

F&C INVESTMENT TRUST PLC

APRIL 2024



FUND MANAGER PAUL NIVEN



MANAGER COMMENTARY

During March, our net asset value return was 3.0% and shareholder returns were 1.4%, in comparison to the FTSE All-World Index return of 3.2%.

Equity market performance remains positive, with the FTSE All-World Index rising by 3.2% in sterling terms. Technology stocks in the US continued to outperform; an equal-weighted index of the 'Magnificent Seven' stocks returned over 18% during the first quarter in sterling terms. This reflected resilient economic growth and robust earnings; growing hopes for an economic soft landing; and expectations for interest-rate cuts later this year. Japanese equities (+3.5%) delivered outperformance versus the global benchmark this month, with the Nikkei surpassing its previous 1989 record high despite the Bank of Japan tightening monetary policy in March. Equities in the UK (+4.8%) and Europe (+4.0%) also outperformed. Chinese equities lagged significantly (+1.0%) as imbalances within its domestic economy and uncertainty surrounding the US presidential election continued to challenge sentiment.

During the quarter, concerns around inflation resurfaced and pushed yields higher. While inflation in major developed markets moved closer to central-bank targets, inflation prints missed expectations in some instances. While providing a boost to earnings, upside momentum in US growth has caused a significant shift in the narrative around inflation, with US inflation now expected to be stickier than elsewhere as the economy continues to run hot. Pricing for monetary easing has adjusted to reflect this divergence in inflation expectations, with expectations for the first US interest-rate cut being pushed back to July.

Apple (-5.0%), which remains the Trust's largest individual underweight position relative to the benchmark, was the Trust's top contributor to relative returns during March, as was also the case in February. During February, Chinese iPhone shipments declined by 33% year on year, driven by intensifying competition from Huawei. The Department of Justice lawsuit, which alleged monopolistic practices by Apple, was another drag on returns, as were mounting investor concerns that the company's artificial intelligence capabilities are lagging peers. The Trust's overweight position in refiner Marathon Petroleum (+19.2%) also performed well, driven by lower-than-expected utilisations across the US and an abnormally heavy maintenance season. First-quarter earnings-per-share estimates for the company have been revised upwards significantly, with buybacks rising to \$2.5bn per quarter also proving supportive. AIA Group (-17.2%), the Asia-focused insurer, was the most significant detractor from relative returns this month, with investor concerns centred around the timing/method of returning excess capital to shareholders and the quality of growth within the company's China segment, where there has been significant product margin compression. Food retailer and distributor Jeronimo Martins (-17.0%) also detracted in March, driven by management's cautious tone for near-term earnings delivery on rising operating expenses and subdued sales volumes.

We ended the month at a discount of 11.3%, widening from a discount of 9.9% at the end of February.

KEY FACTS AS AT 31.03.24

TRUST AIMS:

The objective of the trust is to secure long-term growth in capital and income through a policy of investing primarily in an internationally diversified portfolio of publicly listed equities, as well as unlisted securities and private equity, with the use of gearing.

| | |
|-------------------------|-------------------------|
| Benchmark: | FTSE All World TR Index |
| Fund type: | Investment Trust |
| Launch date: | 1868 |
| Total assets: | £6.1 billion |
| Share price: | 996.00p |
| NAV: | 1122.78p |
| Discount/premium(-/+): | -11.29% |
| Dividend payment dates: | Feb, May, Aug, Nov |
| Net dividend yield*: | 1.4% |
| Net gearing**: | 5% |

TRUST HIGHLIGHTS:

The first ever investment trust, launched in 1868. A diversified portfolio gives exposure to most of the world markets. Invests in more than 400 companies in 35 countries. Among the largest investment trusts in its sector.

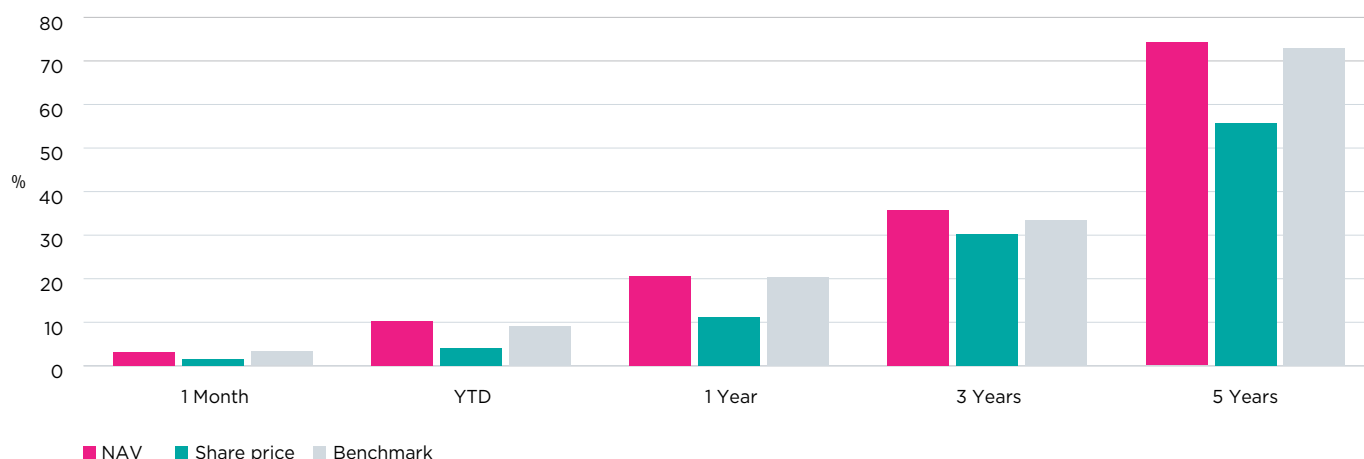
| | |
|------------------------|---|
| Management fee rate**: | 0.30% p.a. based on Market Capitalisation up to £4.0 billion and 0.25% above £4.0 billion |
| Total expenses: | 0.45% |
| Ongoing charges**: | 0.49% |
| Year end: | 31 December |
| Sector: | Global |
| Currency: | Sterling |
| Website: | fandc.com fandc.co.uk |

**Ongoing charges calculated in accordance with AIC recommendations. Please refer to the latest annual report as to how the fee is structured.

KEY RISKS

Stock market movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. Where investments are made in emerging markets their potential volatility may increase the risks to the value of and the income from the investment. Political or economic change may be more likely to occur and have a greater effect on the economies and markets of the emerging countries. Smaller companies carry a higher degree of risk and their value can be more sensitive to market movement; their shares may be less liquid and performance may be more volatile. The fund may invest in private equity funds which are not normally available to individual investors, exposing the fund to the performance, liquidity and valuation issues of these funds. Such funds typically have high minimum investment levels and may restrict or suspend redemptions or repayment to investors. The asset value of these private equity funds and prospects may be more difficult to assess. If markets fall, gearing can magnify the negative impact on performance.

Fund performance as at 31.03.24



Cumulative performance as at 31.03.24 (%)

| | 1 Month | Year to date | 1 Year | 3 Years | 5 Years |
|-------------|---------|--------------|--------|---------|---------|
| NAV | 3.11 | 10.24 | 20.59 | 35.72 | 74.14 |
| Share price | 1.43 | 3.91 | 11.20 | 30.14 | 55.63 |
| Benchmark | 3.20 | 9.00 | 20.41 | 33.34 | 72.80 |

Discrete annual performance as at 31.03.24 (%)

| | 2024/23 | 2023/22 | 2022/21 | 2021/20 | 2020/19 |
|-------------|---------|---------|---------|---------|---------|
| NAV | 20.59 | 0.00 | 12.54 | 43.08 | -10.32 |
| Share price | 11.20 | 6.35 | 10.05 | 42.86 | -16.29 |
| Benchmark | 20.41 | -1.37 | 12.28 | 38.95 | -6.73 |

Past performance is not a guide to future performance. Source: Lipper and Columbia Threadneedle Investments. Basis: Percentage growth, Total return, net income reinvested. The discrete annual performance table refers to 12 month periods, ending at the date shown.

F&C INVESTMENT TRUST PLC

APRIL 2024



INVESTMENT TRUST
SINCE 1868

20 largest listed equity holdings (%)

| | Percentage of total Investments |
|--|---------------------------------|
| Microsoft | 3.2 |
| Nvidia | 2.1 |
| Alphabet | 2.0 |
| Broadcom | 1.7 |
| Amazon | 1.7 |
| Meta Platforms | 1.4 |
| Apple | 1.3 |
| Mastercard | 1.1 |
| Eli Lilly | 1.0 |
| Taiwan Semiconductor Manufacturing Company | 1.0 |
| Lowe's Companies | 1.0 |
| Comcast | 0.8 |
| Marathon Petroleum | 0.7 |
| Visa | 0.7 |
| Novo Nordisk | 0.7 |
| Wells Fargo | 0.6 |
| KLA | 0.6 |
| AbbVie | 0.6 |
| Bristol Myers Squibb | 0.6 |
| Vertiv | 0.6 |

Net dividend distributions pence per share (paid)/(declared)

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------|-------|-------|-------|-------|-------|------|
| February | 2.80 | 2.90 | 2.90 | 3.00 | 3.20 | 3.40 |
| May | 2.80 | 2.90 | 3.40 | 3.80 | 3.90 | - |
| August/September | 2.90 | 2.90 | 3.00 | 3.20 | 3.40 | - |
| November | 2.90 | 2.90 | 3.00 | 3.20 | 3.40 | - |
| Total | 11.40 | 11.60 | 12.30 | 13.20 | 13.90 | 3.40 |

Asset allocation including Private Equity (%)

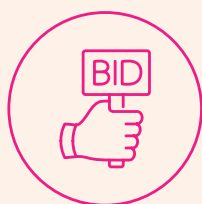
| | |
|-------------------------|-------|
| UK equity | 9.1 |
| Europe ex UK equity | 10.7 |
| North America equity | 60.3 |
| Japan equity | 5.8 |
| Pacific ex Japan equity | 3.4 |
| Emerging markets equity | 8.2 |
| Liquidity | 2.5 |
| Total | 100.0 |

All figures are subject to rounding.

Trust codes

| | |
|-------------------------|----------------------|
| Stock exchange | FCIT |
| Sedol | 346607 |
| Legal Entity Identifier | 213800W6B18ZHTNG7371 |

GLOSSARY



BID PRICE

Investment trust shares are sold via the stock exchange at the bid price. This price is determined by supply and demand.



DIVIDEND

Income paid to shareholders by the company they invest in.



NET ASSET VALUE

A key measure of the value of a company or trust – the total value of assets less liabilities, divided by the number of shares.

F&C INVESTMENT TRUST PLC

APRIL 2024



All data as at 31.03.2024 unless otherwise stated.

All information is sourced from Columbia Threadneedle Investments, unless otherwise stated. All percentages are based on gross assets. 'The yield is calculated on an historic basis using the actual dividends paid during the last twelve months and the closing share price as at the end of the relevant month. 'Net gearing is total assets less cash and cash equivalents divided by shareholders' funds and expressed as a percentage. Net cash is net exposure to cash and cash equivalents expressed as a percentage of shareholders funds after any offset against gearing. 'Ongoing charges and management fee information as at the end of 31 December 2023. Please refer to the latest annual report as to how the fee is structured. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product.

© 2024 Columbia Threadneedle Investments. Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

This financial promotion is issued for marketing and information purposes only by Columbia Threadneedle Investments in the UK.

F&C Investment Trust PLC is an investment trust and its Ordinary Shares are traded on the main market of the London Stock Exchange.

English language copies of the key information document (KID) can be obtained from Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London EC4N 6A. Email: inv.trusts@columbiathreadneedle.com or electronically at www.columbiathreadneedle.com. Please read before taking any investment decision.

The information provided in the marketing material does not constitute, and should not be construed as, investment advice or a recommendation to buy, sell or otherwise transact in the fund. The manager has the right to terminate the arrangements made for marketing.

FTSE International Limited ("FTSE") © FTSE 2024. "FTSE" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Financial promotions are issued for marketing and information purposes; in the United Kingdom by Columbia Threadneedle Management Limited, which is authorised and regulated by the Financial Conduct Authority; in the EEA by Columbia Threadneedle Netherlands B.V., which is regulated by the Dutch Authority for the Financial Markets (AFM); and in Switzerland by Columbia Threadneedle Management (Swiss) GmbH, acting as representative office of Columbia Threadneedle Management Limited. In the Middle East: This document is distributed by Columbia Threadneedle Investments (ME) Limited, which is regulated by the Dubai Financial Services Authority (DFSA). For Distributors: This document is intended to provide distributors with information about Group products and services and is not for further distribution. For Institutional Clients: The information in this document is not intended as financial advice and is only intended for persons with appropriate investment knowledge and who meet the regulatory criteria to be classified as a Professional Client or Market Counterparties and no other Person should act upon it. (04/24)