above, as part of the Board's review of the Company's management arrangements, the Board invited proposals from established fund management groups with the experience of managing listed closed-ended funds designed to deliver, over the longer term, above index returns through a diversified global portfolio of attractively valued companies with good earnings prospects and sustainable dividend growth. These proposals were reviewed alongside the Company's current management arrangements.

A large number of proposals was received, and each one was carefully evaluated by the Board, with assistance from Stanhope Consulting, against a wide range of criteria. As part of this thorough exercise, consideration was given in turn to retaining the Company's internal investment management structure; to appointing an external third party manager; and to effecting a combination with another investment trust.

The decision reached

The Board was particularly impressed by the investment strategy that JPMAM deploys for the benefit of JPMorgan Global Growth & Income PLC, and concluded that the benefits of a combination (through a scheme of reconstruction pursuant to section 110 of the Insolvency Act 1986) with JGGI to form a significantly larger company would represent the most appropriate course of action, having regard for the best interests of the Company and its Shareholders as a whole. In reaching this decision, the Board noted a number of attractions to a combination with JGGI:

Strong historic investment performance: Over the five years ended 31 October 2021, the NAV total return of JGGI was 13.65 per cent. per annum representing outperformance of 1.39 per cent. per annum against the MSCI All Country World Index in Sterling.

Style-agnostic: The JGGI investment strategy is agnostic as between value and growth, focusing purely on the best total return opportunities. This affords the investment manager the flexibility to tilt the portfolio further towards, or further away from, value stocks or growth stocks as it sees fit, in a manner which is not possible under the Company's current investment strategy.

Deeply resourced capability: JPMorgan Chase & Co (Asset and Wealth Management) is one of the leading global asset managers with assets under management of USD3.0 trillion as at 30 September 2021, and the JGGI investment management team is supported by over 80 in-house research analysts located globally. The Board believes this highlights the increasing difficulties faced by a self-managed company with limited resources, such as the Company, to have the required depth of research to pursue a global equity mandate, and therefore the benefits of the combination with JGGI.

Attractive dividend: JGGI has a distribution policy which targets aggregate dividends in each financial year representing at least 4 per cent. of JGGI's net asset value at the end of the preceding financial year. The expected dividends of 16.96 pence per JGGI share in respect of the 12 months from 1 July 2021 represent a yield of 3.6 per cent. based on the closing JGGI share price of 470 pence on 10 November 2021.

Expected substantial uplift for shareholdings in the Company: The Company's Shareholders are expected to benefit from a re-rating of their investment in the Company. The Company's Shares traded at an average discount to NAV (cum income, debt at fair value) of 10.4 per cent. in the three months preceding the announcement of the Company's strategic review on 2 June 2021. In contrast, JGGI traded at an average premium to NAV (cum income, debt at fair value) of 2.5 per cent. over the same time period. As at close of business on 10 November 2021, being the latest practicable date prior to publication of this document, JGGI's shares traded at a 2.98 per cent. premium to NAV (cum income, debt at fair value). Since announcement of the Company's proposal to appoint JPMF as the Company's AIFM and undertake the Transaction, the Company's discount has narrowed from 12.6 per cent. (as at 19 October 2021) to 6.1 per cent. (as at 10 November 2021). For information, the Company's policy of buying back shares for the purposes of discount management was temporarily suspended in the weeks preceding the announcement of 20 October 2021.

Scale: The combined company will have net assets in excess of £1.3 billion (based on valuations as at 10 November 2021), creating a leading investment vehicle for global equity investing that delivers an attractive dividend yield. The scale of the combined company should improve secondary market liquidity for the Company's Shareholders and will achieve cost efficiencies.

Low ongoing charges: JGGI will benefit from a new scaled annual management charge ("**AMC**") agreed between JGGI and JPMF. By way of illustration, based on valuations as at 10 November 2021, this new AMC would result in an initial weighted average AMC of 0.49 per cent. of net assets and forecast ongoing charges of 0.56 per cent. in the 12 months following implementation of the Transaction. For the avoidance of doubt, during the period of JPMF's appointment as the Company's AIFM up until implementation of the Transaction, JPMF will be entitled to receive a management fee payable by the Company quarterly at a rate equivalent to 0.55 per cent. per annum on net assets.

Leading investment trust platform: JPMAM is one of the leading managers of closed-ended vehicles in the UK, managing 20 investment companies with an aggregate market cap in excess of £12.9 billion (as at 10 November 2021). JGGI benefits from JPMAM's extensive investment company management and marketing resources.

Contribution from J.P. Morgan Asset Management: JPMAM has agreed to make a costs contribution in respect of the Transaction equivalent to the management fees payable by the enlarged vehicle in respect of the eight month period immediately following completion of the Transaction.

Implementing the Transaction

While a section 110 reconstruction typically takes a number of months to complete, the fact that the Company is self-managed is likely to lead to a more protracted timetable than usual as matters such as the Company's pension scheme must be properly and carefully addressed in advance. Given that it may therefore be some time until the Transaction can formally proceed, the Board, JGGI and JPMF have agreed that the process should be effected in two stages. In the first stage, the Company will appoint JPMF to manage its portfolio and will adopt a new investment strategy which is substantially identical to that of JGGI. In the second stage, which will proceed as and when the Company has taken all steps necessary to allow it to be placed into liquidation in an orderly fashion, the scheme of reconstruction will take place and the Company's Shareholders will have their shareholdings in the Company replaced with shares in the newly enlarged JGGI.

At the General Meeting, notice of which is set out on pages 17 to 19 of this document, approval will be sought from Shareholders for the appointment of JPMF as AIFM to the Company and for the adoption of a new investment strategy which is substantially identical to that of JGGI, as set out in Part 2 of this document. While the two stages of the process are inextricably linked, so that support for the appointment of JPMF as the Company's manager is also likely to imply support for the implementation of the Transaction, the latter will be the subject of separate Shareholder votes at general meetings of the Company to be held in the first quarter of 2022, provided that the Resolution presently being put forward is passed.

If the Resolution is approved, it is anticipated that JPMF's appointment and the change in investment strategy will take effect on or around 21 January 2022, from which point the Company will be managed by JPMF and JPMAM in a comparable fashion to JGGI. It is also expected that company secretarial and administration functions will also move across to JPMorgan as part of the Investment Management Change. Under the new investment management arrangements (intended to remain in place for only two or three months) and assuming responsibility for all company secretarial and administration matters also moves across to JPMorgan, JPMF will receive a management fee payable by the Company quarterly at a rate equivalent to 0.55 per cent. of net assets per annum and the appointment will be terminable by either party on six months' notice or on the Company going into voluntary winding-up. As and when the Company has taken all the necessary steps (notably with regard to its employee pension scheme and debtholders) to allow it to enter into voluntary winding-up in an orderly fashion, subsequent general meetings of the Company will be convened and authority will be sought from Shareholders for the Transaction formally to proceed. Implementing the scheme of reconstruction will see the Company placed into voluntary winding-up, the management arrangements between the Company and JPMF automatically terminated and Shareholders receiving shares in JGGI. It is currently anticipated that the Transaction will be undertaken at the end of the first quarter of 2022.

Portfolio realignment and debtholders

The Board has instructed the Company's existing investment manager to continue to manage the portfolio in line with the Company's current investment strategy. With effect from the appointment of JPMF as the Company's AIFM, the Company will be managed under the new investment strategy. It is expected that realignment of the portfolio will occur around the date of JPMF's appointment. Throughout this process and up until its winding-up, it is expected that the Company will remain a member of the AIC within its 'Global' subsector.

The Company currently has both secured bonds and perpetual debenture stock. The secured bonds are secured by a floating charge over the assets of the Company and have a redemption value in 2030 of £82,827,000. Implementation of the wider Transaction is conditional on the approval of the secured bond holders and the Board continues to liaise with the trustee of the bonds in seeking to obtain the approval of the underlying holders as soon as possible. The 5 per cent., 4.25 per cent. and 4 per cent. perpetual debenture stock have an aggregate nominal value of approximately £2,059,000 (as at 31 October 2021) and the Board intends to repay these following implementation of the Transaction (if approved).

JPMorgan Global Growth & Income's strategy and performance

Strategy

JGGI follows a high conviction, bottom-up stock picking approach, drawing on the expertise of over 80 in-house research analysts focusing on long-term forecasting and structural change to identify the longer-term industry trends of the future. Specifically, as JPMAM believes a company's value is determined by its future cash flow stream, it believes structural changes will determine tomorrow's winners and losers, with ESG factors both informing and influencing the investment manager's longer-term forecasting. Importantly, JGGI's strategy is not heavily value or growth orientated and instead aims for repeatable outperformance over a variety of market conditions. As at 31 October 2021, this process had delivered a NAV total return (net of fees) of 1.7 per cent. per annum over the MSCI All Country World Index since inception on 30 September 2008.

Performance

The NAV total return of JGGI, the Company and the MSCI All Country World Index over various time periods to 31 October 2021 is set out below.

	NAV Total Return (%)				
	Year to date	**Over 1 year**	**Over 3 years**	**Over 5 years**	**Over 10 years**
JPMorgan Global Growth & Income plc	20.63	38.23	63.30	87.63	277.63
The Scottish Investment Trust PLC	12.57	15.95	4.04	16.58	120.69
MSCI All Country World Index (Sterling)	16.47	29.49	51.12	76.98	244.25

Source: © Morningstar 2021

Dividends

Under JGGI's current distribution policy, at the start of each financial year the company will announce the distribution it intends to pay to shareholders in the forthcoming year in quarterly instalments. In aggregate, JGGI's current intention is to pay dividends totalling at least 4 per cent. of the net asset value of JGGI as at the end of the preceding financial year. Where the target dividend is likely to result in a dividend yield that is materially out of line with the wider market, the JGGI board may choose to set the target dividend at a different level that is more in-line with the wider market and other global income trusts and funds.

For the avoidance of doubt, the Company's current dividend policy will not change up until the effective date of the Transaction. Following implementation of the Transaction, the above JGGI dividend policy (which includes the ability to pay dividends out of capital), will apply to all new JGGI shares held by the Company's Shareholders. Whilst the JGGI policy differs from the approach adopted by the Company historically (which has focused on payment of dividends from earnings, as supplemented by revenue reserves), your Board believes the ability to pay dividends out of capital can offer tangible benefits to shareholders, including allowing the investment manager to retain full flexibility and control over stock picking without sacrificing high conviction opportunities in the pursuit of yield and offering the ability to smooth dividend payments through low yield environments.

Further details on JGGI's investment strategy and key characteristics of its portfolio are set out in Part 2 of this document.

General Meeting

The Investment Management Change is subject to Shareholder approval. A notice convening the General Meeting which is to be held at The Royal College of Physicians of Edinburgh, 11 Queen Street, Edinburgh EH2 1JQ on 9 December 2021 at 10.00 a.m. is set out at the end of this document. The Resolution will, if passed, result in the appointment of JPMF as the Company's AIFM. The Resolution will be proposed as an ordinary resolution and will require the approval of Shareholders representing a simple majority of the votes cast at the General Meeting.

All Shareholders are entitled to vote at the General Meeting. In accordance with the Company's articles of association, all Shareholders entitled to vote and present in person or by proxy at the General Meeting shall upon a show of hands have one vote and upon a poll shall have one vote in respect of every Share held.

If Shareholders do not vote in favour of the appointment of JPMF as the Company's AIFM, the Board will reassess the Company's strategic options for the future of the Company and will consult with the largest Shareholders.

The Board always welcomes questions from Shareholders and Shareholders are encouraged to submit any questions they have concerning the General Meeting or the proposed Resolution to the Board by email to info@thescottish.co.uk by 5.00 p.m. on 3 December 2021. Please put "The Scottish – General Meeting" in the subject heading of any email.

Action to be taken

All Shareholders are encouraged to vote in favour of the Resolution to be proposed at the General Meeting and, if the Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Registrar by one of the following means:

(i) by logging on to www.investorcentre.co.uk/eproxy and following the instructions; or

(ii) by completing and signing the Form of Proxy in accordance with the instructions printed thereon and returning by post, by courier or by hand; or

(iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the notice of the General Meeting.

In each case, the proxy appointment must be received by the Company as soon as possible and, in any event, so as to arrive by no later than 10.00 a.m. on 7 December 2021. To be valid, the relevant proxy appointment should be completed in accordance with the instructions accompanying it and lodged with the Registrar by the relevant time.

Recommendation

The Board, having been so advised by Investec Bank plc, considers that the Investment Management Change and the Transaction, as set out in this document, and the Resolution to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution to be proposed at the General Meeting.

The Directors intend to vote in favour, or procure votes in favour, of the Resolution at the General Meeting in respect of their own beneficial holdings of Shares, which in aggregate amount to 33,456 Shares (representing less than 0.1 per cent. of the issued Share capital of the Company as at the date of this document).

Yours faithfully,

James Will
Chairman

PART 2

JPMORGAN GLOBAL GROWTH & INCOME PLC'S INVESTMENT STRATEGY

As noted in Part 1 of this document, if the Resolution is passed by Shareholders at the upcoming General Meeting, JPMF will be appointed as the Company's AIFM. JPMF will delegate portfolio management to JPMAM and the Company will be managed, until implementation of the wider Transaction, under an investment strategy that is substantially similar to JGGI's investment strategy, further details of which are set out below.

For the avoidance of doubt, the Company's current investment objective and policy will not change as part of this process.

JGGI's investment strategy

JGGI follows a high conviction, bottom-up stock picking approach, drawing on expertise of over 80 in-house research analysts focusing on long-term forecasting and structural change to identify the longer-term industry trends of the future. Specifically, as JPMAM believes a company's value is determined by its future cash flow stream, it also believes structural changes will determine tomorrow's winners and losers, with ESG factors both informing and influencing the investment manager's longer-term forecasting. Importantly, the JGGI strategy is not heavily value or growth orientated and instead aims for repeatable outperformance over a variety of market conditions.

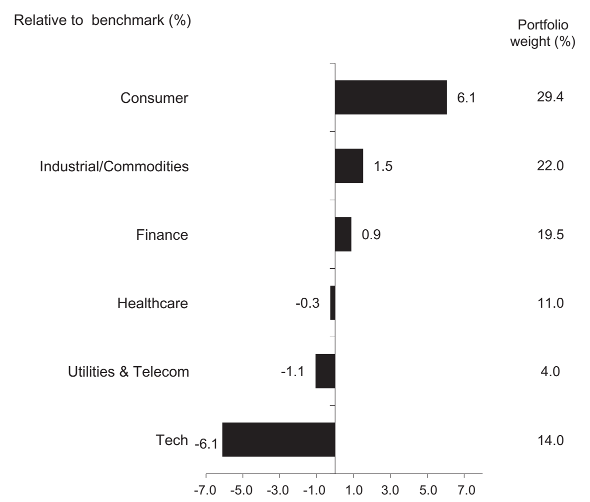
Key Portfolio Characteristics

JPMAM constructs portfolios for its clients on an entirely bottom-up stock selection basis globally by utilising the research of its fundamental research analysts, rather than a core allocation to MSCI All Country World Index stocks. JGGI can invest in any region, sector and company that meet the investment manager's criteria. The strategy is built on the highest conviction stock ideas of the team and results in a high conviction portfolio of typically 50 to 90 stocks. Minimal constraints are imposed versus the benchmark. The key details are outlined below as at 31 October 2021:

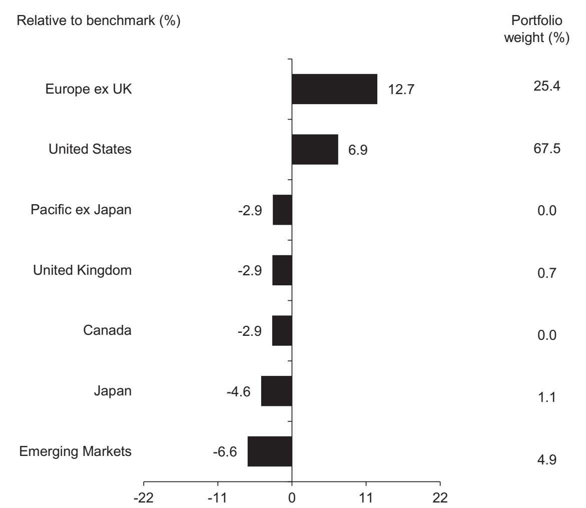
Benchmark:	MSCI AC World Index (TR Net)
Target number of holdings:	50-90
Expected tracking error:	5% - 10% p.a.
Sector ranges:^	±15%
Country/Region ranges:^	±30%
Currency hedging:	Hedged towards benchmark**
Gearing:	Tactical

*Source: J.P. Morgan Asset Management. Factset, Barra. ^ Relative to benchmark weight. The portfolio is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice. The benchmark is for comparative purposes only, unless otherwise indicated in JGGI's investment objective and policy. ** Currency exposure is predominantly hedged back towards the benchmark. Since December 2008.*

Active and absolute super-sector positions



Active and absolute region positions



Source: J.P. Morgan Asset Management, Factset. The strategy characteristics are shown for illustrative purposes only and are subject to change without notice. The strategy may be implemented through actively managed portfolios (or funds). Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

Investment Process

Fundamental Research

The most distinctive element in JPMAM'S bottom-up stock selection process is its commitment to proprietary fundamental research, which serves as the primary driving force behind the value it seeks to add. JPMAM's network of over 80 in-house fundamental research analysts have, on average, 19 years' industry experience and 11 years with the firm (as at 30 June 2021). They cover around 2,500 securities across global equity markets. As at 31 October 2021, this process had delivered a NAV total return (net of fees) for JGGI of 1.7 per cent. per annum over the MSCI All Country World Index since inception on 30 September 2008.

JPMAM begins by creating an information advantage through proprietary, fundamental research conducted by its team of dedicated buy-side analysts. Each analyst is a career specialist in a particular industry. Analysts spend their time visiting and/or speaking with company management teams, as well as suppliers, competitors, end-users and trade associations, and they also consult other information sources to gain a full understanding of the investment drivers of the stocks under their coverage. JPMAM's fundamental research is further enhanced by its substantial commitment to build and maintain a seasoned team of in-house equity research analysts.

JPMAM fosters a team approach to investing. Its investment managers interact extensively with its research analysts and with each other, intensifying the rigor of the debate around specific stocks. Regardless of which sector or region of the world they cover, all JPMAM's analysts utilise the same proprietary analytic frameworks into which ESG considerations are embedded.

Industry Frameworks

Making better forecasts than the market is critical to the success of JPMAM's investment approach. Many market participants will forecast through industry/business cycles, and JPMAM believes this is important. However, in a world where business models have increasingly been disrupted by globalisation or technology, JPMAM believes it is also critical to forecast the structural changes which can result.

- Global sectors demand a global approach; JPMAM's global sector teams collaborate to build global industry frameworks.
- Analysts in local sectors create regional frameworks which are comparable to create globally consistent company assumptions.
- Combining local and global insights creates an information advantage.

JPMAM's analysts collaborate within their global sector teams to understand the structure of their industry and produce a global industry framework, focusing on the segments within it, the degree of competitive intensity in these, the concentration and pricing power of suppliers or customers. They share data and develop common assumptions where appropriate (e.g. global/regional auto sales numbers); they discuss likely developments within their industry (e.g. consolidation, disintermediation, substitution by an alternative business model); and they agree the likely long term winners and losers.

Strategic Classifications

Industry frameworks guide JPMAM's analysts in their stock-level research. This analysis seeks to understand the dynamics of a company's business, its growth prospects and the sustainability of its competitive position by looking into three different, yet interdependent, areas:

Economics: Does the company produce good returns for shareholders? In order to understand economic returns, the analyst needs to consider all factors that influence the amount of capital needed to run a business, the profits it makes by employing this capital and the amount of capital that can be re-invested. These factors can be external to the company (macro and industry), or specific to it (company and management). The analyst thinks about the probability that any factor will influence returns and the magnitude of the potential impact. Several factors are important:

- Industry factors: Capital intensity of the industry and pricing power.
- Company factors: Strength of the company's position versus competitors/suppliers/customers/regulators/governments.
- Management choices: Balance sheet structure and capital management, including dividend policy.

Duration: Can the observed returns be sustained in the future? A company's ability to sustain returns depends on a wide variety of factors, including macro, industry and company factors, as well as management choices. Several factors are considered:

- Industry factors: The nature of the industry, especially as regards innovation and obsolescence, and growth.
- Company factors: Positioning of the company, the sustainability of any competitive advantage through time and exposure to potential ESG risks.
- Management choices: Skill in capital allocation, especially returns on incremental capital.

Governance: Will the expected returns accrue to shareholders in full, or be impaired by poor governance? Many different factors influence JPMAM's view of governance. They can be approached in two ways: (i) by source (macro/industry/company/management); and (ii) by cause (competence and motives). Following the analysis of these variables, an analyst assigns one of four 'Strategic Classifications' to a company:

- **Premium:** Companies that JPMAM believes have a sustainable advantage that allows for durable growth and sustained excess financial returns. These are best-in-class companies on an absolute basis.
- **Quality:** Companies where JPMAM assesses that intrinsic value can be created at a rate above a suitable cost of capital with acceptable risks, and that is unlikely to change within the forecast horizon.
- **Trading:** Companies that are not structurally challenged, but where our confidence in their long-term value creation is lower than for quality or premium companies.
- **Structurally challenged:** Companies that face serious structural issues that are unlikely to be remedied, where the economics are materially below the cost of capital and unlikely to ever recover, or if there is a realistic existential threat to the business model.

Analysts and investment managers review the 'Strategic Classifications' of the companies covered on a regular basis to ensure consistency of the process worldwide.

ESG Considerations

ESG factors are integrated into each of JPMAM's investment decisions as it believes that responsible stewardship of its clients' assets entails an assessment of the ESG risks and opportunities of each of the companies in which it invests. As such, all of the assets managed by the International Equity Group (IEG) are ESG integrated, meaning that ESG factors are systematically and explicitly considered throughout the investment process. This means having information on, and taking into consideration, a stock's ESG characteristics at every stage of the decision making process, including research, company engagement and portfolio construction.

JGGI is rated A on MSCI ESG ratings (as at 30 June 2021).

Research

A key strength of JPMAM's investment process is its in-house research capability, both fundamental and quantitative. JPMAM's ESG analysis leverages this within a proprietary framework to assess each company's exposure to, and performance on, material sustainability issues. The framework comprises:

- A fundamental score based on a proprietary 40 point ESG checklist, asking the same detailed questions of each company under coverage globally.
- A quantitative score based on key ESG factors across sub-industries.

These elements are combined to give investors a clear and comparable measure of ESG risks and opportunities. The fundamental score captures the insights of JPMAM's research analysts who complete a proprietary checklist for approximately 2,500 companies under coverage, with 12 of the questions specifically addressing environmental considerations, 12 on social and 16 on governance. These questions are worded so that "yes" is negative, creating a red flag that alerts the investment manager to a potential risk. The checklist is not a "pass/fail" exercise but rather a tool to inform discussions between investment managers and fundamental analysts, and the engagements with the companies covered.

JPMAM's quantitative score systematically leverages third party ESG data to complement and challenge its fundamental research. JPMAM applies proprietary weightings to over 30 individual ESG issues at the sub-industry level. This also captures ESG momentum by looking at each company's ESG score now versus one year ago to identify those showing either an improvement or deterioration in sustainability credentials. This quantitative approach is scalable and flexible to incorporate data from a range of providers.

Company engagement

Engagement with companies has long been an integral part of JPMAM's approach to its investment and ESG. JPMAM uses it not only to understand how companies consider issues related to ESG but also to try to influence their behaviour and encourage best practices. JPMAM engages at scheduled meetings with company management or at meetings specifically arranged to address issues its research has uncovered, either around specific proposals or broader responsibilities and business operations.

PART 3

RISKS ASSOCIATED WITH THE PROPOSALS

Shareholders should consider carefully all of the information set out in this document including, in particular, the risks associated with the Investment Management Change described below prior to making any decision as to whether to vote in favour of the Resolution.

The Company's business, financial condition or operations could be materially and adversely affected by the occurrence of any of the risks described below. In such circumstances, the market price of the Shares could decline and investors could lose all or part of their investment. In particular, Shareholders should note that the past performance of the Company, JPMF, JPMAM or JGGI should not be used as a guide to their future performance.

Additional risks and uncertainties which were not known to the Board at the date of this document or that the Board considers at the date of this document to be immaterial (based on the assumption that the Resolution is passed at the General Meeting) may also materially and adversely affect the Company's business, financial condition or results or prospects.

Shareholders should be aware of the following considerations relating to the Investment Management Change and the Company;

- There can be no guarantee that the investment objective of the Company will be achieved or that any appreciation of the Company's assets will occur.
- Neither the Company's, JPMF's nor JPMAM's past investment performance is a reliable indicator of the Company's future investment performance.
- There is no guarantee that the Transaction will be implemented in accordance with the expected timetable or at all. If the Transaction is not implemented, the Company's assets will not be combined with JGGI but will continue to be managed by JPMF and JPMAM under the proposed new investment strategy and contractual arrangements.
- As a consequence of the portfolio realignment pursuant to the Investment Management Change and the Transaction, Shareholders may have levels of market exposure during the transition period that do not reflect the target portfolio.
- The Company seeks to achieve its investment objective by constructing a portfolio consisting principally of global listed equities. The prices of equity investments may be volatile and are affected by a wide variety of factors many of which can be unforeseen and are outside the control of the investee company or the Company's investment manager. These price movements could result in significant losses for the Company which would impact the returns to Shareholders and the ability of Shareholders to realise their investments.
- The Company will have exposure to foreign currencies and changes in the rates of exchange will cause the value of any investment, and income from it, to fall as well as rise and you may not get back the amount invested.
- Changes in economic conditions (including, for example, changes in interest rates, rates of inflation, industry conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors such as the COVID-19 pandemic could substantially and adversely affect the value of the Company's portfolio and, as a consequence, the Company's investment performance, Share price and prospects.
- Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or alter the post-tax returns of Shareholders.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Investment Management Change, the Transaction or the Company. Accordingly, additional risks and uncertainties not currently known to the Board may also have an adverse effect on the Company's business, financial condition or results or prospects.

DEFINITIONS

Unless the context otherwise requires, the following words and expressions have the following meanings in this document:

AIFM	an alternative investment fund manager, as defined under the UK version of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended
AMC	Annual Management Charge
Board	the board of Directors of the Company or any duly constituted committee thereof
Company	The Scottish Investment Trust PLC, a company incorporated in Scotland with registered number SC001651
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
CREST Manual	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST international Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
Directors	the directors of the Company
ESG	environmental, social and governance
Euroclear	Euroclear UK & International Limited, the operator of CREST
Form of Proxy	the form of proxy for use by Shareholders at the General Meeting, which accompanies this document
General Meeting	the general meeting of the Company, notice of which is set out at the end of this document, at which the Resolution will be proposed to approve the Investment Management Change
Investment Management Change	together, the appointment of JPMF as the Company's AIFM and the Company's adoption of a substantially identical investment strategy to JGGI, details of which are set out in this document
JGGI	JPMorgan Global Growth & Income Plc, a company incorporated in England & Wales with registered number 00024299
JPMAM	JPMorgan Asset Management (UK) Limited, a company incorporated in England & Wales with registered number 01161446
JPMF	JPMorgan Funds Limited, a company incorporated in Scotland with registered number SC019438
NAV	net asset value per Share
Register	the register of Shareholders

Registrars	Computershare Investor Services PLC
Regulatory Information Service	any of the regulatory information services set out in Appendix 3 of the listing rules of the FCA
Resolution	the ordinary resolution to approve the Investment Management Change to be proposed at the General Meeting
Shareholders	holders of Ordinary Shares
Shares or **Ordinary Shares**	ordinary shares of 25 pence each in the capital of the Company
Transaction	the combination of the assets of the Company with JGGI by means of a scheme of reconstruction to be undertaken by the Company under section 110 of the Insolvency Act 1986

NOTICE OF GENERAL MEETING

THE SCOTTISH INVESTMENT TRUST PLC

(Incorporated in Scotland with registered number SC001651)
(An investment company within the meaning of section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of The Scottish Investment Trust PLC (the "**Company**") will be held at The Royal College of Physicians of Edinburgh, 11 Queen Street, Edinburgh EH2 1JQ on 9 December 2021 at 10.00 a.m. to consider and, if thought fit, pass the following resolution, which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

THAT (i) the appointment of JPMorgan Funds Limited ("**JPMF**") as the Company's alternative investment fund manager (as defined under the UK version of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended), be and is hereby approved and that the Board be authorised to take all steps required to implement such appointment; and (ii) the Company's adoption of an investment strategy substantially similar to that set out in Part 2 of the circular to shareholders of the Company dated 16 November 2021, a copy of which has been produced to the meeting and signed by the chairman for the purpose of identification, be and is hereby adopted as the investment strategy of the Company to the exclusion of all previous investment strategies of the Company with effect from the appointment of JPMF as the Company's alternative investment fund manager.

By order of the Board
Maitland Administration Services Limited
Company Secretary

Registered office:
6 Albyn Place
Edinburgh
EH2 4NL

Dated: 16 November 2021

Notes:

1. If law or Government guidance so requires at the time of the meeting the Chairman of the meeting will limit, in their sole discretion, the number of individuals in attendance at the meeting. In addition, in the light of the COVID-19 pandemic, the Company may impose entry restrictions on certain persons wishing to attend the meeting in order to secure the health and safety of others attending the meeting.
2. A member is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share.
3. A form of proxy for use by shareholders is enclosed with this document. To be valid, the form of proxy should be lodged by one of the following methods;
   - *via* the registrar's website www.investorcentre.co.uk/eproxy; or
   - in hard copy form (together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority) by post, by courier or by hand to the Company's registrars Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY;
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures noted below,

   and in each case to be received by the Company no later than 48 hours (excluding non-working days) before the time of the meeting or any adjourned meeting.
4. Only those shareholders having their names entered on the Company's share register not later than 8.00 p.m. on 7 December 2021 or, if the meeting is adjourned, 8.00 p.m. on the day which is two days (excluding non-working days) prior to the date of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the Company's share register after that time shall be disregarded in determining the rights of any shareholder to attend, speak and vote at the meeting, notwithstanding any provision in any enactment, the Articles of Association of the Company or other instrument to the contrary.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by logging on to the website www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID 3RA50) no later than 10.00 a.m. on 7 December 2021 (or in the event the meeting is adjourned no later than 48 hours (excluding non-working days) before the time of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST Sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s)), to procure that their CREST Sponsor or voting service provider(s)) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST Sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

9. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("**Nominated Persons**"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 2, 3 and 5 above does not apply to Nominated Persons. The rights described in these notes can only be exercised by members of the Company.

10. As at close of business on 10 November 2021 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 66,173,178 ordinary shares of 25 pence each (none of which is held in treasury) carrying one vote for every share held. Therefore the total number of voting rights in the Company as at close of business on 10 November 2021 was 66,173,178.

11. Any person holding 3 per cent. or more of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

13. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:

    - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
    - the answer has already been given on a website in the form of an answer to a question; or
    - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

14. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

15. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.thescottish.co.uk.