



CONSUMER DUTY OVERVIEW

The Merchants Trust PLC

Objective

The Merchants Trust aims to provide an above average level of income and income growth together with long term capital growth through a policy of investing mainly in higher yielding large UK companies. Performance is benchmarked against the FTSE All-Share Index, reflecting the emphasis within the portfolio. The company's investment performance is also assessed by comparison with other investment trusts within the UK Equity Income sector.

Outcome of value assessment Overall offers good value

We have found the product to be of good quality, performing in line with expectations and costs and charges are reasonable for the benefits we expect the product to deliver, therefore we expect it to provide fair value for a reasonably foreseeable period.

Value Assessment – Key Criteria

Value was assessed against the following criteria:

Nature of product	What financial and non-financial benefits can/will customers obtain from the Product?	✓
Expected total price	What is the cost of the Product set by the manufacturer at entry?	✓
Limitations of Product	What are the limitations of the Product? What additional benefits (if any) are offered by comparable products in the market?	✓
Non-financial costs	Are there any non-financial costs?	✓
Impact for vulnerable customers	Has the product and its value been considered from the perspective of vulnerable customers?	✓
Behavioural bias	Is the pricing structure sufficiently clear and simple such that the product is easy to compare with alternatives?	✓
Product changes	Have there been any changes to the product since launch? Should these be reflected in changes to the price?	✓

Key:

Product expected to provide fair value for a reasonably foreseeable period ✓

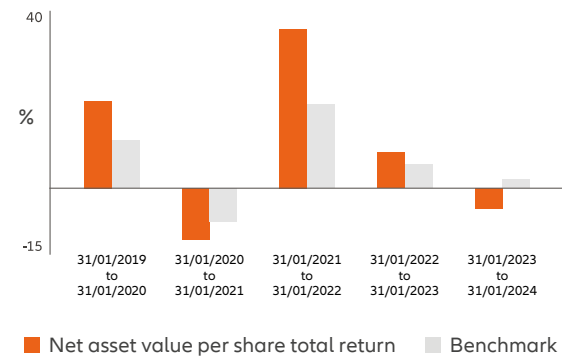
Changes can be made to ensure fair value in a foreseeable period ?

Changes required before product will provide fair value ✗

Performance

As the company's policy is to invest mainly in higher yielding large UK companies, the FTSE All-Share Index has been chosen as the benchmark index against which we measure our performance.

NAV return vs benchmark

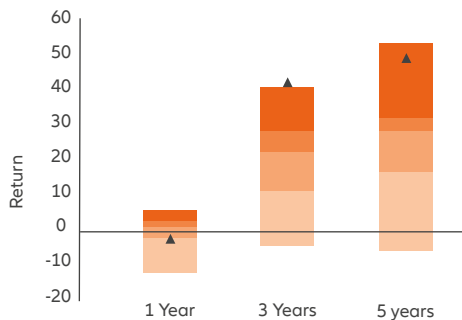


Performance data to 31 January each year. Total return with net income reinvested. Past performance does not predict future returns.

Peer comparison

The independent board of directors also monitors the performance relative to 21 competitor investment trusts, sourced from JP Morgan Cazenove. The chart shows Merchants' position in the UK Equity Income peer group quartiles over a range of time periods.

Peer rankings



The chart shows performance compared with investment trusts which invest in similar markets. The orange shaded area shows quartile rankings:

- The range of returns of the top 25% of investment trusts in the peer group.
- The range of returns of the second 25%
- The range of returns of the third 25%
- The range of returns of the fourth 25%
- ▲ The returns achieved by The Merchants Trust

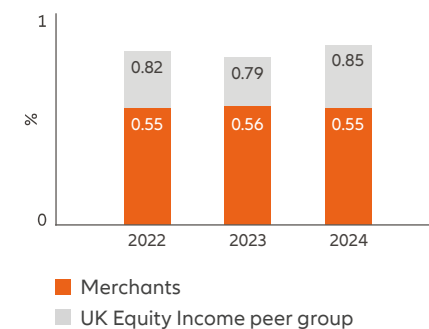
Data to 30 November 2023. Source: JP Morgan Cazenove.

Ongoing charges

The independent board of directors has a policy of ensuring that the company's running costs are reasonable and competitive. The ongoing charge is calculated using the The Association of Investment Companies recommended methodology.

Running costs are set out in detail in the annual report which is available at www.merchantstrust.co.uk. These costs include the management fees paid to Allianz Global Investors and other third party costs, such as audit, safe keeping of assets and maintaining the register of shareholders.

Ongoing charges



Source: Morningstar/AllianzGI

Investing involves risk. If you are unsure about any terms used in this document, there are glossaries available on our website at www.merchantstrust.co.uk/en-gb/information/education-centre and the Association of Investment Companies' website at www.theaic.co.uk/aic/glossary. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested. Past performance does not predict future returns. For further information contact the issuer at the address indicated below. This is a marketing communication issued by Allianz Global Investors UK Limited, 199 Bishopsgate, London, EC2M 3TY, www.allianzglobalinvestors.co.uk. Allianz Global Investors UK Limited company number 11516839 is authorised and regulated by the Financial Conduct Authority. Details about the extent of our regulation are available from us on request and on the Financial Conduct Authority's website (www.fca.org.uk). The duplication, publication, or transmission of the contents, irrespective of the form, is not permitted; except for the case of explicit permission by Allianz Global Investors UK Limited. The Merchants Trust PLC is incorporated in England and Wales. (Company registration no. 28276). Registered Office: 199 Bishopsgate, London, EC2M 3TY.

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