RIT Capital Partners plc

Managed by
J. Rothschild Capital Management Limited

Report and Accounts
For the year ended 31 December 2024

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A timeless investment

Our purpose is to grow your wealth meaningfully over time, through a diversified and resilient global portfolio. To deliver this in a complex, changing world requires a distinctive approach. This is where our flexible investment mandate, access to exclusive opportunities and internal expertise give us an edge to outperform.

Our history

RIT Capital Partners plc was founded by Lord Rothschild and can trace its roots back to the Rothschild Investment Trust, which he chaired from 1971. He instilled the firm's unique approach to generating attractive investment returns that remains constant to this day. It was subsequently renamed RIT Capital Partners and listed on the London Stock Exchange in 1988.

What makes us different

1. *Flexible investment mandate to invest across different asset classes and geographies.*
2. *Access to exclusive opportunities not typically available to individual investors.*
3. *Internal expertise combined with insights from our network of specialist partners to create a diversified and resilient global portfolio.*

Today

Today, RIT is one of the UK's largest investment trusts, a member of the FTSE 250 index with total assets in excess of £4 billion. The Rothschild family remain the largest shareholder, and RIT is managed by its wholly-owned subsidiary, J. Rothschild Capital Management Limited (JRCM).

10.5%

Annualised NAV per share total return since inception (total return 3,667%)

10.5%

Annualised share price total return since inception (total return 3,683%)

Investment approach

We combine our expertise in bottom-up investment selection across different structures, asset classes and geographies, while maintaining an equal focus on top-down risk management and portfolio construction. This approach aims to maximise returns while helping to mitigate the risk of undue capital loss, allowing us to deliver more consistent returns throughout economic cycles.

Performance Highlights

All three investment pillars delivered a positive outcome for the year, with mid-teens returns in Quoted Equities, an improved performance in Private Investments and steady results in Uncorrelated Strategies.

9.4%
2024 NAV per share total return (including dividends)

£4.3bn
Total assets; Net assets £3.7bn

7.9%
2024 Total shareholder return (including dividends)

108.6%
NAV per share total return over ten years, with less risk than equity markets[1]

43p
2025 proposed dividend. 10.3% increase vs 2024

8.2%
Share capital purchased through buybacks since 2023

[1] *Here we measure risk as the 10-year monthly NAV per share return volatility of 7.4% per annum, as compared to 10-year monthly volatility of the ACWI (50% £) of 12.1% per annum.*

Company Highlights

Corporate Objective

To deliver long-term capital growth, while preserving shareholders' capital; to invest without the constraints of a formal benchmark, but to deliver for shareholders increases in capital value in excess of the relevant indices over time.

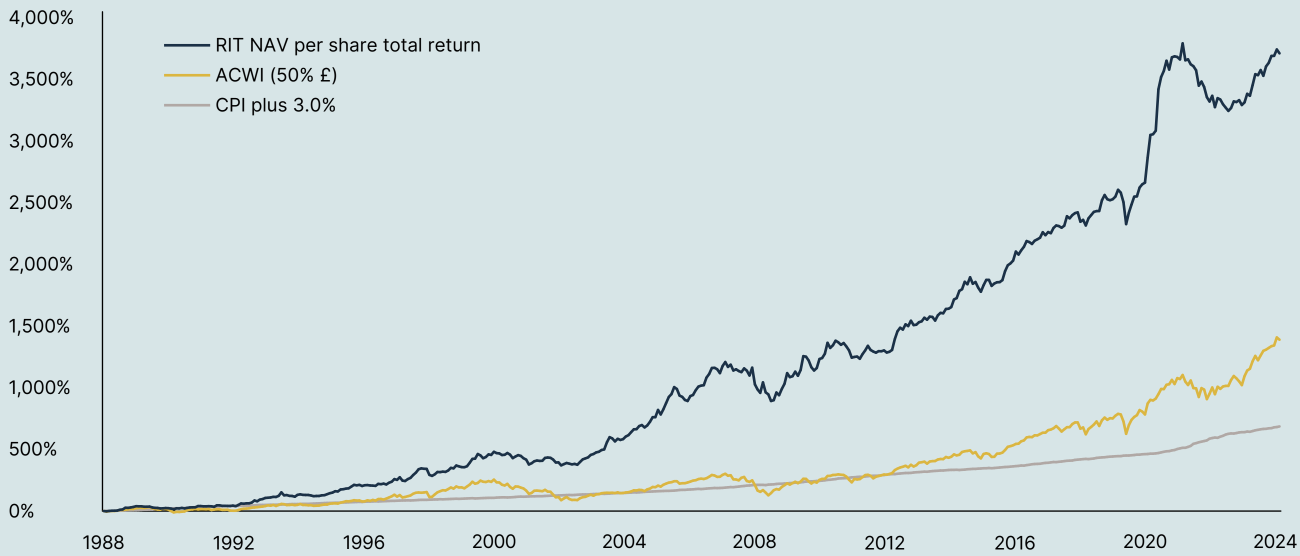
Investment Policy

To invest in a widely diversified, international portfolio across a range of asset classes, both quoted and unquoted; to allocate part of the portfolio to exceptional managers in order to ensure access to the best external talent available.

Key company data	31 December 2024	31 December 2023	Change
NAV per share	2,614p	2,426p	7.7%
Share price	1,986p	1,882p	5.5%
Premium/(discount)	-24.0%	-22.4%	-1.6% pts
Net assets	£3,731m	£3,573m	4.4%
Gearing[1]	8.9%	3.5%	5.4% pts
Ongoing charges figure[1]	0.76%	0.77%	-0.01% pt
Total dividend paid in year	39.0p	38.0p	2.6%

Performance history	1 Year	3 Years	5 Years	10 Years	Since inception, 1988
RIT NAV per share total return[1]	9.4%	-2.1%	40.9%	108.6%	3,667%
CPI plus 3.0% per annum	5.5%	28.1%	43.9%	80.4%	678%
ACWI (50% £)	20.1%	23.7%	67.2%	169.8%	1,373%
RIT share price total return[1]	7.9%	-23.4%	3.0%	70.1%	3,683%
FTSE 250 Index[2]	8.1%	-3.5%	7.7%	68.1%	1,746%

Performance since inception



[1] *The Group's designated Alternative Performance Measures (APMs) are the NAV per share total return, share price total return, gearing, and ongoing charges figure (OCF). A description of the terms used in this report, including further information on the calculation of APMs, is set out in the Glossary and APMs section on page 133.*

[2] *RIT's shares are a constituent of the FTSE 250 Index, which is not considered a Key Performance Indicator (KPI). Before June 1998, when the total return index was introduced, the index was measured using a capital-only version.*

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Our network. Your advantage.

Chairman's Statement

"Our overall approach to capital growth is designed to be prudent. How this is reflected in the portfolio can vary from year to year, but it is embedded in everything we do."

Sir James Leigh-Pemberton
Chairman

Introduction

2024 was a year of continuing market uncertainty, against the backdrop of sustained hostilities in Europe and the Middle East, and significant political change. While the US economy exhibited relatively robust growth, other Western economies were affected by rising input costs, muted consumer demand, and stubborn levels of unemployment; China's growth was also relatively modest despite considerable stimulus measures. Collectively, these posed challenges throughout the year to policy makers and investors alike.

NAV performance

In these circumstances I am pleased to report that for the year ended 31 December 2024, our NAV per share increased by 9.4% (including dividends) to finish the year at 2,614p. All three of our investment pillars saw positive performance, led by the Quoted Equity portfolio which had another good year. We also saw positive returns from our Private Investments and Uncorrelated Strategies. Further details on performance and attribution are set out later in this report.

Our Manager, J. Rothschild Capital Management Limited (JRCM), is tasked with managing our net asset value in line with the long-term objectives set by the Board. Our founder, the late Lord Jacob Rothschild often noted that our overall approach to capital growth is designed to be prudent. How this is reflected in the portfolio can vary from year to year, but it is embedded in everything we do - how we select or structure individual investments, how we combine complementary investments into our diversified portfolio, and how we use protection through hedges. RIT is not an absolute return trust, nor a trust that is fully-invested in stocks – we sit in between, with our portfolio constructed to generate real returns over time.

Our NAV performance was above our inflation hurdle, CPI plus 3% which measured 5.5%, and behind our equity index of the ACWI (50% £), at 20.1%. The latter was once again dominated by the mega-cap technology stocks; by contrast, the broader, equal-weighted ACWI returned approximately 10% for the year.

Share price performance and discount

Our shares ended the year at 1,986p per share, representing a total return to shareholders including the dividend, of 7.9%. While this is a positive outcome, we were nonetheless disappointed to see the discount remaining wider than we feel is warranted at -24% at the year end. Closing the discount is a matter of the upmost importance to all of us. Your Board and our many colleagues in JRCM are shareholders with significant 'skin in the game'. Our Senior Independent Director, Philippe Costeletos and I, as well as our JRCM colleagues, have spoken with many shareholders on this topic during the year, and we are grateful for their open and constructive feedback.

We have taken a range of actions during the year; I discuss below how we have carefully reduced our exposure to private investments, and our continued emphasis on returns to shareholders through dividends and buybacks. We have also brought in a new leadership team at our Manager, and have transformed our approach to disclosures, investor relations and communications. This is all designed to ensure that shareholders understand as clearly as possible the objectives the portfolio is designed to achieve, its composition, and how we allocate our capital. It has been gratifying to receive so many positive comments from existing and new shareholders in response.

One of the headwinds facing investment trusts over recent years has been the confusing cost disclosures required under the EU-inherited legislation called PRIIPs. As a public company our costs have always been disclosed throughout this report including in our income statement. We have also shown the AIC's recommended Ongoing Charges Figure or OCF, a measure of the day-to-day running costs of our business (which for 2024 was 0.76% of average net assets). All the costs associated with our business and our investments, including fees paid to external managers, have always been reflected in our NAV and therefore our share price. Regrettably, the PRIIPs legislation resulted in disclosures which suggested these costs were additional to those reflected in our NAV. In September 2024, after extensive efforts from many, the FCA and the Government announced plans to exclude investment trusts from this legislation. This was a welcome step enabling investment trust shares to be treated the same as other listed companies. We are closely monitoring the proposed replacement regime and will ensure our voice is heard in an effort to enable clear and accurate reporting of our costs.

Capital allocation, dividends and buybacks

In our 2023 Annual Report, I set out the Board's approach to capital allocation, both to the investment portfolio, and to returning capital to shareholders in the form of dividends and share buybacks. I will deal with these in turn.

Our Company's objective is to grow shareholders' wealth meaningfully over time. To achieve this requires that sufficient capital is deployed in the right investments, in a diversified portfolio capable of generating long-term capital growth in a prudent, risk-managed way. Private investments have been a part of our investment approach since the early days of what was originally the Rothschild Investment Trust. They have been a strong generator of long-term capital growth over the lifespan of our Company and remain an asset class which we believe has an important role to play in our diversified portfolio. Indeed, it was the success of this portfolio pillar which drove an increase in its percentage of our NAV above its typical historical weighting.

Nevertheless, conscious of the broader market's concerns regarding private investments, I set out in last year's statement our intention to reduce their portfolio weighting to between a quarter and a third of NAV within two years. One year on, private investments have already reduced to 33% of NAV, within our target range. Our Manager has achieved this by restricting new investments and capitalising on advantageous opportunities to realise assets. The portfolio generated sizeable realisations during the year with fund inflows exceeding capital calls, and realisations from the direct portfolio (at a price above the previous carrying value). The net cash surplus from this pillar helped fund our buybacks and dividends. SpaceX was a new direct private investment in 2024, reinforcing the strength of our network.

We recognise that for many of our shareholders, our progressive approach to dividends represents a helpful source of growing income. We paid a dividend during 2024 of 39 pence per share, an increase of 2.6% over 2023. Reflecting our confidence in our approach, we propose to increase the dividend for 2025 above inflation, to 43p per share (approximately £62m, an increase of 10.3%). This will be the 12th successive year of dividend increases, and we expect to maintain or increase the dividend, subject always to our capital preservation needs.

The ability to utilise share buybacks to purchase our shares at a discount has been a feature of our approach for many years, and we have deployed it at scale since early 2023. During 2024 we invested a further £80m in buybacks, acquiring 4.3 million shares at a discount to NAV, which added around 0.8% to our NAV per share return. We recognise the benefits of buybacks in terms of this NAV per share accretion - buying a portfolio that we believe in very cheaply is an attractive investment. Furthermore, it signals our confidence in our NAV and overall approach, and helps reduce share price volatility. However, buybacks are also illiquid and a ‘one-time’ investment, which ultimately reduces our scale. As such, we are careful to balance the allocation of capital to buybacks depending on the level of the discount (and how it has moved relative to the broader market) with the need to sow the seeds for future gains. Nonetheless, we expect to continue to utilise buybacks during 2025, and we will keep capital allocation under continuous review, retaining the flexibility to adjust how much capital we deploy to buybacks depending on the size of the discount.

Outlook

The global economic landscape and financial markets may continue to exhibit resilience, but we are mindful that they also face a range of risks. These include the stubbornness of inflationary pressures, growing levels of government borrowing and the renewed possibility of tariffs. We have already seen significant moves in government bond yields as these risks become more apparent. Equity valuations feel somewhat stretched, and the US Federal Reserve faces a delicate balance, navigating between sticky inflation and growing concerns about economic slowing in 2025. Policy makers in governments and central banks face a difficult balancing act between stimulating growth, fiscal prudence and bringing inflation down to targeted levels, while perceptions of growing wealth inequality give rise to increasing political polarisation.

That said, there are also reasons for optimism. In the US, strong consumer demand, full employment and fiscal stimulus continue to drive robust economic growth, while the trend of inflation has been downward. Corporate earnings continue to be strong, and innovation, particularly technology-led, has the potential to drive further productivity gains. Within the private equity market, we have also seen an increasing number of successful IPOs and a recovery in M&A transactions, providing a more fertile ground for exits.

In this environment, asset allocation and investment selection become increasingly important; we will continue to approach our portfolio composition with care, while acknowledging that such market complexities provide attractive opportunities for our diversified and unconstrained approach.

10.3%	9.4%
2025 proposed increase in dividend per share	2024 NAV per share total return

Governance and employees

We are committed to retaining an experienced Board, sufficiently diverse in all respects to foster high quality debate, oversight, and decision making. Our Board currently has a 50:50 gender split, and with two Directors from a minority ethnic background. I am pleased therefore that we comply with the recommendations of the FTSE Women Leaders Review, the Parker Review and the FCA UK Listing Rules in terms of Board composition. In October 2024, we welcomed Helena Coles as a new non-executive Director. Helena's significant experience in global public equities and the listed investment trust sector complements the skill set of the Board, and she has already made valuable contributions as a Director and as a member of the Audit and Risk Committee.

During 2024, we maintained our focus on ESG and we continue to recognise the importance of communicating how we are integrating ESG into our strategy and decision making. You will see our first report regarding the Task Force on Climate-related Financial Disclosures in our Sustainability Report on pages 57 to 65.

Finally, I have taken the very difficult decision, as a result of the increased demands from my wider commitments, not to stand for re-election as a Director. I will therefore retire as the Chairman of your Company at the forthcoming AGM in May. Subject to his re-election, the Board has nominated our Senior Independent Director, Philippe Costeletos, to replace me as Chairman. As part of our succession planning, Philippe and I discussed this proposed change with many of our largest shareholders, and we are most grateful for their support. I am delighted that Philippe is succeeding me and I am sure that his exceptional skills, experience and good judgement will continue to serve the Company well in the years to come.

Succeeding Lord Rothschild as your Chairman has been an honour and a privilege, and I want to thank both my Board colleagues for their dedication, support and wise counsel over the years, and likewise colleagues at our subsidiaries, our Manager, JRCM and our property and events business, Spencer House Limited, for their hard work, energy and professionalism. Maggie Fanari has been in her new role as CEO of JRCM since March 2024, and the Board is pleased with the scope and pace of the progress that she and her team have already made this year. I have every confidence that the culture of performance and collaboration which is the hallmark of RIT, will continue and will be enhanced under our Company's new leadership team, and I look forward to retaining a close interest in progress as a long-term shareholder.

I would also like to thank you, our shareholders, for your loyalty and your constructive feedback. Regular interactions with shareholders from all backgrounds have been a highlight of my tenure, and I wish you all the very best for the future.

James Leigh-Pemberton

Sir James Leigh-Pemberton
Chairman

CEO Letter

"By leveraging our brand, internal expertise and specialist managers, we also offer access to exclusive opportunities not typically available to individual investors."

Maggie Fanari
Chief Executive Officer
J. Rothschild Capital Management Limited

Dear Shareholder,

2024 was a year of solid progress for the Company, and we enter 2025 well positioned for growth. We see exciting prospects ahead for the portfolio, and I am delighted to have this opportunity to update you on these along with developments over the last 12 months.

Strategy and performance

Our goal is to help you accumulate wealth over time by building a portfolio offering growth, resilience and diversification with lower risk than equity markets. By leveraging our brand, internal expertise and specialist managers, we offer access to exclusive opportunities not typically available to individual investors, a recent example being SpaceX, the private space launch and satellite communications company.

In 2024, we delivered a net asset value (NAV) per share total return of 9.4%, with positive performance across all three pillars. Our annualised return since inception is 10.5%, underscoring our commitment to delivering healthy returns for our shareholders over the long term.

We increased our allocation to Quoted Equities, ending the year at 46.2% of NAV, and generated mid-teen returns. This pillar benefited from our selection of quality and small-to-mid cap stocks, along with a strong performance from managers investing in China and Japan.

Our Private Investments portfolio produced positive returns following two years in negative territory. During the year, we decreased the book to around a third of NAV (33.4% from 35.9% at the end of 2023). We achieved this largely through distributions and realisations, which in aggregate were above previous carrying values.

Our Uncorrelated Strategies play an important role in diversifying the portfolio, with steady contributions during the year.

109%
NAV per share total return over 10 years

£170m
Realisations from Private Investments during 2024

15%
Private Investments annualised return over the past 10 years

We believe our flexible and resilient portfolio is well-positioned to take advantage of global opportunities across asset classes while effectively managing risks.

Increased transparency and engagement

The exclusion of investment trusts from PRIIPs legislation in 2024 marked significant progress, aligning our reporting with other listed companies. Our Ongoing Charges Figure (OCF), a measure of day-to-day running costs, was 0.76% (2023: 0.77%).

We have strengthened investor communication by hiring the consultancy Cadarn Capital, relaunching our website, increasing disclosure in our monthly factsheet and engaging actively with retail investment platforms, media and other stakeholders.

Investor communication is a two-way process, and I want to thank you for your invaluable feedback since I became CEO. A key theme has been the share price discount to NAV, a sector-wide issue. We firmly believe that this significantly undervalues our portfolio and addressing it is a key priority. Colleagues at JRCM have interests in approximately £25 million RIT shares at the year end, reinforcing the close alignment with shareholders.

Alongside enhancing our performance, we are taking action by increasing our transparency and investor engagement. Our ongoing share buyback programme also aims to enhance shareholder value by delivering NAV per share accretion.

Outlook

Markets in 2025 offer challenges and opportunities, with the US economy expected to outpace the eurozone, inflation likely to continue to stabilise and the uncertain impact of new import tariffs. Buoyant equity markets face risks from high valuations and concentrated technology performance, underlining the importance of a selective approach. Meanwhile, private investments are set to benefit from improved regulatory conditions, supporting growth in M&A and IPO activity, while certain credit markets and market-neutral strategies remain attractive.

Against this backdrop, we are building on our foundation for sustainable growth. We continue to see significant opportunities in megatrends that are shaping the global economy. These include the diffusion of technology, with AI and digital transformation extending well beyond traditional tech sectors, medical advances increasing longevity and quality of life, and a multi-polar world, with shifting economic power reshaping supply chains and investment flows.

Our specialist partners provide privileged access to opportunities across public and private markets, while our flexible capital structure enables us to deploy capital swiftly where we see compelling returns. We are focused on delivering long-term capital appreciation and attractive risk-adjusted returns for shareholders, building a dynamic and resilient portfolio for the years ahead.

Thank you for your continued engagement and support.

Yours sincerely,

Maggie Fanari

Maggie Fanari
Chief Executive Officer, J. Rothschild Capital Management Limited

Our Purpose, Strategy and Business Model

"Our multi-asset, flexible investment strategy differentiates us from other conventional investment trusts. Our access and expertise enable us to build a flexible, diversified portfolio that aims to deliver through different economic cycles."

Purpose and strategic aims

Since inception, our purpose has been to enhance shareholders' wealth over time through diversified portfolio management. Our Corporate Objective is as follows:
"To deliver long-term capital growth, while preserving shareholders' capital; to invest without the constraints of a formal benchmark, but to deliver for shareholders increases in capital value in excess of the relevant indices over time."

Access
Global network and heritage

Flexibility
Permanent capital

Expertise
Team and specialist partners

Disciplined Investing

Quoted Equities
Private Investments
Uncorrelated Strategies

Diversified Global Portfolio

Capital Growth

Superior Risk/Reward

Underpinned by our values

We are entrepreneurial

We embrace an entrepreneurial mindset. It is the lens through which we view challenges and opportunities. It guides our actions and compels us to seek value in everything we do.

We are performance focused

We are committed to continuously learning and adapting to deliver superior risk-adjusted returns for our shareholders over time.

We are collaborative

We believe that the best outcomes are achieved by working together as a team and with our stakeholders. We strive to create an open, honest, and supportive working culture, where knowledge is shared and diversity of thought is celebrated.

We operate with integrity

We strive to be responsible and accountable stewards of our shareholders' capital. We are respectful of our firm's heritage and our external relationships, which we have built over many decades.

Our Purpose, Strategy and Business Model

Investment approach

Our Investment Policy guides our Manager and subsidiary, J. Rothschild Capital Management Limited (JRCM) as it manages your portfolio:
"To invest in a widely diversified, international portfolio across a range of asset classes, both quoted and unquoted; to allocate part of the portfolio to exceptional managers in order to ensure access to the best talent available."

By design, our multi-asset, flexible investment strategy differentiates us from other investment trusts, allowing us to invest in a capital efficient way across different structures, asset classes and geographies. We combine thematic investing with active management of a distinctive blend of investments, all overlaid with currency positioning and macro exposure management.

Our permanent capital base provides us the advantage of time, where our investment decisions are dictated by our assessment of value and not by liquidity pressures.

A key facet of the investment approach is risk management. The Board establishes and oversees the risk appetite through regular monitoring of asset allocation and security limits. These are intended to allow JRCM to efficiently and effectively manage the portfolio in line with the Corporate Objective. The Manager has developed a sophisticated risk management approach, on which it reports regularly to the Board. This incorporates quantitative and qualitative measures, as well as the prudent use of hedging. The risk management tools assist in the construction of a portfolio designed to provide diversified sources of return and to monitor closely the performance of individual assets and the portfolio composition. Further information on risk management is set out on pages 47 to 54.

The portfolio comprises three investment pillars: Quoted Equities, Private Investments and Uncorrelated Strategies. Each pillar is designed to serve a distinct purpose within the portfolio, with investments of complementary profiles and return drivers. Investments are sized based on their individual risk, their expected returns, and how these impact the overall portfolio.

Quoted Equities

30–60% NAV

long-term allocation range

The Quoted Equities portfolio includes diversified, global high conviction strategies held directly through stocks, as well as equity funds. We achieve this through a combination of our own in-house expertise and carefully selected external managers, capitalising on their specialist expertise in sectors and geographies where we see the most potential.

Private Investments

20–40% NAV

long-term allocation range

Private Investments comprise of high quality investments, sourced directly via our own extensive global network and through commitments to exceptional fund managers in specialist strategies. Our direct investments are typically structured to provide some downside protection, with the potential to generate attractive returns over time.

Uncorrelated Strategies

20–40% NAV

long-term allocation range

Our Uncorrelated Strategies aim to generate consistent returns with lower correlation to equity markets through the cycle. It mainly includes, absolute return and credit investments, as well as some real assets and government bonds. For absolute return and credit strategies, we often collaborate with specialist external managers to access relevant opportunities.

Our Purpose, Strategy and Business Model

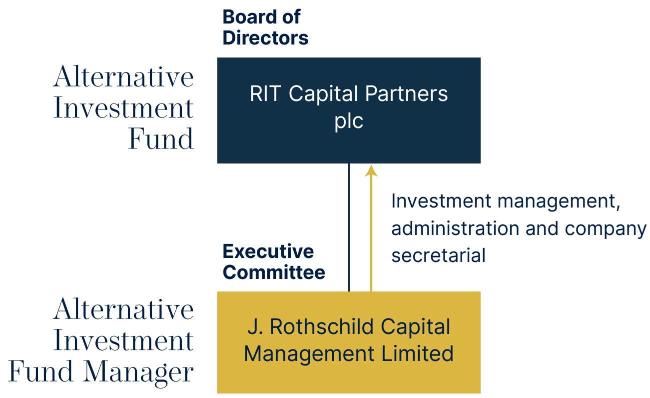
We do not target an absolute return; ensuring we have sufficient capital deployed to generate long-term growth results in us being exposed to market risk. However, through the cycles, we believe this approach will produce superior long-term performance, with less risk than equity markets.

We have, in our Manager, a highly skilled investment team with significant experience across different asset classes. JRCM's in-house investment team works closely with core external managers, enabling us to invest in funds and opportunities which may be closed to new investors, and cannot be accessed by a retail investor. In addition, this strong network provides access to intellectual capital and co-investment opportunities. This aspect of our model is key to our ability to identify and deliver value from differing sectors, markets and assets. And while access to such specialist managers involves paying fees, these fees are an important part of the investment decision (see page 84). Our focus is solely on the net returns and our reported net asset value is net of all management and performance fees.

Business model

RIT Capital Partners plc is a listed investment company, approved by HM Revenue and Customs (HMRC) as an investment trust. It is a UK Alternative Investment Fund (AIF) in accordance with UK legislation effective from 1 January 2021 which replicated the European Union's Alternative Investment Fund Managers Directive (AIFMD).

Investment management, administration and company secretarial are delegated under a formal agreement to our Manager, JRCM, a subsidiary of the Company. JRCM is separately regulated by the Financial Conduct Authority (FCA) as the UK Alternative Investment Fund Manager (AIFM) under the same UK rules. JRCM has its own Board of Directors and is governed by its Executive Committee.



In addition, the Manager is also responsible for our subsidiary, Spencer House Limited (SHL). This company provides premises management for Spencer House and our other investment properties in St. James's. It also operates a profitable events business.

Our Purpose, Strategy and Business Model

The Chairman is responsible for the leadership of the Board, which is ultimately tasked with ensuring that we both meet our Corporate Objective, and maintain high standards of corporate governance. The main focus of the Board is on ensuring that the investment approach is suitable for achieving our Corporate Objective, and on monitoring the performance of the Manager. The Board receives regular and detailed reports covering investment performance, risk, finance and operational matters.

Measuring performance and KPIs

While we believe our success can only truly be assessed over the long term, we also recognise that providing shareholders with a comparator against which to measure our performance over shorter periods is helpful. We have established key performance indicators (KPIs) as follows:

1. Absolute outperformance: NAV total return in excess of Consumer Price Index (CPI) plus 3.0% per annum
2. Relative outperformance: NAV total return in excess of ACWI (50% £) per annum
3. Share price total return or total shareholder return (TSR)

The first two relate to our Manager's investment performance. CPI plus 3.0% represents the desire to grow the real value of our portfolio over time, with a meaningful premium above inflation. The second reflects our unconstrained global investment approach and the desire to outperform markets over the long term. Like many investment companies, we use the ACWI. More specifically, we reference ACWI (50% £), a blended index consisting of 50% of the ACWI measured in sterling (and exposed to currency risk) and 50% of the sterling-hedged ACWI.

While our Manager manages the portfolio to deliver a NAV return, the return to our shareholders is through share price growth and dividends, so we also consider the TSR as our third KPI.

Incentive structure

Our approach to remuneration incorporates the Directors' Remuneration Policy as well as specific structures within JRCM and SHL designed to attract, motivate and retain the high-quality individuals we need to deliver our long-term strategic aims and sustainable success. The employees of our Manager and SHL are critical to our ability to meet all of the objectives of the Company. A key part of the monitoring of the Group is ensuring that the Manager is appropriately incentivised to deliver sustained, risk-adjusted returns and is able to attract, retain and develop a top quality team which operates in accordance with our core values, within a culture of high performance.

The Group operates an Annual Incentive Scheme (AIS) for employees as well as longer term share-based awards. The AIS rewards investment outperformance and wider achievements linked to the Group's operations and business principles. The second component of the remuneration approach is a long-term incentive plan (LTIP) designed to reinforce alignment with shareholders. Further information is set out in our Directors' Remuneration Report on pages 79 to 82.

Our Purpose, Strategy and Business Model

Corporate governance

The Directors are responsible for compliance with applicable rules, regulations and guidance relating to governance, in particular taking account of Section 172(l) of the Companies Act 2006, which guides our approach to strategy and decision making (see page 85).

The Board is responsible for ensuring strong relationships with all stakeholders. The Directors receive regular reports from the Manager on investor relations and also interact with shareholders directly to ensure the Board understands shareholders' views.

When it comes to our Corporate Objective, shareholders understandably focus on our investment performance. This informs the Board's desire to seek healthy, risk-adjusted returns over the long term and through the cycles, with careful attention to capital preservation, and mindful of the Company's reputation as a responsible fiduciary of shareholder capital. In assessing the right strategy to achieve these aims, the Board considers the ongoing suitability of the Investment Policy and the approach taken by the Manager to execute on the policy. The Board also takes shareholder views into account when considering other areas including our proactive approach in addressing the discount at which the share trades to NAV, the dividend, buybacks, capital allocation and Environmental, Social and Governance (ESG).

Our current Board composition complies with the recommendations of the Parker Review and the FTSE Women Leaders Review. It also meets the FCA UK Listing Rules in relation to diversity.

The Group has relationships with a number of suppliers and service providers which play an important role in enabling us to operate our business efficiently. The Groups' overarching policy with respect to these relationships is that they should be managed so that they are both sustainable and mutually beneficial over the medium term, and deliver value for money for our shareholders.

ESG and sustainability

The Board believes that consideration of ESG factors is important for the delivery of sustainable financial returns from our portfolio, and for the preservation of the value of our shareholders' capital. In respect of our internal operations, we aim to be good corporate citizens, to apply robust governance and minimise our environmental impact. Over the past 12 months, your Board has continued to devote time to enhancing our ESG capabilities. Our Manager is a signatory of the UN PRI, and has in place a Responsible Investment Framework & Policy, available on the Company website. ESG factors form part of the JRCM's due diligence prior to selecting investments and continue to be monitored throughout the investment period. Further information is set out in our Sustainability Report on pages 57 to 65, which includes our first Task Force for Climate-related Financial Disclosures Report.

Shareholder communication and AGM

In addition to this report, we publish a monthly NAV and our website www.ritcap.com provides regular performance updates. We also look forward to meeting as many of you as possible at our AGM at 12:00pm on 1 May 2025, at Spencer House, 27 St. James's Place, London, SW1A 1NR.

Manager's Report

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A diversified and resilient global portfolio.

JRCM

Performance Highlights

Our NAV per share total return for the year was 9.4% with positive returns across all three investment pillars. Our annualised return since inception is 10.5%, underscoring our commitment to delivering consistent returns for our shareholders over the long term.

Compared to our two reference hurdles, the portfolio outperformed CPI plus 3%, which was up 5.5%, and lagged the fully-invested equity index, ACWI (50% £), which was up 20.1%. The market saw continued narrowness, with over 60% of ACWI's returns generated by the top 10 US technology stocks.

Portfolio overview

Within our portfolio we were pleased to see mid-teen returns in our Quoted Equities pillar, a good contributor despite the narrowness in equity markets, positive returns from our Private Investments and steady performance from Uncorrelated Strategies. These positive contributions were generated by a diverse set of return drivers:

- The Quoted Equities pillar contributed 6.9% to our NAV, a return of 15.8%. Our stock selection contributed 2.9%, led by our exposures to quality and small-to-medium-sized companies (SMID-cap). Our quoted equity funds contributed 4.0%, with strong performance from our managers across our Japan and China themes.
- Private Investments contributed 1.8% to performance, a 4.8% return. While the private direct investments were near flat, the funds saw a 6.8% return. We saw realisations across both parts of the portfolio, resulting in net distributions from private investments.
- The Uncorrelated Strategies pillar contributed 1.3%, a 4.5% return, led by our exposures to absolute return and credit funds, with modest offsets from gilts and carbon credits.

In addition to this positive performance across our investment pillars, the NAV per share return benefitted from accretion from buybacks, partially offset by the impact of currency translation on our global portfolio, and costs (including interest paid on our borrowings).

For the year ended 31 December 2024

9.4%

NAV per share total return

With positive contributions across all three investment pillars

Quoted Equities

6.9%

Private Investments

1.8%

Uncorrelated Strategies

1.3%

Asset allocation, returns and contribution

Asset category	2023 % NAV[1]	2024 % NAV[1]	2024 Return[2]	2024 % Contribution
Quoted Equities[3]	38.4%	46.2%	15.8%	6.9%
Private Investments[3]	35.9%	33.4%	4.8%	1.8%
Uncorrelated Strategies	25.6%	23.8%	4.5%	1.3%
Currency	0.9%	-1.1%	n/a	-0.3%
Total investments	100.8%	102.3%	n/a	9.7%
Liquidity, borrowings and other[4]	-0.8%	-2.3%	n/a	-0.3%
Total	100.0%	100.0%	9.4%	9.4%

1 *The % NAV reflects the market value of the positions (excluding notional exposure from derivatives).*

2 *Returns are estimated, local currency returns, taking into account derivatives.*

3 *Included in the NAV is an adjustment of £159m/4.3% to reallocate quoted positions held within private funds (2023: £90m/2.5%). The return/contribution from these positions is in Private Investments.*

4 *Including interest, expenses, and accretion benefit of 0.8% from share buybacks (2023: 1.2%).*

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Quoted Equities

The quoted equities portfolio includes diversified, global, high-conviction strategies held directly through stocks, as well as equity funds. We achieve this through a combination of our own in-house expertise and carefully selected external managers, capitalising on their specialist expertise in sectors and geographies where we see the most potential.

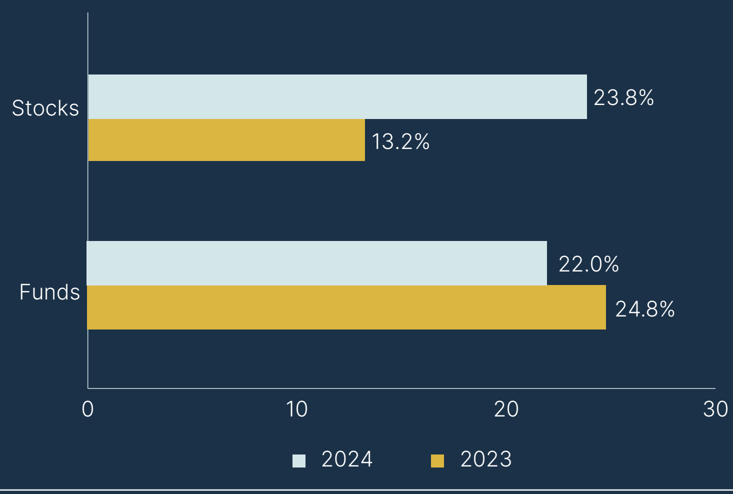
46.2% NAV

31 December 2024

30-60% NAV

Long-term allocation range

Quoted Equities – Stocks and funds (% NAV)



Quoted Equities - Asset allocation, returns and contribution

	2023 % NAV	2024 % NAV	2024 % Return[1]	2024 % Contribution
Stocks	13.2%[2]	23.8%[2]	15.3%	2.9%
Funds	24.8%	22.0%	20.9%	4.0%
Other[3]	0.4%	0.4%	n/a	0.0%
Total	**38.4%**	**46.2%**	**15.8%**	**6.9%**

[1] *Returns are estimated local currency returns.*

[2] *The %NAV includes an estimated adjustment made for publicly traded equities held within the private investment funds. The return/contribution from these positions is in Private Investments.*

[3] *Includes equity hedges.*

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Performance

We have increased our Quoted Equities during the year from 38.4% of NAV to 46.2%. This increase was mainly allocated to direct stock investments, given our view of the opportunities available and our desire to further diversify across our themes. Overall, the Quoted Equities investment pillar returned 15.8% local currency return, resulting in a contribution of 6.9% to the overall NAV.

The market continues to be dominated by the performance of the largest technology stocks, with over 60% of ACWI's returns driven by the top 10 technology stocks. This narrow market leadership can also be seen in contrast with the performance of the more diversified ACWI Equal Weighted Index, which returned 10.1%.

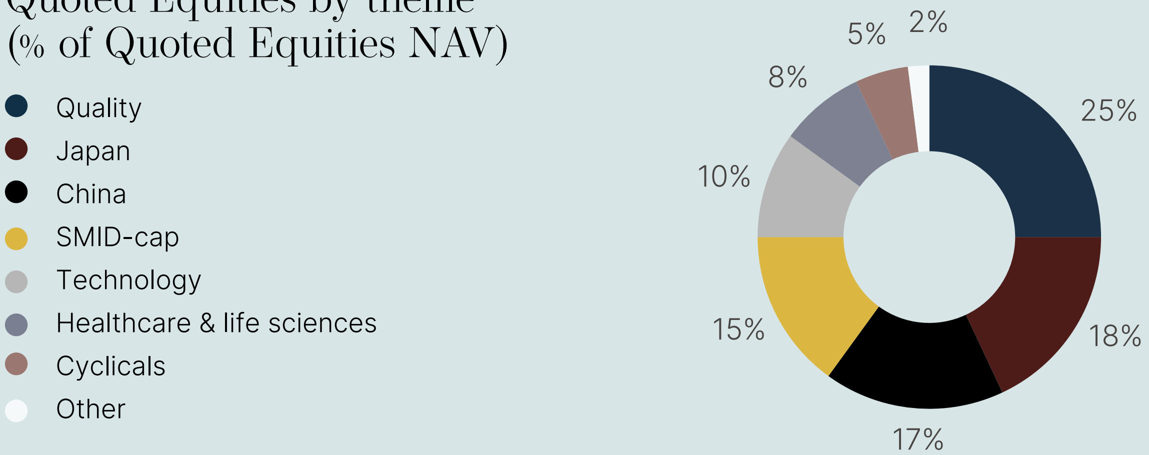
Despite this, our Quoted Equities' pillar generated mid-teen returns (15.8% in 2024, 18.1% in 2023) across a range of themes and geographies. This diversity is an intentional portfolio construction feature as it provides resilience and the ability to capture opportunities across varying market cycles.

The key drivers of our performance were:

- outperformance by our specialist managers in Japan who have capitalised on opportunities generating value from a mixture of corporate governance reforms and investor-led engagement;
- strong performance across our directly-held SMID-cap stocks such as Golar LNG and Talen Energy;
- our quality investment theme, a mix of directly-held stocks and fund investments, performed well, demonstrating resilience and growth potential;
- our managers invested in China performed well, with the backdrop of a rebound in Chinese equities post stimulus measures announced in late 2024;
- a small detraction within our cyclical and biotech themes, which were both impacted by persistently high interest rates; and
- our modest investments in hedging strategies detracted from performance (included in 'Quoted Equities – Other'). These are part of our portfolio construction and risk management, and designed to provide some protection in the event of a significant, unexpected market decline.

We have a highly skilled investment team with significant experience across different asset classes. We also leverage expert insight from our exceptional network of specialist manager partners.

Quoted Equities by theme (% of Quoted Equities NAV)



Excluding quoted equities held in private investment funds. Estimated based on the latest available funds' reporting at December 2024.

Key themes

Japan remains one of the key themes at around 8% of total NAV at year end. Our specialist managers, such as Morant Wright, outperformed by owning companies that generated value from corporate governance reforms and investor-led engagement. We continue to believe we are in the early stages of corporate governance reform where the increased receptiveness to shareholder activism is accelerating change at the corporates. This provides an attractive secular tailwind to returns. For further information, see Morant Wright's portfolio insight on page 28.

Quality, which we define as companies with high barriers to entry and that compound profits over time, represented 10% of NAV at year end and performed well. Blackrock Strategic Equity benefitted from good stock picking and its exposure to semiconductor stocks. Meanwhile, in our direct stock portfolio, our investment in dermatology-focused Galderma's IPO in March has been successful, with a 57% return on the stock through December. Financials, such as Intercontinental Exchange, Mastercard and Visa, had a good year. National Grid, a UK company that builds and operates electricity transmission and distribution in the UK and Northeastern US, saw positive performance this year. We continue to view this investment as asymmetric, given the company has inherent downside protection in the form of government-regulated cashflows, while simultaneously being well positioned to benefit from energy infrastructure investments with a clear catalyst over the following 12-18 months. Quality also faced some headwinds, for example, a recent investment in Heineken saw a double-digit decline in Q4 of 2024 in line with peers, as food and beverage companies sold off due to higher risk-free rates.

Our SMID-cap theme, represented approximately 7% of NAV at year end, benefitted from good stock selection. We view this as a segment of the market that has been overlooked by investors, creating substantial valuation inefficiencies. Top performers were Golar LNG, whose ships convert natural gas into liquified natural gas and play an important role in the ongoing energy transition, and Talen Energy, a power utility company benefitting from digital transformation. For further details on Talen refer to the portfolio insight on page 27. Additionally, VF Corp, another positive contributor this year, under the leadership of a new CEO, is undergoing a transformation towards growth and margin expansion. The largest detractor was Ubisoft, a video game publisher, which delayed one of their game launches, reducing near-term earnings forecasts.

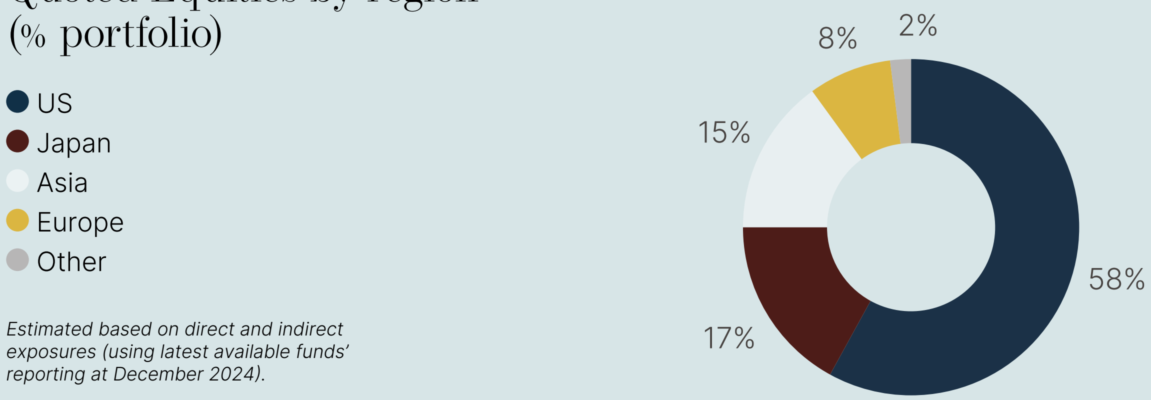
Our investment in China, which was around 7% of NAV at the end of the year, saw a strong rebound overturning a challenging multi-year period. Timely additions were made to our Chinese investments earlier in the year, which benefitted on the back of stimulus measures announced by the People's Bank of China in late September, a strong catalyst for our managers such as Springs Opportunities.

We retain an exposure to Healthcare and Cyclicals (together approximately 5% of NAV), both of which saw marginally negative returns. After a strong 2023 performance, driven by stock selection at the manager level and our direct investments, both themes were impacted by higher interest rates late in the year. During the year, we exited Ward Ferry, our Asian manager within cyclicals, and reduced HCIF (our long-standing and very successful healthcare manager).

Portfolio diversification

Aligned with our investment policy, our Quoted Equities portfolio remains well diversified across themes and regions, offering differing return profiles designed to provide resilience in the portfolio. This allows us to focus on long-term growth opportunities while still protecting shareholders' capital. With this in mind, we do expect that not all aspects of the portfolio deliver positive returns year-on-year, and that there will be years where certain areas of the portfolio perform better than others, but we are confident that each area will perform over its investment horizon.

Quoted Equities by region (% portfolio)



Estimated based on direct and indirect exposures (using latest available funds' reporting at December 2024).

Talen Energy

Talen is a power producer and infrastructure company whose assets include the sixth largest nuclear power station in the USA and conventional power generation assets in the Northeastern States. It is growing revenues and cash flow through its critical role in the artificial intelligence value chain as a provider of carbon-free energy to data centre operators.

Pillar	Quoted Equities – Stocks
Theme	SMID-cap
Status	Exited
Geography	United States
Invested date	September 2023

Talen was RIT's largest direct single stock at the beginning of 2024 and saw material appreciation throughout the year following several catalysts. Since our initial purchase in September 2023 until we fully exited the position in December 2024, Talen's share price rose 265%. Given how successful the investment was, we started realising profits as the share price appreciated.

In March 2024, the company sold its data centre shell (the building housing the IT infrastructure) and signed a long-term power purchase agreement with Amazon Web Services, which added approximately $1.5-2bn to the company's value. Later that month, the company sold its Texas-based natural gas plants for $785m, above analyst estimates. In July, the company also listed its stock on the Nasdaq, introducing a new cohort of buyers of the stock. In September, the company unveiled new 2025/26 targets showing a tripling in free cashflow. Throughout this period, the power market continued to tighten, with higher demand supporting the revenue and margin outlook. The company also bought back approximately 20% of its shares using proceeds from disposals and free cashflow.

The investment exemplifies RIT's approach of finding undiscovered assets supported by long-term structural tailwinds in listed markets, with paths to value realisation, led by motivated and experienced management teams.

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PORTFOLIO INSIGHT

Morant Wright

Established in 1999, Morant Wright is an experienced Japan value manager emphasising small and mid-cap stocks whose founders have followed Japan for over 30 years. Morant Wright invests in companies with strong balance sheets that often carry significant cash and under-monetised assets at valuations under book value.

Pillar	Quoted Equities - Funds
Theme	Japan
Status	Current investment
Geography	Japan
Investment date	October 2002

The corporate governance reforms in Japan are designed to encourage companies that are trading under book value to establish capital efficiency improvement plans to close the valuation discount. This is broadening in scope, spanning all companies with sub-optimal capital efficiency, providing powerful structural tailwinds.

Morant Wright's focus on companies trading under book value with strong balance sheets favourably positions them to exploit this structural tailwind. Throughout the calendar year, the fund benefitted from portfolio companies announcing buybacks, higher dividend payout ratios and the unwinding of cross-shareholdings, spanning industries such as construction, TV broadcasters and automotive. Our investment with Morant Wright generated a 34% return during 2024.

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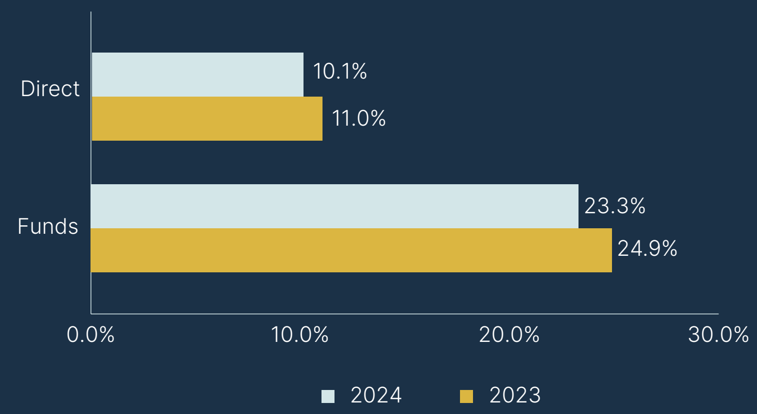
Private Investments

Private Investments comprise high quality investments, sourced directly via our own extensive global network and through commitments to exceptional fund managers in specialist strategies. Our direct investments are typically structured to provide some downside protection, with the potential to generate attractive returns over time.

33.4% NAV
31 December 2024

20-40% NAV
Long-term allocation range

Private Investments (% NAV)



Private Investments - Asset allocation, returns and contribution

	2023 % NAV	2024 % NAV	2024 % Return[1]	2024 % Contribution
Direct	11.0%	10.1%	-0.5%	-0.1%
Funds[2]	24.9%	23.3%	6.8%	1.9%
Total	**35.9%**	**33.4%**	**4.8%**	**1.8%**

[1] *Returns are estimated local currency returns.*

[2] *The %NAV includes an estimated adjustment to remove publicly traded equities held within the private investment funds. The return and contribution include the performance of those investments.*

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Performance

Overall, Private Investments contributed 1.8% to NAV performance for the year, generating a return of 4.8%. The portfolio as at 31 December represented 33.4% of NAV, net of an adjustment to exclude around 4.3% of quoted positions held within funds. Of the total, 23.3% is in third-party funds and 10.1% in direct investments, including co-investments alongside specialist partners.

The key drivers of performance were:

- positive contribution from our private fund investments, and
- mixed performance from our direct investments, which resulted in flat performance for the year.

When we closed our December NAV, the direct private investments were all valued at 31 December 2024. The fund portfolio exhibited the usual industry lag, with over 99% held at the GPs' 30 September valuations, and the remaining balance at 30 June. Valuations are typically received two to three months after the quarter end they relate to, and incorporated into the NAV at that time.

Investment activity

Private Investments were self-funding, with realisations of £170m, investments of £108m and therefore net inflows of £62m. There were £38m in realisations from direct investments, including Lede, Infinity and Animoca. The funds generated realisations of £132m.

During the year, the Private Investment allocation achieved our aim of representing between a quarter and a third of NAV, from 35.9% at the end of 2023 to 33.4%. With the portfolio generating a positive return, the reduction in % NAV was achieved largely through realisations.

Around two-thirds of the realisations were reinvested in the portfolio. In the direct portfolio, we made an investment in SpaceX, the private space launch and satellite communications company. In the fund portfolio, we made £91m of follow-on investments through capital calls from commitments. The fund portfolio saw distributions exceeding capital calls as the portfolio matured.

Additionally, in January 2025, we exited our investment in Xapo, the first regulated cryptocurrency bank globally, (representing 0.3% of NAV at the end of the year) at a 37% uplift to the December holding value. Since our investment in September 2021, Xapo returned 2.3x our investment and generated an IRR of 28%.

Private Investments - bridge

£ million	December 2023	New investments	Realisations[1]	Profit/ loss	Currency translation	Change in quoted stock adjustment[2]	December 2024
Funds	892.8	91.4	-132.1	67.4	19.4	-68.8	870.1
Directs	391.7	16.2	-38.1	-1.7	6.5	n/a	374.6
Total	**1,284.5**	**107.6**	**-170.2**	**65.7**	**25.9**	**-68.8**	**1,244.7**

[1] *Realisations includes both fund distributions and proceeds from sales.*

[2] *The opening/closing balances for funds are adjusted to exclude estimates of quoted stocks held within these funds of £90m (at 31 December 2023) and £159m (at 31 December 2024).*

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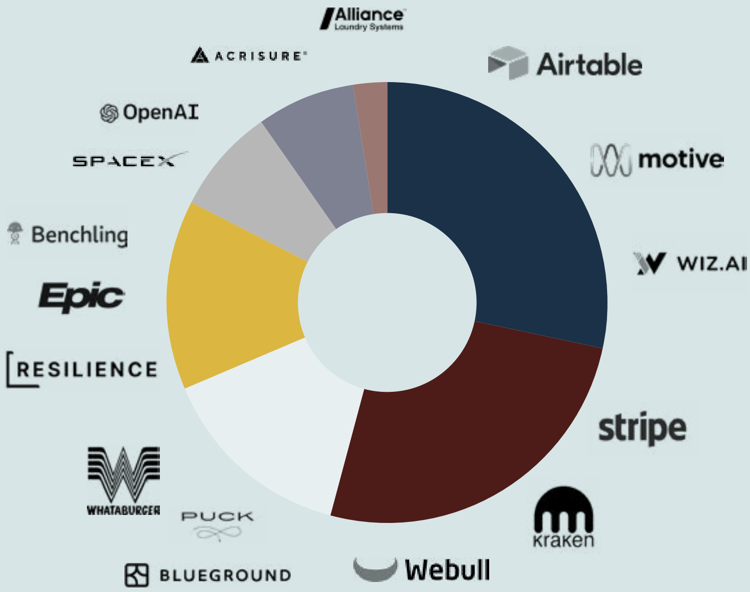
Top Private Investments by sector (direct investments and through funds)

- Enterprise software, 29%
- Fintech, 26%
- Consumer, 14%
- Healthcare & life sciences, 14%
- AI & advanced technologies, 8%
- Financial services, 7%
- Industrials, 2%

This chart provides a breakdown of the estimated top 100 positions within the private investment portfolio by sector (including those held directly and indirectly through funds). The companies highlighted are representative of some of the largest positions, spanning both direct and indirect positions. Estimated based on the latest available funds reporting at December 2024. Quoted equities held in private investment funds have been excluded.



Portfolio summary

The portfolio is well diversified by theme, maturity and geography. There are seven main themes, enterprise software, fintech, consumer, healthcare and life sciences, AI and advanced technologies, financial services and industrials. A thematic breakdown of the estimated top 100 investments in the pillar is highlighted above, along with a few illustrative investments across each theme.

The portfolio remains reasonably mature, with 69% of the private funds portfolio invested in vintages 2020 and earlier (see page 32).

Private direct investments

Direct investments, which represented 10.1% of NAV, in aggregate saw flat performance during the year. Despite the lacklustre contribution this year, we continue to see strong operating performance and well-funded balance sheets across the companies. We estimate that 96% of the investments by NAV value are profitable or have a cash runway of greater than one year. Companies are considered profitable on the basis of either EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation), Free Cash Flow or Net Income.

The portfolio saw gains in some of our larger names such as Epic Systems, SpaceX and Blueground. This was offset by writedowns mostly on our smaller and generally earlier-stage investments, the majority of which occurred in the first half of the year.

The majority of our direct private investments by value benefit from some form of structural capital protection. This can be in the form of debt instruments, or in preference ranking to ordinary shareholders while also retaining equity upside. In such cases we often benefit from ranking in preference to ordinary shareholders while also retaining equity upside. Our investments in Motive (our largest direct position) and Lede (further details in the portfolio insight on page 33) exemplify this approach.

Additionally, the bar for new investments continues to be held very high, with consideration given only to the most exceptional opportunities.

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Private fund investments

Private funds represented 23.3% at the end of the year, net of an adjustment to exclude around 4.3% of quoted positions held within funds. Our fund investments returned 6.8% and contributed 1.9% to portfolio performance.

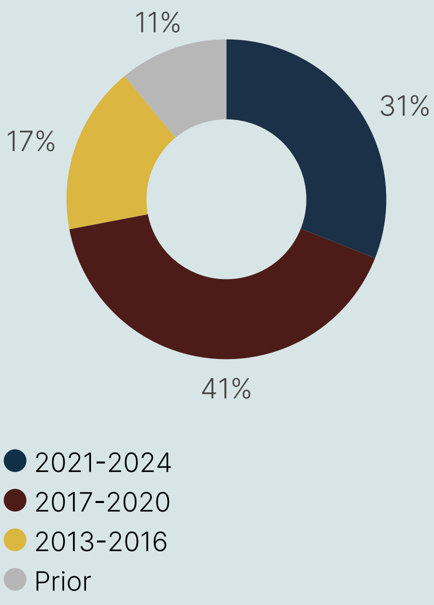
Our five largest private fund managers, Thrive, Iconiq, Greenoaks, Ribbit and BDT Capital, contributed over 1% to the NAV performance. This was largely driven by an uplift in valuations reflecting good performance from quoted stocks held by the funds, contributions from new funding rounds at higher valuations and a few large realisations at premiums to NAV.

Private funds in aggregate saw net distributions for the year of £15m, a change from net calls of £39m in 2023. With capital calls of £88m and minimal new commitments during the period, our private fund commitments at the end of December totalled £202m or 5.4% of NAV, down from £366m or 9.8% of NAV at the start of 2023, and below our 10 year average of 6.2%. The reduction in uncalled commitments includes commitments which we were able to cancel for funds outside their investment period. Of the remaining total, £10m relates to commitments made more than 10 years ago, which we therefore believe are unlikely to be called (see the charts below for further detail).

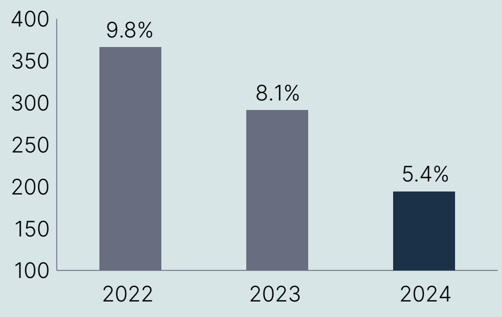
Outlook

Throughout 2024, we have seen improving IPO conditions and growth in M&A activity with a sizeable pickup in Q4. A number of our direct portfolio companies are actively considering and/or preparing for IPOs, and companies within our fund investments have already gone public, such as Horizon Robotics, Swiggy and ServiceTitan. ServiceTitan, one of our largest indirect positions, IPO'd at the high end of its range and closed up 42% on its first day of trading. During 2024, we've also seen an increase in M&A activity in the portfolio, including Hi-Bio, OpenGov and Supplypike. If the momentum seen in Q4 continues into 2025, we would expect the portfolio, both in our direct positions and across our fund investments to continue generating positive realisations.

Private fund NAV by vintage year (%)



Private fund undrawn commitments (£m, % NAV)



PORTFOLIO INSIGHT

The Lede Company

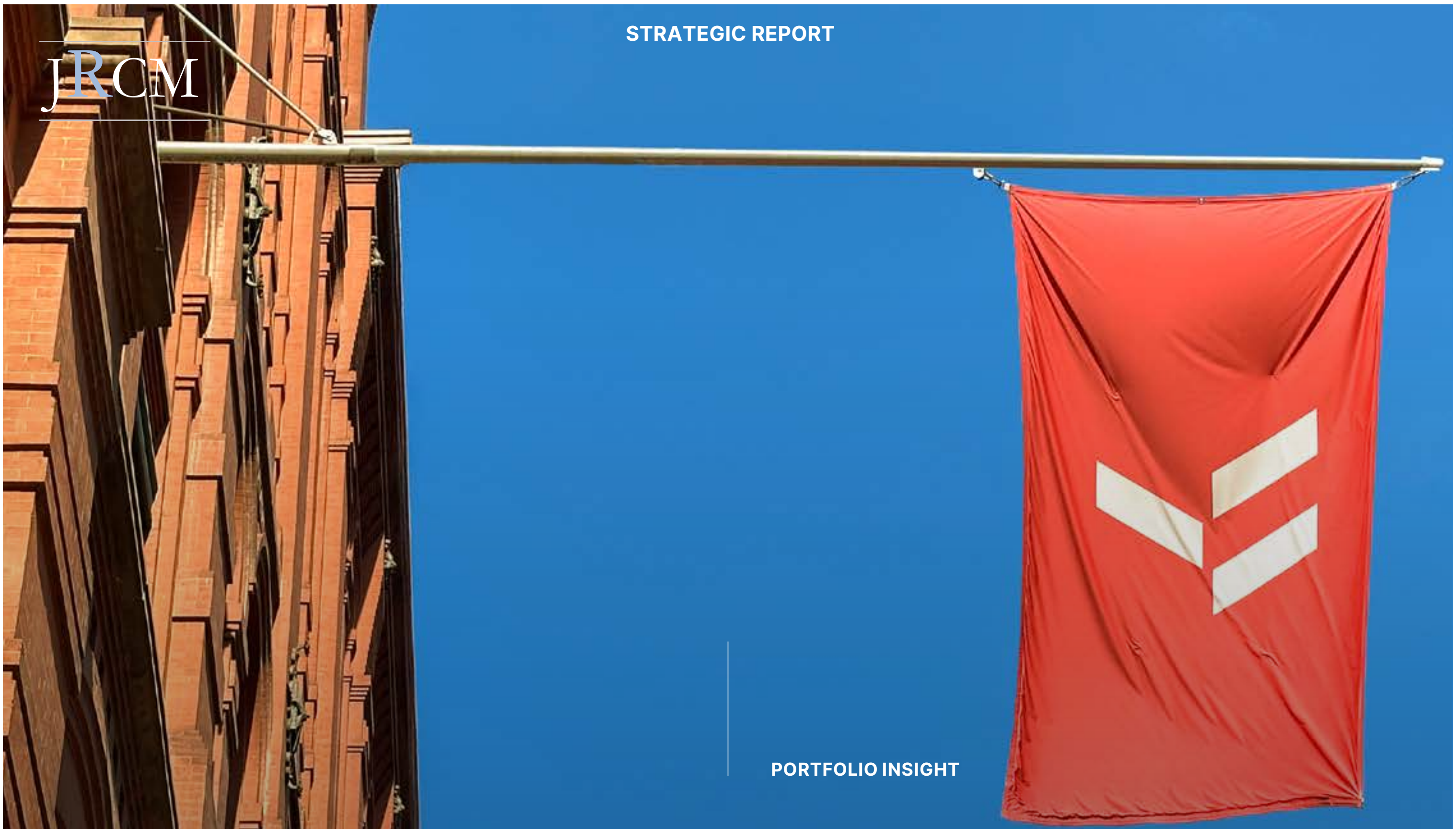
Lede represented an opportunity to invest alongside a core partner, backing an exceptional management team in a profitable, debt-free business. Our investment benefitted from a highly attractive, asymmetrical investment structure, with meaningful downside protection and a priority on cash distributions. The structure also benefitted from a 2x 'liquidation preference', meaning that in an exit event we would receive twice our investment before other shareholders received proceeds.

Pillar	Private Investments - Direct
Theme	Media
Status	Exited, small amount rolled over
Geography	United States
Investment date	July 2021

Lede is a full-service communications agency with divisions focused on Talent, Music, Strategic Communications, Brand and Content based in Los Angeles and New York. The company was formed in 2018 by four seasoned PR executives - Meredith O'Sullivan, Sarah Rothman, Amanda Silverman and Christine Su.

Lede's broad client base includes Fortune 500 companies, movie studios, media conglomerates, technology companies, fashion brands, financial services firms and labour unions as well as a broad variety of high-profile movie stars, musicians, political leaders and executives.

Prior to our exit in July 2024, the business had grown EBITDA by around 70%, and the investment had already returned 63% of our original cost in cash dividends (net of fees). Following the sale of the majority of our stake in July 2024, the investment has returned 2.5x and generated an IRR of 44% (in GBP). We have retained a small residual position in Lede.



PORTFOLIO INSIGHT

Thrive Capital

An established leader in venture capital with an exceptional track record of identifying and nurturing transformative technology companies across stages and sectors including Stripe, OpenAI, and Spotify. Its disciplined approach to long-term growth, coupled with a deep network of industry leaders and founders, ensures sustained value creation and unparalleled access to innovative opportunities.

Pillar	Private Investments - Funds
Theme	Digital Transformation
Status	Ongoing relationship
Geography	Primarily United States
Investment date	November 2012

As early investors in the venture asset class, we take pride in our deep network that helps us spot early talent. We have known and tracked Thrive since its inception, over 15 years ago, when the firm was on very few investors' radars. In those early years, we were consistently impressed with Thrive's ability to identify, access, and help the most promising technology companies and entrepreneurs across sectors, stages, and geographies that led to notable early successes including backing Instagram shortly before its acquisition by Facebook.

We invested with Thrive in 2012 and have been a part of each of their flagship funds since then. Today, Thrive is a well-known and hard-to-access name in venture capital having amassed an enviable track record of partnering with many of the generational defining companies of our time including Stripe, Spotify, OpenAI, Wiz, GitHub, and Oscar Health. RIT has generated healthy returns on its investment in Thrive.

Uncorrelated Strategies

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Our Uncorrelated Strategies aim to generate consistent returns with lower correlation to equity markets through the cycle. They include absolute return and credit investments, as well as some real assets and government bonds. For absolute return and credit strategies, we often collaborate with specialist external managers to access relevant opportunities.

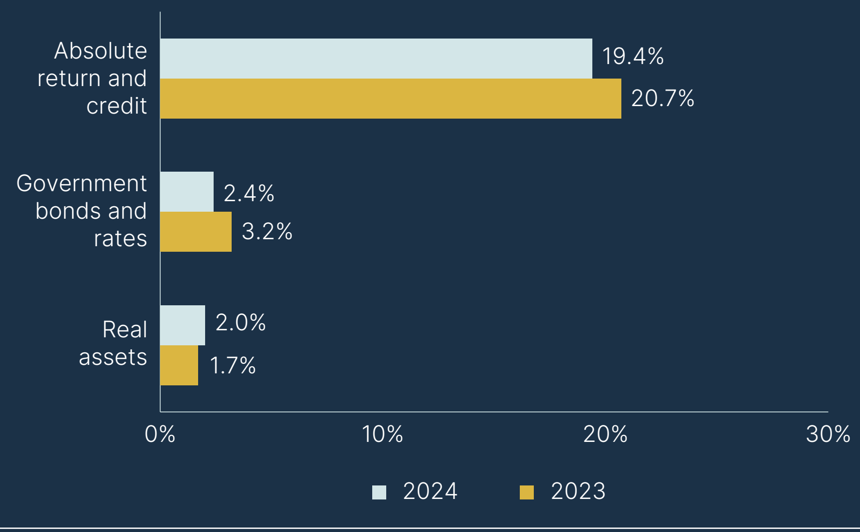
23.8% NAV

31 December 2024

20-40% NAV

Long-term allocation range

Uncorrelated Strategies (% NAV)



Uncorrelated Strategies - Asset allocation, returns and contribution

	2023 % NAV	2024 % NAV	2024 % return[1]	2024 % contribution
Absolute return and credit	20.7%	19.4%	8.7%	1.6%
Government bonds and rates	3.2%	2.4%	-12.5%	-0.5%
Real assets	1.7%	2.0%	2.2%	0.2%
Total	**25.6%**	**23.8%**	**4.5%**	**1.3%**

[1] *Returns are estimated local currency returns, taking into account derivatives.*

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Performance

Uncorrelated Strategies represented 23.8% of NAV at the end of the year and performed steadily throughout 2024, contributing 1.3% to the overall portfolio performance and generating a return of 4.5%.

Key drivers of this performance were:

- good performance from our absolute return and credit funds,
- positive contributions from gold, benefiting from central bank purchases, offset by negative performance from our investment in carbon credits, and
- additionally, our inflation-protected gilts detracted from performance, impacted by higher-for-longer rates.

For absolute return and credit strategies, we often work with specialist external managers to access the opportunities. We aim for a diverse mix of investments, incorporating credit, market neutral and macro strategies.

This pillar includes investments in interest rate driven assets, government bonds and real assets, such as investment properties and gold. This diversified approach across different assets is designed to protect the overall portfolio from volatility, with the ability to act as a driver of returns during periods of market stress.

Absolute return and credit

Absolute return and credit, the largest component of the pillar at 19.4% of NAV, delivered high single-digit returns and drove most of the NAV contribution in this pillar.

Credit markets had another positive year in 2024, especially in high-yield, supported by tighter spreads, low default rates and attractive base rates versus historical averages. New issuance in high-yield bonds and loans remained strong. Against this backdrop, our partnerships with specialist managers allowed us to capitalise on idiosyncratic opportunities in European and Asian credit. As a group, our credit managers delivered returns ahead of high-yield benchmarks and a key driver of returns in Absolute return and credit (see page 38 for a portfolio insight on Tresidor).

Our multi-strategy managers have a more flexible mandate, looking for idiosyncratic opportunities across the capital structure investing both in equity and credit instruments. This year, as a group, they delivered performance more akin to equity markets.

Our macro managers focus on absolute return. In 2024, they benefited from large market swings on the back of uncertainty around the path and timing of central bank policy changes and a tight US presidential election race. In the second half of the year, we fully redeemed from our investment in Caxton Dynamis.

Our equity market neutral managers also focus on absolute return. They seek to reduce market exposure risks by taking long and short positions in different stocks, to extract the idiosyncratic return component of a stock's share price change. This strategy enables the manager to target consistent absolute returns with low correlation to equity markets and limited risk of loss. During the year, we redeemed from a manager after negative performance, and made a new investment in Bronte Capital, a short-biased global manager.

Government bonds and rates

During the year we held a small position in UK gilts, both as a store of value, and for exposure to long-term interest rates (which can provide ballast to the portfolio during equity market volatility). 2024 saw negative returns for global government bonds, as markets pared back expectations of future rate cuts amid stickier inflation and resilient labour markets. Longer-term government bond yields rose sharply in the last quarter of the year, particularly in the UK where concerns over domestic fiscal policies, pushed the 10 and 30-year gilt yields to multi-decade highs. While our inflation-linked gilts benefit from rising inflation, the impact was out-weighed by concerns over looser fiscal policy and higher global interest rates, reducing their overall value.

Real assets

Real assets, representing 2.0% of NAV, had a marginal positive contribution to overall performance. Gains in gold and other commodities were partially offset by losses in our carbon credit investments.

While we reduced our position during the year, gold continues to play an important role as part of our strategic asset allocation, serving as a portfolio diversifier. Gold futures ended up 27% for the year, after gold reached an all time high in late October amid record central bank purchases and the shift in the Federal Reserve's monetary policy.

Our investment in California carbon credits, initiated in 2023, detracted from NAV, reversing the gains seen in the prior year. Bureaucratic delays to the rulemaking announcement and implementation led to mark-to-market losses as more short-term focused investors exited their positions. However, the long-term fundamentals for carbon credits have continued to improve. To meet California's emissions target, a decline in the supply of carbon credits is required, which gives us healthy upside potential, while our downside is supported by a regulated price floor. This creates an asymmetric return profile for our investment.

This diversified approach is designed to protect the overall portfolio from volatility, with the ability to act as a crucial driver of returns during periods of market stress.

PORTFOLIO INSIGHT

Tresidor Investment Management

Credit investments play an important role in diversifying our portfolio. They are particularly attractive when there are high levels of mispricing in credit markets, as has been the case throughout 2024. We have been active in credit strategies over many decades and view the current backdrop of higher interest rates, retrenchment of corporate bank lending and large volumes of debt refinancing as a compelling opportunity.

Pillar	Uncorrelated Strategies - Credit
Theme	Underpriced corporate credit
Status	Current investment
Geography	Europe
Investment date	April 2020

Our partnership with Tresidor Investment Management has enabled the portfolio to benefit from this environment, taking advantage of mispriced European investments across 'performing', 'stressed' and 'distressed' credit.

Throughout 2024, the portfolio has seen gains from investments across a range of sectors including, IT services (Atos), insurance and travel (Saga) and financial services (Arrow Global).

Currency and Capital Management

JRCM

Currency

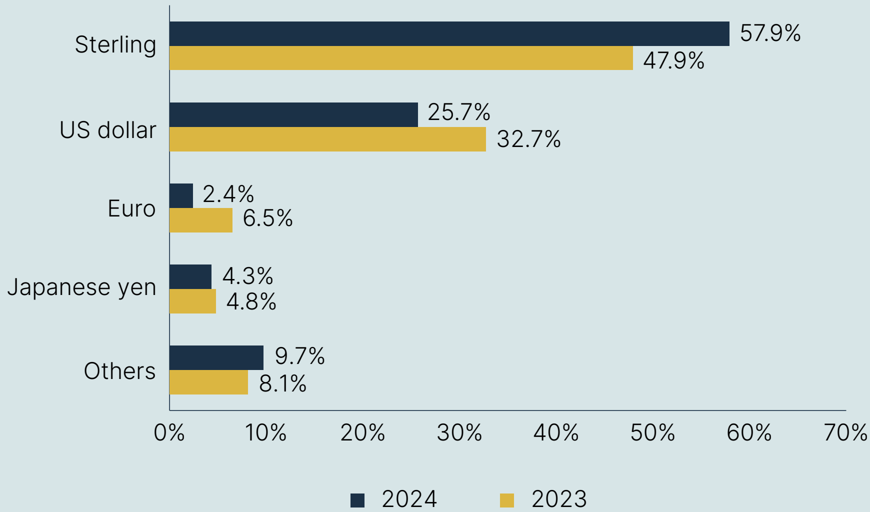
Currency is an important part of our portfolio construction both to manage risk and as an asset class. Given the global nature of our portfolio, we use currency hedging to reduce currency translation risk, typically by increasing our levels of sterling to hedge our significant US Dollar-denominated portfolio.

The impact this year on our portfolio from currency was minimal. Our diversified currency exposure across the US dollar, Euro, Japanese yen, and other currency pairs, largely balanced out in 2024, despite volatility in currency markets. The strengthening of the US dollar provided a tailwind, which offset the weakening of most other currencies against sterling. Including some minor hedging costs, currency had a slight drag of 0.3% to NAV.

Buybacks

Our conviction in the RIT portfolio remains high, and as such, we have continued to execute on the Board's policy to buyback shares at a significant discount to the underlying NAV. Over the past two years, we have bought back just over 8% of our total share capital. Adding to the estimated 1.2% NAV per share accretion in 2023, buybacks in 2024 added a further estimated 0.8% benefit to our NAV per share return.

Currency Exposure (% NAV)



The chart excludes exposure from currency options. Where available, the exposures in this chart are estimated by considering the underlying currency exposure of third-party funds rather than by the fund's currency of denomination.

JRCM

Currency and Capital Management

Balance sheet

Maintaining a healthy balance sheet and access to leverage to enhance shareholder returns is a core priority. At the year end, we held £194m in liquidity balances, with £40m in committed but undrawn facilities, and £334m in drawn borrowings. During the year, we finalised a $66m, three-year term loan with BNP Paribas SA. More information on our borrowings can be found on page 114. Taking into consideration our cash balances, this represented gearing of 8.9% calculated using guidance from the Association of Investment Companies (AIC).

Operations and costs

JRCM manages the Group on a day-to-day basis, providing investment management, administration and company secretarial services. The Manager is also responsible for our subsidiary, Spencer House Limited (SHL) which maintains and manages the investment property portfolio, including Spencer House and other properties in St. James's, and also operates a profitable events business.

Prudent management of costs is an ongoing priority for our business, carefully balanced with ensuring we comply with our regulatory obligations, and maintain our ability to source, research and execute on investment opportunities.

During 2024, we continued to expand our communications and investor relations capabilities – enhancing disclosures, launching a refreshed website, updating our factsheet, and by providing more regular updates to shareholders. In order to provide investors with information on the costs of RIT's own investment business, we calculate an ongoing charges figure (OCF) based on recommendations from the AIC. The OCF assumes a static portfolio, with therefore no transaction costs or direct performance-related compensation. It also excludes the costs of borrowings deployed to enhance returns. For 2024, RIT's own OCF was 0.76% (2023: 0.77%); Further information on this calculation is provided on page 133, with further information on costs more generally on pages 84, 88 and 98.

Outlook

We are positioned for growth in 2025 focused on navigating change and seizing opportunities.

As we enter 2025, we do so with a greater sense of confidence in the global economy. Consumers and businesses have demonstrated resilience in adapting to higher interest rates, and central banks - including the Federal Reserve - have now begun to shift toward monetary easing, albeit at a more measured pace than initially anticipated.

At the same time, structural shifts such as US trade policies and constraints on immigration in developed markets are creating a negative supply shock, weighing on global growth while adding inflationary pressures. This dynamic introduces the possibility that the Federal Reserve may adjust its course on the easing cycle, introducing additional complexity into market expectations.

Equity markets have delivered two consecutive years of strong returns, leading to elevated valuations and a highly concentrated performance, driven largely by a handful of dominant technology stocks. The consensus around "American exceptionalism" is now well-established, making equities more vulnerable to shifts in sentiment. Against this backdrop, the flexibility in our approach will be invaluable in navigating the year ahead.

Despite these macroeconomic and also geopolitical uncertainties, we continue to identify high-conviction investment opportunities that offer attractive entry points. Our investment strategy remains anchored in transformative megatrends that are shaping the global economy. The diffusion of technology continues at pace, with AI and digital transformation extending well beyond traditional tech sectors. In healthcare, advances in biotechnology and medical innovation are increasing both longevity and quality of life, creating long-term opportunities in this space. Meanwhile, the world is becoming increasingly multi-polar, with shifting economic power reshaping supply chains and investment flows. These themes remain central to our portfolio positioning.

We expect Private Investments to benefit from the momentum seen in the final quarter of last year. A more favourable regulatory environment should support an acceleration in M&A and IPO activity, providing monetisation opportunities for the more mature parts of our portfolio. In Quoted Equities, we remain committed to investing alongside exceptional managers in our core themes, such as Japan and Healthcare, while also identifying undervalued companies with high barriers to entry across the large and mid-cap space. There are signs that market leadership may broaden, which should favour our approach and create opportunities for stock selection.

In Uncorrelated Strategies, we see compelling opportunities in certain areas of the credit market, particularly where companies without access to financing markets offer attractive yields with a low probability of permanent capital impairment. At the same time, a more normalised interest rate environment remains supportive of our macro and equity market-neutral managers.

Outlook

Our ability to execute on these opportunities is underpinned by the structural advantages of RIT's investment approach. Our access to deep, long-term specialist partnerships provides privileged entry into investment opportunities across public and private markets. Our flexible capital structure enables us to move swiftly, deploying capital where we see the most compelling returns. At the same time, we remain disciplined in our portfolio construction, integrating our investment pillars with rigorous risk management to ensure a diversified and resilient portfolio.

Through this approach, we remain focused on delivering long-term capital appreciation and attractive risk-adjusted returns for shareholders. By positioning ourselves to thrive in uncertainty, we continue to capture value in an evolving investment landscape, building a portfolio that is both dynamic and durable for the years ahead.

J. Rothschild Capital Management Limited

Investment Portfolio

Investment holdings	Country/region	Industry/description	Value of investments £ million	% of NAV
Quoted Equities[1]				
Stocks:				
Amazon.com, Inc.	United States	E-commerce	61.4	1.6%
National Grid plc	United Kingdom	Utilities	59.6	1.6%
London Stock Exchange Group plc	United Kingdom	Financial exchanges & data	44.0	1.2%
Intercontinental Exchange, Inc.	United States	Financial exchanges & data	40.5	1.1%
Coupang, Inc.	South Korea	E-commerce; 1.4% exposure	40.2	1.0%
CAE Inc.	Canada	Aerospace & defense	39.1	1.0%
Mastercard, Inc.	United States	Payments	37.9	1.0%
Melrose Industries plc	United Kingdom	Aerospace & defense	33.7	0.9%
Smurfit Westrock plc	United States	Containers & packaging	31.2	0.8%
JPMorgan Chase & Co.	United States	Diversified Banks	29.3	0.8%
VF Corporation	United States	Apparel; 1.4% exposure	28.6	0.8%
Tempur Sealy International, Inc.	United States	Home furnishings; 1.3% exposure	26.7	0.7%
Visa, Inc.	United States	Payments	25.3	0.7%
Golar LNG Limited	United States	Oil services; 3.2% exposure	25.0	0.7%
Grifols, S.A.	Spain	Healthcare	24.0	0.6%
Novonesis A/S	Denmark	Biosolutions	23.9	0.6%
IWG plc	United Kingdom	Real estate operating company	22.2	0.6%
Microsoft Corporation	United States	Software & services; 1.6% exposure	21.5	0.6%
Galderma Group AG	Switzerland	Pharmaceuticals	20.9	0.6%
JD Sports Fashion plc	United Kingdom	Retailing	20.7	0.6%
KBR, Inc.	United States	Professional services; 0.9% exposure	6.8	0.2%
ICON plc	United States	Life science tools & services; 1.0% exposure	0.8	0.0%
Constellation Energy Corporation	United States	Utilities; 0.5% exposure	(0.3)	(0.0)%
Brookfield Corporation	United States	Financial Services; 0.8% exposure	(1.3)	(0.0)%
GoDaddy, Inc.	United States	Software & services; 0.7% exposure	(1.4)	(0.0)%
Other stocks			69.8	1.8%
Quoted stocks held within private investment funds[2]			*159.0*	*4.3%*
Total stocks			*889.1*	*23.8%*
Funds:				
Discerene	Global	All-cap, value bias	168.7	4.5%
3D Opportunity	Japan	All-cap, diversified	167.1	4.5%
Blackrock Strategic Equity	Global	All-cap, diversified	128.0	3.4%
Morant Wright	Japan	SMID-cap, value bias	102.4	2.7%
Springs Opportunities	China	All-cap, diversified	83.4	2.2%
HCIF Offshore	United States	All-cap, healthcare	80.1	2.1%
DG Offshore	Global	All-cap, healthcare	21.1	0.6%
Tangible Managed Account	Global	SMID-cap, value bias	15.3	0.4%
Other funds			53.4	1.6%
Total funds			*819.5*	*22.0%*
Other:				
S&P put options	United States	Diversified; (5.5)% notional	15.0	0.4%
European basket	Europe	Aerospace & defense; 1.0% exposure	(1.2)	(0.0)%
Total other			*13.8*	*0.4%*
Total Quoted Equities			**1,722.4**	**46.2%**

[1] *The quoted equity category includes stocks (held directly and via co-investment vehicles), funds and derivatives. As a result, the liquidity of the individual positions may be influenced by market volumes as well as the redemption terms of the specific funds or co-investment vehicles. Where positions are held, or partially held, via total return swaps or options, the total exposure to the company is disclosed in the table, including the market value of any cash securities and the delta-adjusted notional exposure from derivatives. Total net quoted equity exposure at year end was 50.3% including the adjustment described in Footnote 2 below.*

[2] *Adjustment made to include estimated publicly-traded quoted equities held indirectly in private investment funds. These positions are valued based on their most recent traded price at the statement date of the fund in which they are held.*

Investment Portfolio

Investment holdings	Country/region	Industry/description	Value of investments £ million	% of NAV
Private Investments				
Private Investments – direct[3]:				
Motive	United States	Enterprise software	84.6	2.3%
Webull	United States	Fintech	49.9	1.4%
Epic Systems	United States	Healthcare & life sciences	29.5	0.8%
SpaceX	United States	AI & advanced technologies	26.4	0.7%
Blueground	United States	Consumer	23.0	0.6%
Kraken	United States	Fintech	22.2	0.6%
Xapo	Global	Fintech	12.0	0.3%
Scale AI	United States	AI & advanced technologies	11.7	0.3%
Brex	United States	Fintech	11.3	0.3%
Airtable	United States	Enterprise software	11.2	0.3%
Anchorage Digital	United States	Fintech	8.0	0.2%
Everest	Global	Fintech	7.6	0.2%
Puck	United States	Consumer	7.2	0.2%
Other private investments - direct			70.0	1.9%
Total Private Investments – direct			*374.6*	*10.1%*
Private Investments – funds:				
Thrive funds	United States	Growth equity	156.7	4.2%
Iconiq funds	United States	Growth equity	113.6	3.0%
Greenoaks Capital funds	United States	Growth equity	105.0	2.8%
Ribbit Capital funds	United States	Growth equity	92.7	2.5%
BDT Capital funds	United States	Private equity	80.8	2.2%
Hillhouse funds	China	Private equity	56.1	1.5%
Arch Venture funds	United States	Life sciences	47.4	1.3%
LCV funds	United States	Early stage	32.0	0.9%
Hunter Point Capital Investors	United States	Private equity	23.5	0.6%
LionTree Investment Fund	United States	Private equity	19.4	0.5%
Firstminute Capital funds	Europe	Early stage	18.4	0.5%
Westcap funds	United States	Growth equity	17.3	0.5%
Eight Partners funds	United States	Early stage	14.0	0.4%
Mithril funds	United States	Growth equity	14.0	0.4%
Sound Ventures funds	United States	Early stage	13.8	0.4%
Twenty VC funds	United States	Early stage	12.9	0.3%
Founders funds	United States	Early stage	9.8	0.3%
Hunter Point Capital	United States	Private equity	9.4	0.3%
Corsair funds	Asia	Private equity	9.4	0.3%
Sky9 funds	China	Early stage	8.9	0.2%
Sequoia Capital funds	China	Growth equity	8.6	0.2%
Blackstone Tactical Opps	United States	Private equity	8.4	0.2%
K2 funds	Asia	Early stage	8.2	0.2%
Innovius Capital fund	North America	Private & growth equity	8.1	0.2%
Expa Capital	United States	Early stage	8.0	0.2%
Other private investments - funds			132.7	3.5%
Quoted stocks held within private investment funds[4]			*(159.0)*	*(4.3)%*
Total Private Investments - funds			*870.1*	*23.3%*
Total Private Investments			**1,244.7**	**33.4%**

[3] *The private direct book includes investments held through co-investment vehicles managed by a general partner (GP).*

[4] *Adjustment made to exclude estimated publicly-traded quoted equities held indirectly in private investment funds. These positions are valued based on their most recent traded price at the statement date of the fund in which they are held.*

Investment Portfolio

Investment holdings	Country/region	Industry/description	Value of investments £ million	% of NAV
Uncorrelated Strategies				
Absolute return and credit:				
Credit:				
Tresidor funds	Europe	Credit	154.9	4.2%
Attestor Value fund	Global	Credit	112.1	3.0%
ARCM fund	Asia	Credit	83.6	2.2%
LionTree Advisory loan note	United States	Credit	32.0	0.9%
Other credit			16.6	0.4%
Total credit			*399.2*	*10.7%*
Absolute return:				
RIT US Value Partnership	Global	Multi-strategy	77.4	2.1%
Woodline fund	Global	Equity market neutral	68.4	1.8%
JJJ Feeder fund	Global	Macro-strategy	53.7	1.4%
ILEX fund	Europe	Equity market neutral	46.0	1.2%
Highbridge fund	United States	Multi-strategy	35.0	0.9%
Bronte Capital Metis fund	United States	Equity market neutral	30.1	0.8%
Other absolute return			15.0	0.5%
Total absolute return			*325.6*	*8.7%*
Total absolute return and credit			*724.8*	*19.4%*
Real assets:				
St. James's properties	United Kingdom	Investment property	26.5	0.7%
Spencer House[5]	United Kingdom	Investment property	25.8	0.7%
California carbon credits	United States	Commodities; 1.4% exposure	21.0	0.6%
Gold[6]	Global	Commodities; 2.5% exposure	(4.2)	(0.1)%
Other real assets			4.4	0.1%
Total real assets			*73.5*	*2.0%*
Government bonds and rates:				
UK treasury gilts 2068	United Kingdom	Government bonds	56.2	1.5%
UK treasury gilts 2027	United Kingdom	Government bonds	33.7	0.9%
Total government bonds and rates			*89.9*	*2.4%*
Total Uncorrelated Strategies			**888.2**	**23.8%**

5 *The value of Spencer House includes the contents held within Spencer House, such as furniture, fittings and the fine art portfolio.*

6 *The exposure to gold is obtained through futures and options.*

Investment Portfolio

Investment holdings	Country/region	Industry/description	Value of investments £ million	% of NAV
Currency				
Currency forward contracts	Various		(47.9)	(1.3)%
Other currency	Various		8.2	0.2%
Total currency			**(39.7)**	**(1.1)%**
Total investments			**3,815.6**	**102.3%**
Liquidity, borrowings and other				
Liquidity:				
Liquidity[7]		Cash at bank	193.6	5.2%
Total liquidity			*193.6*	*5.2%*
Borrowings:				
Short-term bank borrowings[8]		Revolving credit facilities and term loan	(200.1)	(5.3)%
RIT senior loan notes		Fixed interest loan notes	(133.8)	(3.6)%
Total borrowings			*(333.9)*	*(8.9)%*
Other assets/(liabilities):				
Margin			117.3	3.1%
Investments awaiting settlement			(40.1)	(1.1)%
Other assets/(liabilities)			(21.3)	(0.6)%
Total other assets/(liabilities)			*55.9*	*1.4%*
Total liquidity, borrowings and other			**(84.4)**	**(2.3)%**
Total net asset value			**3,731.2**	**100.0%**

7 *Liquidity includes cash held within non-consolidated subsidiaries, which is excluded from cash in the Consolidated Balance Sheet.*

8 *The Group has a revolving credit facility (RCF) with the Industrial and Commercial Bank of China and an RCF and three-year term loan with BNP Paribas SA.*

Risk Management

Risk management and internal control

The principal risks facing RIT are both financial and operational. The ongoing process for managing the risks, and setting the overall risk appetite and risk parameters, is the responsibility of the Board and the Audit and Risk Committee. The risk evaluation is based on an assessment of the principal and emerging risks facing the Group, and their mitigating actions. The Manager is responsible for the implementation and day-to-day management of risk and the system of internal controls throughout the Group.

The Board sets the portfolio risk parameters within which JRCM operates. This involves an assessment of the nature and level of risk within the portfolio using qualitative and quantitative methods. Additional information in relation to the quantum and associated sensitivity of market risk, credit risk and liquidity risk in accordance with IFRS 7 Financial Instruments: Disclosures, is shown in Note 13 on pages 103 to 112.

The Board is ultimately responsible for the Group's system of internal controls, and has delegated the supervision of the internal control system to the Audit and Risk Committee. Such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and, as such, can provide only reasonable and not absolute assurance against any material misstatement or loss. Further information is provided in the Audit and Risk Committee Report on pages 76 to 78.

As an investment company, RIT is exposed to financial risks inherent in its portfolio, which are primarily market-related and common to any portfolio with significant exposure to equities and other financial assets. The ongoing portfolio and risk management includes an assessment of the macroeconomic and geopolitical factors that can influence market risk, as well as consideration of investment-specific risk factors.

Your Company's broad and flexible investment mandate allows the Manager to take a relatively unconstrained approach to asset allocation and utilise whatever action is considered appropriate in mitigating any attendant risks to the portfolio.

With a high degree of volatility in markets and continued geopolitical tensions, risk management remains critical. The portfolio risk management approach undertaken by the Manager, and considered regularly by the Board, is designed to produce a healthy risk-adjusted return over the long term, through careful portfolio construction, security selection and the considered use of hedging.

As an investment business, the vast majority of the day-to-day activities involve the measurement, evaluation and management of risk and reward. With a corporate objective which includes an element of capital preservation, the culture and practice of seeking to protect the NAV from undue participation in down markets through the cycles is well established. However, it is important to recognise that a carefully designed risk management and internal control system can only aim to reduce the probability or mitigate the impact; it cannot remove the risk. With a global investment portfolio having meaningful exposure to equities, rather than a pure absolute return mandate, RIT's NAV will not be immune to either falling markets and/or volatility in currency markets. Equally, with a diversified set of individual and typically uncorrelated, high return-seeking drivers, the portfolio could encounter occasions when the level of volatility results in negative alpha in the short term.

Risk Management

As a permanent capital vehicle, and unlike open-ended funds, we do not need to manage the portfolio to meet redemptions. With sizeable assets relative to our modest borrowings and ongoing liabilities, as confirmed later in this section, we do not consider the Company's viability or going concern to represent principal risks. Nevertheless, and in particular at times of market stress, the Manager utilises a detailed, day-to-day liquidity risk management framework to help effectively manage the balance sheet, ensuring sufficient liquidity to meet portfolio needs.

Operational and other risks include those related to the legal environment, regulation, taxation, cyber security, climate and other areas where internal or external factors could result in financial or reputational loss. These are also managed by JRCM with regular reporting to, and review by, the Audit and Risk Committee and the Board.

Risk Management

Principal risks

The Board has carried out a robust assessment of the emerging and principal risks facing the Company, with input from the Audit and Risk Committee, as well as the Manager.

Following this assessment, the Board has concluded that there are no material emerging risks, and the principal risks are described below:

	Risk	Mitigation
Investment strategy risk	As an investment company, a key risk is that the investment strategy, guided by the Investment Policy: *"To invest in a widely diversified, international portfolio across a range of asset classes, both quoted and unquoted; to allocate part of the portfolio to exceptional managers in order to ensure access to the best external talent available."* does not deliver the Corporate Objective: *"To deliver long-term capital growth, while preserving shareholders' capital; to invest without the constraints of a formal benchmark, but to deliver for shareholders increases in capital value in excess of the relevant indices over time."*	The Board is responsible for monitoring the investment strategy to ensure it is consistent with the Investment Policy and appropriate to deliver performance in line with the Corporate Objective. The Directors receive a detailed monthly report from the Manager to enable them to monitor investment performance, attribution, and exposure. They also receive a comprehensive investment report from the Manager in advance of the quarterly Board meetings. The overall risk appetite is set by the Board, with portfolio risk managed by JRCM within prescribed limits. This involves careful assessment of the nature and level of risk within the portfolio using qualitative and quantitative methods. The JRCM Investment Committee meets regularly to review overall investment performance, portfolio exposure and significant new investments.
Discount risk	Investment trust shares trade at a price which can be at a discount or premium relative to their net asset value. If trading at a discount, there is a risk that a widening of the discount may result in shareholders achieving a return which does not reflect the underlying investment performance of the Company.	To manage this risk, and to reduce the volatility for shareholders, the Board monitors the level of discount/premium at which the shares trade and the Group has authority to buy back its existing shares when deemed to be in the best interest of the Company and its shareholders. Buying back shares at a discount signals the Board's confidence in the overall approach and the NAV to shareholders, and is accretive to the NAV per share return. In addition, the Group is continuing to invest in developing its investor relations activity and overall approach to communications to help ensure that shareholders have the best understanding of the strategy and approach to investing.

Risk Management

	Risk	Mitigation
Market risk	**Price risk** RIT invests in a number of asset categories including stocks, equity funds, private investments, absolute return and credit, real assets, government bonds and derivatives. The portfolio is therefore exposed to the risk that the fair value of these investments will fluctuate because of changes in market prices. **Currency risk** Consistent with the Investment Policy, the Group invests globally in assets denominated in currencies other than sterling as well as adjusting currency exposure to either seek to hedge and/or enhance returns. This approach exposes the portfolio to currency risk as a result of changes in exchange rates. **Interest rate risk** In addition, the Group is exposed to the direct and indirect impact of changes in interest rates. Each of the above market risk categories can be influenced by changes in geopolitical risk.	The Group has a widely diversified investment portfolio which significantly reduces the exposure to individual asset price risk. Detailed portfolio valuations and exposure analysis are prepared regularly and form the basis for the ongoing risk management and investment decisions. In addition, regular scenario analysis is undertaken to assess likely downside risks and sensitivity to broad market changes, as well as assessing the underlying correlations amongst the separate asset classes. Currency exposure is managed via an overlay strategy, typically using a combination of currency forwards and/or options to adjust the natural currency of the investments in order to achieve a desired net exposure. The geographic revenue breakdown for stocks as well as correlations with other asset classes are also considered as part of our hedging strategy. Exposure management is undertaken with a variety of techniques including using equity index and interest rate futures and options to hedge or to increase equity and interest rate exposure depending on overall macroeconomic and market views.
Liquidity risk	Liquidity risk is the risk that the Group will have difficulty in meeting its obligations in respect of financial liabilities as they fall due. The Group has significant investments in and commitments to direct private investments and funds which are inherently illiquid. In addition, the Group holds investments with other third-party organisations which may require notice periods in order to be realised. Capital commitments could, in theory, be drawn with minimal notice. In addition, the Group may be required to provide additional margin to support derivative financial instruments.	The Group manages its liquid resources to ensure sufficient cash is available to meet its expected needs. It monitors the level of short-term funding and balances the need for access to such funding and liquidity, with the long-term funding needs of the Group, and the desire to achieve investment returns. Covenants embedded within the banking facilities and long-term notes are monitored on an ongoing basis for compliance, and form part of the regular stress tests. In addition, existing cash reserves, as well as the significant liquidity that could be realised from the sale or redemption of portfolio investments and undrawn, committed borrowings, could all be utilised to meet short-term funding requirements if necessary. As a closed-ended company, there is no requirement to maintain liquidity to service investor redemptions. The Depositary, BNP Paribas S.A, London Branch (BNP) has separate responsibilities in monitoring the Company's cash flow.

Risk Management

	Risk	Mitigation
Credit risk	Credit risk is the risk that a counterparty to a financial instrument held by the Group will fail to meet an obligation which could result in a loss to the Group. Certain investments held within the absolute return and credit portfolio are exposed to credit risk, including in relation to underlying positions held by funds. Substantially all of the listed portfolio investments capable of being held in safe custody, are held by BNP as custodian and depositary. Bankruptcy or insolvency of BNP may cause the Group's rights with respect to securities held by BNP to be delayed. Unrealised profit on derivative financial instruments held by counterparties is potentially exposed to credit risk in the event of the insolvency of a broker counterparty.	The majority of the exposure to credit risk within the absolute return and credit portfolio is indirect exposure as a result of positions held within funds managed externally. These are typically diversified portfolios monitored by the third-party managers themselves, as well as through JRCM's ongoing portfolio management oversight. Listed transactions are settled on a delivery versus payment basis using a wide pool of brokers. Cash holdings and margin balances are also divided between a number of different financial institutions, whose credit ratings are regularly monitored. All assets held directly by the custodian are in fully segregated client accounts. Other than where local market regulations do not permit it, these accounts are designated in RIT's name. The custodian's most recent credit rating was A+ from Standard & Poor's (S&P).
Key person dependency	In common with other investment trusts, investment decisions are the responsibility of a small number of key individuals within the Manager. If for any reason the services of these individuals were to become unavailable, there could be a significant impact on our business.	This risk is closely monitored by the Board, through its oversight of the Manager's incentive schemes (on which it has received external advice) as well as the succession plans for key individuals. The potential impact is also reduced by an experienced Board of Directors, with distinguished backgrounds in financial services and business.

Risk Management

	Risk	Mitigation
Climate-related risk	Ongoing climate changes may impact either our own business, the external managers with whom we invest, and/ or the underlying portfolio investments. For our own business this could result in increased costs of complying with new regulations and/or changes to the way we operate. Portfolio companies could see demand pressures, an increased cost of capital, tighter regulation or increased taxation, all impacting profitability. Our ability to make climate-change disclosures may be impacted by our investment approach if the external fund managers with whom we invest do not provide the desired information. More frequent extreme weather could disrupt businesses, travel, global supply chains and profitability.	We do not consider climate-related risks to have material, specific impacts on our own asset management businesses as distinct from the investment portfolio. Our Manager continues to monitor, and minimise, the climate-related impacts of our internal operations; we offset the carbon emissions of this business – categorised as Scope 1 and Scope 2 emissions by the Greenhouse Gas (GHG) Protocol – through participation in an accredited scheme and we are taking steps to further develop our understanding of our indirect emissions impact (categorised as Scope 3 emissions), including from our investment portfolio. We have worked with an external advisor to help us disclose emissions data for our directly held quoted equities portfolio in our first TCFD Report (see pages 60 to 65). JRCM is a signatory to the UN PRI, and the Board has worked with our Manager to develop JRCM's Responsible Investment Framework & Policy, which incorporates environmental factors into our investment approach. This allows us to consider the potential wider impacts of climate change risks to our investments. We monitor developments in regulation and disclosures and seek as far as possible to prepare for future changes. The Group's adoption of fair value in relation to its investments means that the climate-related risks recognised by market participants are incorporated in the valuations (see Note 1, Accounting Policies).
Legal and regulatory risk	As an investment trust, RIT's operations are subject to wide-ranging laws and regulations including in relation to the FCA UK Listing Rules and Disclosure, Guidance and Transparency Rules of the FCA's Primary Markets function, the Companies Act 2006, corporate governance codes, as well as continued compliance with relevant tax legislation, including ongoing compliance with the rules for investment trusts. JRCM is authorised and regulated by the FCA and acts as Alternative Investment Fund Manager. The financial services sector continues to experience regulatory change at national and international levels, including in relation to climate change. Failure to act in accordance with these laws and regulations could result in fines, censure or other losses including taxation or reputational loss. Co-investments and other arrangements with related parties may result in conflicts of interest.	The Operational Risk Committee of JRCM provides oversight of all legal, regulatory and other operational risks across the Group. This Committee reports key findings to the JRCM Executive Committee and the Audit and Risk Committee. JRCM employs a general counsel and a compliance officer as well as other personnel with experience of legal, regulatory, disclosure and taxation matters. In addition, specialist external advisers are, if required, engaged to supplement internal resources in relation to complex, sensitive or emerging matters. Where necessary, co-investments and other transactions are subject to review by the Conflicts Committee.

Risk Management

	Risk	Mitigation
Operational risk	Operational risks are those arising from inadequate or failed processes, people and systems or other external factors. Key operational risks include reliance on third-party managers and suppliers, dealing errors, processing failures, pricing or valuation errors, fraud and reliability of core systems.	Systems and control procedures are the subject of continued development and regular review including by internal audit. During the year the Audit and Risk Committee reviewed, and satisfied itself with, the Manager's approach to Group tax compliance, accounting for share-based payment awards and accounting journals supporting the financial statements. Further details on this and internal controls more generally can be found in the Committee's Report on pages 76 to 78. Processes are in place to ensure the recruitment and ongoing training of appropriately skilled staff within key operational functions. Suitable remuneration policies are in place to encourage staff retention and the delivery of the Group's objectives over the medium term. Independent pricing sources are used where available, and performance is subject to regular monitoring. In relation to more subjective areas such as private investments and property, the valuations are estimated by experienced staff and specialist external managers and valuers using industry standard approaches, with the final decisions taken by the independent Valuation Committee, and subject to external audit as part of the year-end financial statements. A business continuity and disaster recovery plan is maintained and includes the ability to use a combination of an offsite facility and cloud resources to mirror our production systems in the event of any business disruption. This was satisfactorily tested during the year.

Risk Management

	Risk	Mitigation
Cyber security risk	RIT is dependent on technology to support key business functions and the safeguarding of sensitive information. As a result, RIT is exposed to the increasingly sophisticated nature of cyber attacks, and given the growth in AI and the ability to utilise this for attempts at fraud and data breaches. RIT is therefore at risk of potential loss or harm as a result of significant disruption to information technology systems, including from a potential cyber attack, which may result in financial losses, the inability to perform business-critical functions, loss or theft of confidential data, and resulting legal or reputational damage.	Cyber security continues to receive an enhanced focus, with policies, systems and processes designed to combat the ongoing risk developments in this area. Such processes are kept under regular review including multi-factor authorisation, ensuring effective firewalls, internet and email gateway security and anti-virus software. This is complemented with staff awareness programmes (including periodic mock-phishing exercises) which monitor and test both the robustness of our systems as well as the effectiveness of our staff at identifying potential risks. We also test our IT business continuity plan at least once every year. The process for assessing, identifying and managing cybersecurity risks is managed on a day-to-day basis by the Manager's IT team and overseen by the JRCM Operational Risk Committee. Any material risks are reported to the Audit and Risk Committee. The Manager maintains the 'Cyber Essentials Plus' security certification, the highest level of certification offered by the National Cyber Security Centre, the UK Government's technical authority for cyber threats. This review is performed on an annual basis, the most recent completed in December 2024. Additionally, the Group has specific insurance in place to cover information security and cyber risks. The Manager periodically also engages external consultants to assess the robustness of its IT systems.

Going Concern and Viability

Viability statement

In accordance with provision 36 of the AIC Code and as part of an ongoing programme of risk assessment, the Directors have assessed the prospects of the Group, to the extent that they are able, over a five-year period. As the Company is a long-term investor, the Directors have chosen a five-year period as this is viewed as sufficiently long term to provide shareholders with a meaningful view, without extending the period so far into the future as to undermine the exercise.

The Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities as they fall due for the next five years.

In making this assessment, the Directors have taken into consideration the principal risks and mitigants set out in the Risk Management section on pages 47 to 54 and the impact these might have on the business model, future performance, solvency, liquidity and ongoing operational resilience (notably cyber security risk and the ability to respond to emerging technologies in a controlled manner). In addition, the Directors reviewed the following:

- the Group's current financial position (with total assets at the year end of approximately £4 billion);
- the nature, composition and liquidity profile of the investment portfolio (including the significant holdings of liquidity and the value of assets that could be realised within a relatively short time frame as well as over longer periods);
- the term structure and availability of borrowings (of which drawn borrowings at the year end totalled £334 million, with committed and undrawn facilities totalling £40 million);
- the ability to satisfy the associated loan covenants, meet the ongoing costs of the business and fund dividends;
- the level of outstanding capital commitments (primarily to long-term private funds) and the ongoing distributions from this part of the portfolio; and
- the continued attractiveness to shareholders of the Group's corporate objective and investment approach.

As part of the approach, due consideration has been given to the uncertainty inherent in financial forecasts and, where applicable, reasonable sensitivities have been applied to the investment portfolio in moderate and severe stress situations, including in relation to equity market declines, currency movements, the imposition of restrictions on redemptions from external funds, and the level of capital calls in respect of existing commitments.

"The Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities as they fall due for the next five years."

Going Concern and Viability

The stress scenarios under which the borrowing covenants would be breached involve severe equity market declines as well as historically high levels of capital calls. This theoretical outcome also does not take into account the Company's ability to adjust the portfolio composition to avoid a breach, and to work with its lenders in order to either avert a breach or minimise the consequences. With current gearing of 8.9%, and in the absence of either a significant adverse change to the regulatory or taxation environment, it is difficult to reasonably envisage a situation which would threaten the ongoing viability of the Company over the five-year time frame.

Going concern

Having assessed the emerging and principal risks and the other matters considered in connection with the Viability Statement, and in particular cash flow forecasts for the period to 30 June 2026, which is sixteen months from the date of the approval of the financial statements, what the Group considers its readily realisable securities of £694 million, liquidity balances totalling £194 million, as well as committed but undrawn borrowings of £40 million, and the amounts that could be realised from the remainder of the portfolio, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements. The Strategic Report on pages 6 to 65 and the s172(1) statement on page 85 have been approved by the Board and signed on its behalf by:

Sir James Leigh-Pemberton
Chairman

£194m

liquidity balances at 31 December 2024

8.9%

gearing at 31 December 2024

Sustainability

Introduction

Our commitment to sustainability and ESG remains a core objective of the Board and is based on a dual approach: (i) in respect of our internal operations, we aim to be good corporate citizens, engaging regularly with our stakeholders and minimising our environmental impact; and (ii) the incorporation of principles of responsible investment into our investment processes for the delivery of sustainable financial returns from our portfolio.

Stakeholder engagement

The Board recognises the benefits of engaging with its stakeholders in order to ensure that it is aware, and can take account of, their views during Board discussions and decision making. As a result, the processes and initiatives below are in place.

Shareholders
In 2024, the Chairman and Senior Independent Director maintained its regular contact with major shareholders. In addition, we continued to strengthen our marketing and investor relations capabilities in respect of communication and engagement with all of our shareholders and also with proxy advisors, corporate governance specialists and analysts. This commitment to communication and engagement includes:

- numerous shareholder meetings, webinars, and investor presentations;
- publication of annual and interim reports;
- the launch of a new website this year, which provides shareholders with more accessible and comprehensive information on our business and approach;
- regular reports from the Manager to the Board on its shareholder and analyst meetings to ensure they understand shareholders' views of the Company;
- updating the content and format of our monthly Factsheet to accompany our monthly NAV RNS announcements which provides more performance and portfolio data and commentary from the Manager on monthly performance and broader macroeconomic observations; and
- regular review of the composition of our share register and receiving feedback from our brokers, including in the form of an independent survey of shareholder views conducted by the brokers. We also have a designated email account (investorrelations@ritcap.co.uk) to enable shareholders to communicate directly with the Group.

In addition to the above, all shareholders have the opportunity to cast their votes in respect of proposed resolutions at the AGM by proxy, either electronically or by post and are encouraged to attend the AGM and ask questions of the Directors and the Manager directly.

The Board acknowledges the importance to ESG considerations for shareholders. In further recognition of this, we have put in place our first report which is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures, that can be found on pages 60 to 65.

Employees
We foster a workplace that encourages engagement and open communication among employees at all levels. Throughout the year, 'town hall' meetings for all Group employees were held, some of which were chaired by the Chairman who is designated as the Director responsible for engagement with employees. More generally, regular internal communication is encouraged through team meetings, training sessions, presentations and also social and team-building events.

Cultivating a supportive and inclusive working environment where all our employees are treated with dignity and respect, regardless of their gender, age, ethnicity, disability, sexual orientation or background, is also key. As part of the Group's diversity and inclusion policies, we incorporate 'blind' recruitment practices where a job applicant's personally identifiable information, such as name, gender and age is omitted from their CVs to avoid unconscious bias.

Sustainability

At the year end, our Board composition complied with the recommendations of the Parker Review, the FTSE Women Leaders Review and the FCA UK Listing Rules reporting requirements on diversity. The overall employee composition consisted of 38 men and 23 women.

The Manager is also dedicated to nurturing a more diverse talent pool in the asset management sector, and continues to work with the '10,000 Interns Foundation', as well as the 'Girls Are INvestors' (GAIN) programme, aimed at championing under-represented talent and improving gender balance, respectively.

We are committed to the professional development of our employees and we encourage open and honest communication across the firm. We operate a formal annual appraisal process, designed to reinforce the Group's overall strategy and culture, and to ensure that employees have a clear understanding of their performance and can discuss their goals in order to reach their full potential. We deem learning required to fulfil an employee's current role crucial and also encourage the development of skills and knowledge beyond that. Accordingly, all staff were required to complete various training modules during the year, including in respect of diversity and inclusion in the workplace and mental health.

We take all our employees' wellbeing seriously and have maintained flexible hybrid and remote working policies. We offer confidential mental health support and a wide range of health and wellbeing benefits. Further initiatives we have in place include an enhanced maternity leave programme as well as adoption and shared parental leave.

In addition, there is a clear and independent whistleblowing process for employees to raise any concerns.

Society and communities
We value the society and communities in which we operate, and our employees have participated in various charitable initiatives throughout the year. We also facilitate employees taking advantage of the 'Give As You Earn' initiative through which employees can make personal charitable contributions.

Suppliers
We place a high value on our relationships with a broad group of key suppliers and service providers including fund managers, our auditor and professional advisers, our custodian/depositary, bankers, information providers, trading counterparties, and brokers, and continue to be committed to developing and maintaining sustainable and transparent working relationships over the long term. We do not tolerate slavery or human trafficking and we are committed to acting ethically and with integrity in all our business dealings and relationships. In accordance with the Modern Slavery Act 2015, JRCM publishes a Modern Slavery Statement annually which may be viewed on the Company's website: www.ritcap.com.

We ensure these relationships with suppliers, some of whom we have worked with for many years, are subject to regular review and are refreshed where necessary. Effective management of our supplier relationships is critical to our ability to deliver on our broad mandate, and we utilise a combination of formal and informal feedback.

Sustainability

Responsible investment

Our Manager is a signatory of the UN PRI as of February 2021, and has in place a Responsible Investment Framework & Policy, which is disclosed to shareholders via the Company website. This policy sets out how ESG factors form a key part of the due diligence undertaken by the Manager prior to selecting investments and how these factors are monitored throughout our holding of the investment. We believe that this policy aligns our Corporate Objective with our commitment to responsible investment.

Responsible investment approach

Investment due diligence
The Manager is continuously looking for ways to strengthen the integration of sustainable investment principles into its decision-making processes. Such decision-making always includes the traditional process of financial analysis associated with the asset class or investment, as well as an evaluation of key ESG risks. This applies across our three investment pillars: Quoted Equities, Private Investments, and Uncorrelated Strategies.

Voting policy and escalation
We endeavour to be active owners of companies in which we invest. Save for voting rights on the Company's investments held in segregated accounts managed by external managers, who have control of the voting of those shares, the Manager's investment department determines voting on all the resolutions of directly held investee companies and maintains close and ongoing scrutiny of all aspects of company performance including ESG-related factors.

The Company's aim is to invest in assets with good corporate governance and robust leadership, such that, more often than not, we anticipate aligning our votes with management recommendations. However, we are ready to oppose or abstain from voting on issues or measures that we feel either fail to adequately meet our principles of responsible investing and/or do not serve the best interests of the Company and our shareholders. We do not use proxy advisors.

In 2024, resolutions at 94 shareholder meetings were voted on in respect of our quoted equities held directly or in a managed account.

Monitoring of, and Engagement with, Investee Companies and Managers
Reflecting our Corporate Objective, many of our investments are for the long term, and the ongoing relationship with our external managers and investee companies, as well as our regular evaluation of their approach, is crucial to maintaining active ownership of that investment over time. Stewardship activities are key tools to address any ESG concerns, and we maintain a regular dialogue with external managers and companies alike, intervening where we consider it to be in the Company's and our shareholder's best interest. We also seek full portfolio transparency and request detailed reporting from our external managers, where possible.

In respect of private fund investments, we may have a position on the fund's limited partner advisory board which gives us further opportunity to shape ESG and broader risk management considerations.

Sustainability

Task Force on Climate-related Financial Disclosures Report

Executive summary

The Board recognises that climate change is a systemic risk for global financial markets and climate-related risk has been identified as a principal risk facing the Company (see page 52). This report is aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD): (i) in recognition of the value such framework brings in determining climate-related risks and opportunities across the Group's operations and portfolio; and (ii) to inform our shareholders and other stakeholders of our approach to managing financial risks associated with a changing climate.

Governance

The Board's oversight of climate-related risks and opportunities

The Board has ultimate oversight of ESG integration, including the risks and opportunities associated with ESG (which in turn also includes climate).

The Board convenes quarterly, where ESG is a standing item. The Board reviews a quarterly ESG report that is prepared by the Manager and which documents all ESG considerations for all applicable new investments as well as reporting on the ongoing monitoring of ESG issues related to investments we hold in the portfolio. While these ESG considerations do not solely focus on climate, material climate-related factors relating to a specific investment are addressed where deemed relevant.

The Manager's role in assessing and managing climate-related risks and opportunities

The Manager exercises oversight of, and is accountable for, responsible investment practices, including the integration of material financial and non-financial ESG risks and opportunities into investment decisions and investment stewardship practices through its Responsible Investment Framework & Policy. These risks are, where material and relevant, considered for every investment recommendation submitted to the Investment Committee. Each recommendation paper will include a section specifically devoted to ESG and sustainability. As part of this, and where deemed relevant on a case-by-case basis, climate-related risks and opportunities are also considered during this process.

Given the systemic nature of climate change and its far-reaching impacts on the global economy, we will continue to consider and evolve our approach to assessing climate-related risks and opportunities.

Sustainability

Strategy

To better understand how a changing climate may impact the portfolio, we have conducted a climate risk assessment that considers the Quoted Equities and Private Investments pillars of the portfolio (for the purposes of this section, the 'Investments'), where relevant data is available. We have omitted the Uncorrelated Strategies pillar from the scope of the analysis due to the complexities of accurately assessing climate risks associated with this investment pillar.

The analysis considers climate-related risks and opportunities the Investments may be exposed to using two different climate scenarios which were assessed across three discrete time horizons. The analysis adopts a sector-and geography-specific lens, which is reflective of the level of granularity of Investments data that is available to consider these macro-level climate-related financial risks.

Our analysis was based on the following inputs:

- carbon intensive sectors: Industries that produce high levels of greenhouse gas (GHG) emissions in their direct operations (Scope 1 and 2 emissions), such as Energy and Manufacturing.
- non-carbon intensive sectors: Industries with comparatively lower GHG emissions, such as Information Technology and Healthcare.
- capital intensive sectors: Industries requiring significant investment in physical assets that form part of direct operations, such as Utilities and Real Estate.
- capital light sectors: Industries requiring comparatively less investment in physical assets and that typically rely on global interconnected supply chains to provide goods and services, such as Consumer Staples and Discretionary and Financials.

Climate-related risks fall into two categories as identified by the TCFD:

- transition risks: Business risks that stem from societal and economic shifts as the economy decarbonises. These include policy and legal, technology, market and reputational risks.
- physical risks: Climate hazards emerging as a result of climate change that can cause physical damage and financial losses. These can be acute: event-driven, including increased severity of extreme weather events, or chronic: longer-term shifts in climate patterns, such as sustained higher average temperatures and sea level rise.

We also considered two climate scenarios from the Network for Greening the Financial System (NGFS):

- delayed transition: Delayed Transition assumes that actions to reduce global annual GHG emissions do not begin until 2030. Strong policies are then needed to limit the global average temperature rise to below 2°C by 2100.
- current policies: Current Policies assumes that only currently implemented policies are preserved, leading to 3°C increase in the average global temperature rise by 2100.

We did not assess the Investments in a Net Zero 2050 (1.5°C) scenario due to emerging scientific consensus that this scenario is increasingly unlikely due to the current level of cumulative GHGs in the atmosphere and the high rate of annual global GHG emissions which show little sign of reducing at the rate required in this scenario.

It is important to note that the purpose of this scenario analysis is to explore how the Investments may be impacted in the future under different hypothetical states of the world. This is because the nature of how climate risks may evolve is inherently uncertain, making it difficult to assess them using standard risk modelling methodologies. As a result, these findings are not considered definitive and indicate two possible outcomes based on the assumptions above.

Sustainability

The impact of climate-related risks and opportunities on the Investments

Delayed Transition

Time horizon	Risk or opportunity	Potential impact
2025	Transition risk	Transition risks are experienced by some carbon intensive sectors, although there are regional and sector variations. Overall, transition risks relating to the Investments are low given the geographic and sector diversification of the Investments.
	Physical risk	Climate change impacts are already being experienced across the world however, the extent of asset impairment is highly dependent on the region and locality. Capital intensive sectors within the Investments are vulnerable to operational disruption and asset impairments given their reliance on physical infrastructure, while capital light sectors may face business disruption risks where they are reliant on global supply chains.
2025-2030	Transition risk	Current regulation would remain in place but there is no action to strengthen policies to curb GHG emissions, resulting in low transition risks to the Investments.
	Physical risk	Acute hazards would increase in severity as GHG emissions continue to rise, which may drive further physical damage and disruption to business operations. These impacts could reduce global GDP by 4% by 2030 (NGFS, 2024).[1] Increasing instances of extreme heat may present risks that impact both capital intensive and capital light sectors. Capital intensive sectors would be most susceptible to operational disruptions from acute climate hazards which could result in asset impairments, with the greatest financial risks in highly exposed regions and localities. Capital light sectors such as Information Technology and Telecommunications may also be impacted through infrastructure vulnerabilities.
	Opportunities	Businesses in carbon intensive sectors can mitigate exposure to potential transition risks by reducing the carbon intensity of operations and upgrading assets to lower-carbon technologies ahead of legislation. In doing so, businesses may also gain early mover advantage and increase their market share by capitalising on shifting customer and consumer preferences.
2030-2050	Transition risk	Abrupt and uncoordinated policymaker actions to phase out high-emitting assets and rising consumer demand for low-carbon alternatives could intensify financial risks in the transition to a lower-carbon economy. The sudden introduction of a global 'shadow' carbon tax[2] modelled in this scenario could disproportionately impact carbon-intensive sectors, increasing market volatility, accelerating asset retirements and increasing risks of litigation and fines. Such transition risks could impact up to 2% of global GDP by 2050 (NGFS, 2024). Predominant exposure within Investments to non-carbon intensive companies provides resilience.
	Physical risk	Physical climate risks are likely to persist despite successful emissions reductions, driven by the cumulative effects of historic emissions and inertia of the climate system. This may lead to an 11% reduction in global GDP by 2050 in this scenario (NGFS, 2024). Key tipping points could also be triggered, directly and indirectly driving financial risk at a global level. The systemic nature of climate impacts may negatively impact Investments through asset impairments, supply chain disruptions and market volatility in all regions for both capital intensive and capital light sectors, reflective of financial impacts across the global economy.
	Opportunities	The transition may create substantial opportunities for low-carbon sectors and innovators in clean energy technologies. We anticipate the large proportion of Investments in non-carbon intensive sectors to be well-positioned to attract investment, meet rising consumer demand and support the shift toward a sustainable economy.

[1] *The NGFS acknowledges the uncertainty and limitations of climate and economic modelling, including the inability to model tipping points which indicates financial impacts may be higher. Potential financial impacts should therefore be acknowledged accordingly.*

[2] *A shadow carbon price is used as a proxy for a variety of different climate policies (including taxes, regulations, subsidies, etc.). In the NGFS Delayed Transition scenario, it could be $325/tCO_2e$ by 2050 (NGFS, 2024).*

Sustainability

Current Policies

Time horizon	Risk or opportunity	Potential impact
2025	Transition risk	In this scenario and time horizon, risk to the Investments is as described in the Delayed Transition.
	Physical risk	
2025-2030	Transition risk	In this scenario and time horizon, risk to the Investments is as described in the Delayed Transition.
	Physical risk	
2030-2050	Transition risk	Current regulation would remain in place with no further ambition or action to strengthen policies to curb GHG emissions, which would present low transition risk.
	Physical risk	A lack of mitigating actions to limit temperature rise could result in severe increased physical risks. By 2050, compounding climate risks may trigger interrelated financial shocks in all regions, threatening significant asset devaluation. Acute and chronic physical climate risks could cause losses exceeding 8% and 15% of GDP, respectively (NGFS, 2024). This would have significant impacts on the financial system at a global level, affecting both capital intensive and capital light sectors in the Investments. While the certainty and timing of key tipping point breaches are unknown, if triggered, these could cause widespread climate disruption and asset impairment.

Risk Management

Identifying and assessing climate-related risks

All potential investment opportunities undergo ESG due diligence as part of the wider investment appraisal process, and aspects related to climate risk, such as energy consumption or incoming regulation, may be reviewed depending on the investment. Our flexible approach enables tailored assessments that reflect the unique characteristics and risk profiles of individual investments, with the scope of ESG considerations determined on a case-by-case basis.

When identifying potential investment opportunities in externally managed funds, we require external managers to provide detailed due diligence as part of the investment process which includes climate factors, where deemed relevant. This is reviewed by the investment team who seek to have an informed discussion with the external manager. At times, our ability to access underlying data may be limited due to the nature of information flows.

In line with our aim to deliver our investment objective, we take a pragmatic approach to investment in certain sectors. Therefore, in some cases, we may decide not to invest in certain sectors, companies, or securities, where we believe the potential return does not adequately compensate for the associated risk.

The organisation's processes for managing climate-related risks

Our approach to managing and monitoring ESG risks (including climate risks) is decentralised, allowing greater flexibility in our assessment of investments and subsequent actions. Investment analysts and other relevant employees of the Manager are responsible for monitoring material ESG topics and relevant climate risks identified in due diligence and subsequent monitoring and active ownership of our investments. Potential issues are flagged for discussion internally.

We conduct robust engagement with our investment counterparties across our portfolio, including with our external managers. In relevant asset classes, ESG is generally a standing agenda item for every manager meeting. The outputs of ESG-related engagement across relevant asset classes are collated in our quarterly ESG report which is reviewed by the Executive Committee of the Manager and the Board.

Sustainability

How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

Climate-related risks are not systematically integrated in our risk management framework. However, we recognise that as a widely diversified owner of an international portfolio, we are exposed to the systemic risks that climate change poses to the global economy. Since these are expected to manifest themselves through financial risks, we believe that our current risk monitoring processes will enable us to mitigate these.

Metrics and Targets

Operational emissions

As an investment company based in a single office with 61 employees, we recognise that the Group's climate impact predominantly relates to our Scope 3 portfolio emissions. However, we know that we also have a part to play in reducing our Scope 1 and 2 GHG emissions for which we are directly responsible to support a sustainable future.

This year, we have taken steps to expand the monitoring of our operational emissions beyond Scope 1 and 2 to include Scope 3 emissions associated with employee commuting and business travel. While this increases our overall operational emissions profile compared to last year, it provides a more accurate representation of our impact on the environment. Understanding and calculating our emissions will allow us to work towards a decarbonisation strategy in the coming years. At our main office site, we procure 100% of our electricity from renewable sources, we have installed air-source heat pumps, and we use low emission LED lighting across all of our buildings. In addition, we have a 'zero-to-landfill' waste and recycling policy as part of our efforts to responsibly manage waste.

We recognise the need to reduce our operational emissions. While we continue our long-term emissions reduction efforts, in the short-term we actively engage in an accredited carbon offset scheme with Carbon Neutral Britain. We offset our Scope 1 and 2 GHG emissions through the Woodland Fund portfolio, a verified carbon offsetting project. In 2024, the Group received a Carbon Neutral Britain Certification and is currently certified as carbon neutral for Scope 1 and 2 GHG emissions.

Scope	Activity	Total emissions (tCO_2e)	
		2023	2024
Scope 1	Gas	27	29
Scope 2	Purchased electricity	67	72
Scope 3	Employee commuting[1]	N/A	44
	Business travel[2]	N/A	119
Total		94	264

1 *Calculated based on questionnaire responses including distance travelled.*

2 *Calculated based on activity data based on distance travelled and ticket class, as well as spend data using product, service, and market sector methodology.*

Our scopes 1 and 2 GHG emissions are calculated for the Group under the financial control approach and in accordance with ISO 14064-1: 2018 standard using the 2024 GHG conversion factors developed by the UK government. Scope 3 GHG emissions are calculated for the Group under the operational control approach and in accordance with ISO 14064-1: 2018 standard using the 2024 GHG conversion factors developed by the UK government and EXIOBASE.

Sustainability

Scope 3 portfolio emissions

To support our inaugural TCFD report and the management of climate-risks and opportunities, we have begun to calculate our Scope 3 portfolio emissions. However, due to wider industry challenges regarding the availability of accurate emissions data, we have focused on the directly held quoted equities portion of the portfolio, representing £502 million of assets, where the required investee emissions data is publicly available.

As part of our efforts to strengthen the management of climate risks, we will continue to engage with our external managers, private investee companies and other relevant counterparties to facilitate GHG emissions data collection in line with appropriate global standards.

Scope 3 portfolio metrics (directly held quoted equities)[1]	31 December 2024[2]
Total absolute carbon emissions (tCO_2e)[3]	10,761.0
Weighted average carbon intensity (WACI) (tCO_2e/£m revenue)	82.8
Carbon footprint (tCO_2e/£m invested)[3]	21.4

[1] *Excludes delisted and unquoted securities as well as those companies where Scope 1 and 2 emissions are not disclosed.*

[2] *Per TCFD recommendations, the calculations use the latest available financial and carbon accounting reports for each company.*

[3] *Using an equity ownership approach based on enterprise value including cash (EVIC).*

We note that the metrics are calculated from the directly held listed equities portion of the portfolio at a point in time, consistent with guidance issued by the Partnership for Carbon Accounting Financials, endorsed by the TCFD. Therefore, the metrics do not reflect the composition of such portion of the portfolio throughout the year. The metrics have been calculated based on publicly available data, and may include GHG emissions disclosed by the relevant companies for reference periods earlier than 2024. The data will nonetheless provide an opportunity to understand that portion of the directly held listed equities portfolio's emissions profile and help inform our wider approach to managing climate-related risks.

Governance

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Purposefully designed. Expertly executed.

Board of Directors

Non-Executive Chairman

Sir James Leigh-Pemberton
Joined Board: April 2019

I C N R V

Sir James Leigh-Pemberton is non-executive Chairman having joined the Board of the Company as a non-executive Director in April 2019. He is Chairman of the Nominations Committee and a member of the Conflicts, Remuneration and Valuation Committees. He previously served as an independent non-executive Director of the Company from 2004 to 2013.

Sir James joined UK Financial Investments (UKFI) in October 2013 as Chief Executive and in January 2014 was appointed Executive Chairman. On 1 April 2016 he became Non-Executive Chairman of UKFI. Following the merger of UKFI and UK Government Investments (UKGI), he became Deputy Chairman of UKGI, a position he held until September 2022.

Before joining UKFI, Sir James was Managing Director and Chief Executive Officer of Credit Suisse in the UK, based in London. In this role, he was responsible for developing the Bank's client relationships in Private Banking, Investment Banking and Asset Management in the UK. He was also a member of the Credit Suisse Europe, Middle East & Africa (EMEA) Operating Committee. He joined Credit Suisse First Boston (CSFB) in 1994. Prior to joining CSFB, he was a Director of SG Warburg Securities, where he worked for 15 years.

In the 2019 New Year Honours List, Sir James received a knighthood for services to financial services, British industry and government.

Senior Independent Director

Philippe Costeletos
Joined Board: July 2017

I A C N R V

Philippe Costeletos joined the Board as a non-executive Director in July 2017 and became its Senior Independent Director in April 2019. He is Chair of the Remuneration and Conflicts Committees and a member of the Audit and Risk, Nominations, and Valuation Committees.

He has over 30 years' of private investment and board governance experience and is Founder of Stemar Capital Partners (SCP), a private investment firm focused on building long-term investment platforms. Philippe was formerly Senior Advisor of the Blackstone Group and Chair of International of Colony Capital. Previously, he was Head of Europe at TPG and a member of TPG's Global Management and Investment Committees. Prior to that, Philippe was a Member of the Management Committee at Investcorp. Previously, Philippe held positions at JP Morgan Capital, JP Morgan's Private Equity Group.

Philippe is Chair of Tambre Fertility Clinics and Zeno Partners and a board member of AutoHellas, Colosseum Dental Group, Imagine Mortgages and Vangest Group. Philippe serves as a member of the Yale University Council and the President's Council on International Activities. He graduated magna cum laude with a BA with distinction in Mathematics from Yale University and received an MBA from Columbia University.

Non-Executive Director

Helena Coles
Joined Board: October 2024

I A

Helena Coles joined the Board as a non-executive director in October 2024. She is a member of the Audit and Risk Committee. Helena has extensive experience in global public equities and was a co-founder of Rexiter Capital Management (in joint venture with State Street Global Advisors), a boutique firm specialising in Asia and emerging markets. Prior to that, she held senior roles at Kleinwort Benson and Swiss Bank Corporation in asset management and investment banking.

Helena is a non-executive director of HgCapital Trust plc, JPMorgan Emerging Markets Investment Trust plc and Schroder Japan Trust plc. She is a member of the investment committee of the Joseph Rowntree Charitable Trust and was previously their Independent Investment Adviser for many years. She was also a non-executive director of Shaftesbury Capital plc. Helena has also held roles at the Prudential Regulation Authority in banking supervision and at Fidelity International in sustainable investing.

Non-Executive Director

Vikas Karlekar
Joined Board: August 2022

I A

Vikas Karlekar joined the Board as a non-executive Director in August 2022 and is a member of the Audit and Risk Committee.

He is a qualified chartered accountant, and a graduate of the London School of Economics specialising in Management Sciences and has held a number of senior finance roles across the financial services industry. Vikas is currently Managing Director of Group Finance at Intermediate Capital Group PLC, a UK listed asset manager specialising in private markets, covering all aspects of financial and regulatory reporting, valuation governance, key accounting judgments, financial planning and analysis, and platform and operating model transformation. In addition, he is a member of the Board of Trustees, and Treasurer, of the Pepal Foundation, a charity focused on bringing together NGOs and global corporations to develop leaders and find practical solutions to challenging social issues.

Vikas previously spent 10 years at Barclays in a series of pan finance leadership roles, including Global Finance Controller for Barclays International Division, managing all aspects of financials, key accounting decisions, valuations, driving technology and process improvements, and leading key regulatory relationships. He also spent 13 years at UBS Investment Bank, in both London and New York in various finance leadership roles. Vikas qualified as a chartered accountant with KPMG.

I Independent Director
NI Non-Independent Director
A Audit and Risk Committee member
C Conflicts Committee member
N Nominations Committee member
R Remuneration Committee member
V Valuation Committee member
Committee Chair

Board of Directors

Non-Executive Director

Cecilia McAnulty
Joined Board: August 2022

I V

Cecilia joined the board as a non-executive director in August 2022. She was appointed as Chair of the Valuation Committee in September 2023.

She has held senior investment roles for banks and hedge funds including Centaurus Capital, Barclays Capital and Royal Bank of Scotland. Her investment experience encompasses several alternative asset classes including distressed debt, private equity and credit.

Cecilia holds a number of non-executive roles including Senior Independent Director of Northern 2 VCT plc, Audit Chair of Polar Capital Global Financials Trust plc, and Independent Non-Executive Director (INED) of Eurobank Cyprus.

Her former non-executive roles include INED of Alcentra Limited, an asset manager specialising in sub investment grade credit, a member of the Industrial Development Advisory Board, advising on grants to UK businesses and Chair of the Finance and General Purposes Committee for English National Ballet.

She qualified as a chartered accountant with Peat Marwick (now KPMG) in Glasgow.

Non-Executive Director

André Perold
Joined Board: April 2018

I A

André Perold joined the Board of the Company as a non-executive Director in April 2018 and is a member of the Audit and Risk Committee.

André is Co-Founder, Partner and Chief Investment Officer of HighVista Strategies, a Boston based investment firm. He is a board member of the Vanguard Group, the global investment company. He was previously the George Gund Professor of Finance and Banking at the Harvard Business School where he also held senior roles including Chair of the Finance Faculty and Senior Associate Dean.

Non-Executive Director

Jutta af Rosenborg
Joined Board: May 2022

I A C R V

Jutta af Rosenborg joined the Board as a non-executive Director in May 2022. She is Chair of the Audit and Risk Committee, and is a member of the Conflicts Committee, Remuneration Committee, and Valuation Committee.

She is a qualified Danish state-authorised public accountant and holds a Master's degree in Business Economics and Auditing from Copenhagen Business School and has held a number of senior roles in group finance, auditing and risk management.

Jutta is a member of the supervisory board of BBGI Global Infrastructure S.A., where she chairs the audit committee. She was previously a non-executive director at JPMorgan European Growth & Income plc, Nilfisk Holding A/S, abrdn plc (formerly Standard Life Aberdeen plc) and NKT A/S, and was also executive vice president, chief financial officer of ALK Abelló A/S and Chair of Det Danske Klasselotteri A/S.

Non-Executive Director

Dame Hannah Rothschild DBE, CBE
Joined Board: August 2013

NI N

Dame Hannah Rothschild DBE, CBE joined the Board of the Company as a non-independent non-executive Director in August 2013 and is a member of the Nominations Committee.

In addition, she is a non-executive director of WHAM, a Director of Five Arrows Limited and serves as Chair of the Rothschild Foundation.

Dame Hannah is an award-winning writer and filmmaker with a long-standing career in the media. She was the first woman to chair the Trustees of the National Gallery.

In the 2018 Queen's Birthday Honours, Dame Hannah was appointed Commander of the Order of the British Empire (CBE) for services to the arts and to philanthropy and was also awarded a damehood (DBE) in the King's 2024 Birthday Honours list for her contribution and services to charity, arts and culture.

JRCM Executive Committee

Chief Executive Officer

Maggie Fanari

Maggie Fanari is the Chair and Chief Executive Officer at J. Rothschild Capital Management Limited.

Maggie was previously Senior Managing Director, Global Group Head High Conviction Equities at Ontario Teachers' Pension Plan which has a global mandate to invest in public and private companies.

She started her career as an auditor at KPMG and previously worked in equity research at Scotia Capital.

Maggie is a chartered accountant and a CFA charterholder. She also holds a BBA from the Schulich School of Business at York University and ICD.D certification from the Institute of Corporate Directors.

Maggie was previously a non-executive director on the Board of RIT Capital Partners plc from April 2019 to February 2024.

Chief Investment Officer

Nicholas Khuu

Nicholas Khuu is the Chief Investment Officer at J. Rothschild Capital Management Limited.

Prior to joining JRCM in 2020, Nicholas was a Managing Director at Adi Capital Management, where he oversaw investments across a broad range of industries and geographies. From 2008 to 2013, he was a senior professional at Knighthead Capital Management, where he invested in bonds, bank loans and special situation credits and equities.

Prior to this, he worked at Dune Capital Management, a multi-strategy investment firm, and at IFL, a strategic advisory firm. Nicholas began his career in the Investment Banking Division at J.P. Morgan.

Chief Financial & Operating Officer

Andrew Jones

Andrew Jones is the Chief Financial & Operating Officer at J. Rothschild Capital Management Limited.

He is responsible for the Group's financial activities and its operations. Prior to joining JRCM in 2008, he spent three years in venture capital and four years at Nomura, advising on its private equity investments as well as risk, global corporate development and strategy.

A Fellow of the ICAEW, he qualified as a chartered accountant with Deloitte where he spent time in audit before specialising in corporate finance and valuation advice. Andrew was previously a member of the ICAEW's Valuation Advisory Group and is a member of the audit committee of the British Academy.

Corporate Governance Report

Introduction

The Directors present the Company's Corporate Governance Report. This describes our principal governance bodies, their composition, purpose and operation within the context of the Principles and Provisions of the Association of Investment Companies (AIC) Code of Corporate Governance (AIC Code) and the 2018 UK Corporate Governance Code (UK Code) of the Financial Reporting Council (FRC), which can be viewed at www.theaic.co.uk and www.frc.org.uk respectively (the Codes).

The AIC Code, which has been endorsed by the FRC, adapts the Principles and Provisions of the UK Code to make them relevant for investment companies. The Board of Directors therefore considers the AIC Code to represent the most appropriate governance framework for the Company, while recognising that as a self-managed investment trust, aspects of the UK Code remain relevant. This report sets out how the Company has applied the relevant principles of the Codes during the financial year ending 31 December 2024.

The FRC published a revised UK Code in 2024, which subsequently resulted in corresponding changes to the AIC Code. The Company will report on how it complies with the revised corporate governance codes, when they take effect for the financial year commencing 1 January 2025. We do not believe these changes will materially affect the way in which we conduct our business.

Leadership

The Company has a non-executive Board, chaired by Sir James Leigh-Pemberton. The Board is collectively responsible for setting the Company's long-term strategic aims, and its ongoing business and investment strategies. The schedule of matters reserved for the Board may be viewed on the website, www.ritcap.com.

The day-to-day management of the business is delegated under a formal agreement to JRCM, the Company's subsidiary and Manager. JRCM is managed by its Executive Committee, who attend the regular Board meetings and provide detailed reports on investment performance as well as all operational and financial matters of the Group. JRCM also attends and reports to Board Committee meetings. As our Manager is a wholly-owned subsidiary of the Company, the Board considers that this approach provides the most effective means to constructively challenge and scrutinise all aspects of the Manager's performance. It ensures all Directors are regularly involved in the process, rather than delegating this responsibility to a selection of Directors through a separate management engagement committee.

As at the date of this Report, the Board comprised eight non-executive Directors, of which seven have been determined by the Board to be independent, with one, Dame Hannah Rothschild, designated as non-independent.

The Company has in place a structure of five Board Committees, with clearly defined responsibilities set out in their respective terms of reference, and which may all be viewed on the Company's website. This is intended to limit the scope for an individual, or a small group of individuals, to dominate the Board's decision making. The structure of permanent Board Committees, together with the delegation of investment management, administration and company secretarial matters to the Manager, is considered by the Board as appropriate for a self-managed investment trust on an ongoing basis.

As Chairman of the Board, Sir James Leigh-Pemberton is responsible for its leadership and effectiveness in dealing with the matters reserved for its decision with adequate time for consideration. This includes ensuring a culture of openness and debate and that Directors are properly briefed on issues arising at Board meetings. The Chairman is also responsible for ensuring effective communication with shareholders, making Directors aware of any concerns raised by shareholders and for facilitating the contribution of the Directors.

The current members of the five Board Committees are as follows:

Audit and Risk Committee
Jutta af Rosenborg (Chair)
Helena Coles
Philippe Costeletos
Vikas Karlekar
André Perold

Remuneration Committee
Philippe Costeletos (Chair)
Sir James Leigh-Pemberton
Jutta af Rosenborg

Conflicts Committee
Philippe Costeletos (Chair)
Sir James Leigh-Pemberton
Jutta af Rosenborg

Valuation Committee
Cecilia McAnulty (Chair)
Philippe Costeletos
Sir James Leigh-Pemberton
Jutta af Rosenborg

Nominations Committee
Sir James Leigh-Pemberton (Chair)
Philippe Costeletos
Dame Hannah Rothschild

Corporate Governance Report

Board and Committee attendance

The Board and Committee attendance of the Directors at meetings in 2024 is shown below. In each case the number of meetings attended is shown first, followed by the number of meetings that the Director was eligible to attend. All Directors receive papers and agendas before Board and Committee meetings they are eligible to attend. Where a Director is unable to attend a meeting, they are encouraged to give the Chairman or relevant Committee Chair their views in advance.

	Board	Audit and Risk	Conflicts	Nominations	Remuneration	Valuation
Number of meetings held during the year	6	5	1	1	3	2
Chairman						
Sir James Leigh-Pemberton	6/6	–	1/1	1/1	3/3	2/2
Non-executive Directors						
Helena Coles[1]	2/2	1/1	–	–	–	–
Philippe Costeletos	6/6	5/5	1/1	1/1	3/3	2/2
Maggie Fanari[2]	1/1	–	–	–	0/1[3]	–
Vikas Karlekar	6/6	5/5	–	–	–	–
Cecilia McAnulty	6/6	–	–	–	–	2/2
André Perold	4/6	5/5	–	–	–	–
Jutta af Rosenborg[4]	6/6	5/5	1/1	–	2/2	2/2
Dame Hannah Rothschild	6/6	–	–	1/1	–	–

[1] *Appointed as a Director and member of the Audit and Risk Committee on 9 October 2024.*

[2] *Retired as a Director on 29 February 2024 to join JRCM as CEO.*

[3] *Maggie Fanari recused herself from this meeting.*

[4] *Appointed to: (i) the Remuneration Committee on 23 October 2024; and (ii) Conflicts Committee on 13 November 2024.*

The Audit and Risk Committee

The Audit and Risk Committee Report is shown on pages 76 to 78.

The Committee has five members, all of whom are viewed by the Board as having recent and relevant financial experience. Helena Coles was appointed to the Committee on 9 October 2024.

The main features of the Group's internal controls and risk management are described in the Audit and Risk Committee Report on pages 76 to 78, in Risk Management on pages 47 to 54, and in Going Concern and Viability on pages 55 to 56.

The Conflicts Committee

The Conflicts Committee meets at least once a year on a formal, scheduled basis and on other occasions as and when required. The Committee is chaired by the Senior Independent Director, Philippe Costeletos, and is comprised solely of independent Directors.

The Committee's principal responsibility is to monitor transactions with related parties (as described in Note 17) and to ensure that potential conflicts of interest are avoided, or managed appropriately.

The Nominations Committee

The Nominations Committee meets at least once each year and on additional occasions as required. The Committee is chaired by Sir James Leigh-Pemberton. In accordance with the AIC Code, a majority of its members are independent non-executive Directors.

Its responsibilities include overseeing the process of the appointment of new Directors to the Board, overall Board composition, succession planning, monitoring progress on diversity and other matters set out in its terms of reference.

The Committee is mindful of Board balance, experience and diversity when considering appointments to the Board and is responsible for identifying suitable Board candidates, including considering candidates from a wide range of backgrounds and experiences. In terms of succession planning, the Committee acknowledges the importance and benefits of diversity, especially in respect of gender and ethnicity and the Committee is responsible for the implementation of the Board's Diversity and Inclusion Policy, which may be viewed on the Company's website.

Corporate Governance Report

The Nominations Committee

The Nominations Committee is responsible for implementing the Board's succession planning. In 2024, the Committee oversaw the process to appoint Helena Coles to the Board and the Audit and Risk Committee on 9 October 2024. Her asset management experience and knowledge of global public equities complement the skills of the Board. In addition, further to Maggie Fanari's retirement from the Board to join JRCM as CEO, it was determined that Jutta af Rosenborg had the requisite skills and experience to replace her as a member of the Conflicts and Remuneration Committees.

Following Sir James Leigh-Pemberton's decision not to stand for re-election at the forthcoming AGM, the Board, led by the Nominations Committee, implemented its succession planning processes in respect of the Chairman. This resulted in the Board recommendation, subject to shareholder approval at the AGM, of the Senior Independent Director, Philippe Costeletos, succeeding Sir James.

Gender identity reporting under LR6.6.6R(10)

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)
Men	4	50%	Not applicable see note [1]
Women	4	50%	
Not specified/prefer not to say	–	–	

Ethnic background reporting under LR6.6.6R(10)

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)
White British or other White (including minority white groups)	6	75%	Not applicable see note [1]
Mixed/Multiple Ethnic Groups	–	–	
Asian/Asian British	2	25%	
Black/African/ Caribbean/Black British	–	–	
Other ethnic groups	–	–	

[1] *As a Board comprising non-executive Directors, it does not have executive management functions, specifically a CEO or CFO. The Chairman and the SID are both men. However, the Company considers the Chairs of Board Committees to be senior board positions. The Chairs of the Audit and Risk, and Valuation Committees are held by women.*

The Committee continuously monitors Board composition to ensure it has the right skillset and breadth of experience with which to function as an effective Board. The current composition of the Board complies with its own Diversity and Inclusion Policy, which includes meeting the gender and/or ethnic diversity recommendations of both the Parker Review and FTSE Women Leaders. Furthermore, in accordance with FCA UK Listing Rule 6.6.6R(9)(a), as at the date of this report 50% of our Board are women and two Directors are from an ethnic minority background. The Chairs of the Audit and Risk, and Valuation Committees are held by women. The Company considers being Chair of a Board Committee to be a senior Board position for a Board comprising non-executive Directors. Data from the adjacent tables was obtained on a voluntary self-reporting basis.

The Remuneration Committee

The Directors' Remuneration Report is shown on pages 79 to 82.

The Valuation Committee

The Valuation Committee comprises four Directors, all of whom are independent, and with appropriate experience. The Committee plays a key role in providing the Board with assurance that the valuation process is rigorous and independently challenged.

The Committee is chaired by Cecilia McAnulty. It meets at least twice each year and additionally as may be required. In 2024, it met on two occasions. The Committee's principal responsibility is to review the Company's direct private and other investments to ensure that they are presented in the annual and half-yearly accounts at fair value. As a result of the inherent subjectivity of the valuation of private investments, these form a key area of focus for the Committee.

At each meeting, the Committee reviews a detailed report from the Manager which includes: a valuation report on each of the largest directly-held private investments, including information on the companies' performance and valuation and/or the GP's valuation where relevant; a sample and overall summary of the valuation of the smaller directly-held private investments; a valuation report from Jones Lang LaSalle (JLL) in relation to the Company's investment properties; the valuation approach for the remainder of the portfolio, including an analysis of the Company's investments in private funds; and a valuation of the Company's loan notes.

As part of its review and challenge, the Committee considers: the consistency of the Manager's approach over time; the relevance and appropriateness of the valuation techniques adopted; and a review of the differences between the price achieved at a liquidity event and the most recent valuation prior to the event.

Effectiveness and evaluation

Many of the Directors have held or hold senior positions in the financial services industry, including at prominent investment banks or asset management companies. In addition, there are Directors with considerable experience beyond these areas. The biographies of the Directors and the JRCM Executive Committee on pages 68 to 70 demonstrate a strength of experience in the areas required to oversee and implement the Company's strategic, investment and operational aims.

Corporate Governance Report

The process for the appointment of new Directors to the Board is the responsibility of the Nominations Committee, as is their induction and ensuring, on an ongoing basis, that each Director is able to allocate sufficient time to the Company to discharge their responsibilities effectively. As part of the wider annual evaluation of the Board, length of service is a key consideration when assessing the general requirements to regularly refresh the membership, diversity and overall composition of the Board.

JRCM provided relevant and timely information on the financial, legal and regulatory developments during 2024, including in the papers and presentations provided at Board and Committee meetings. The Manager also facilitates an annual 'away day' for the Board, where a number of 'deep dive' sessions are held on Group strategic issues and opportunities. This year they included sessions on investment strategy.

The Board undertakes a formal and rigorous annual review of its performance, its committees and each individual Director (including the Chairman) in accordance with the requirements of the AIC Code. The 2024 annual performance evaluation was carried out by an external evaluator, Lintstock. Their appointment followed a selection process led by the Senior Independent Director. Lintstock has not undertaken any previous assessments, and has no other connection to the Company or individual Directors. The evaluation included Directors completing bespoke questionnaires which assessed the performance and effectiveness of the Chairman, each Director, the Board collectively and each of its Committees. Each Director also completed a self-assessment questionnaire addressing their own performance. Lintstock subsequently conducted in-depth interviews with each Director. The surveys and the interviews were analysed to produce focused reports documenting the findings. The overall conclusion of the evaluation was positive with areas including the Board's composition, the quality of Board support, including interaction with the Manager, and the performance of the Committees recognised as particular strengths. The evaluation identified some key priorities for 2025, including continuing to strengthen our communications and investor relations functions, and the ongoing implementation of our long-term investment strategy.

All Directors (other than those retiring or standing for their first election, if applicable) stand for re-election annually, subject to continued satisfactory performance. The Board recommends shareholders approve the election of all Directors standing at the forthcoming AGM noting that Sir James Leigh-Pemberton has confirmed that he will not stand for re-election.

Accountability

The Board, acting where appropriate through the Audit and Risk Committee, is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. It is also responsible for maintaining sound risk management and internal control systems, for setting corporate reporting, risk management and internal control principles and for maintaining an appropriate relationship with the Company's auditor. These areas are further described in the Audit and Risk Committee Report on pages 76 to 78.

Engaging with stakeholders

Details of our engagement with our shareholders and other stakeholders are set out in the Sustainability Report on pages 57 to 65.

Compliance with the Codes

It is the Board's view that the Company has complied with the relevant principles of the Codes during the year and the table below sets out where in this report you can read about the Company's compliance:

Section		AIC Code Principle	Pages
1. Board leadership and company purpose	A.	An effective Board promoting long-term success of the Company, and contributing to wider society	1 to 65, 71 to 75, 83 to 85
	B.	Purpose, values, strategy and culture	1 to 65
	C.	Performance measures, risk and controls framework	1 to 18, 47 to 54, 76 to 78
	D.	Stakeholder engagement	13, 19, 57 to 58, 74
2. Division of responsibilities	F.	Leadership of the board	17, 68 to 69, 71 to 75
	G.	Board composition, roles and effectiveness	68 to 69, 71 to 75
	H.	Directors' responsibilities and time commitment	68 to 69, 71 to 75
	I.	Support information and advice available to the Board	17, 71, 79
3. Composition, succession and evaluation	J.	Board appointments, succession planning and diversity considerations	11, 19, 57, 71 to 74
	K.	Board skills, knowledge and experience	11, 68 to 69, 71 to 74
	L.	Annual evaluation of the Board	73 to 74
4. Audit, risk and internal control	M.	Independence and effectiveness of Internal and External Audit functions	55 to 56, 75 to 78
	N.	Fair, balanced and understandable assessment of Company's position and prospects	55 to 56, 75 to 78
	O.	Risk Management and Internal Control Framework	16, 47 to 56, 76 to 78
5. Remuneration	P.	Remuneration alignment to strategy, company purpose and values	79 to 82
	Q.	Formal and transparent remuneration policy	79 to 82
	R.	Authorisation of remuneration outcomes	18, 79 to 82

In addition, as a self-managed investment trust, the Board has also considered the following principle from the UK Code:

Section		UK Code Principle	Pages
1. Board leadership and company purpose	E.	Wider workforce	11 & 57

Further details on how the Board has, in practice, applied the 17 principles of the AIC Code, and the one relevant principle of the UK Code can be found in the Governance section of our website (www.ritcap.com/about-us/governance/).

Corporate Governance Report

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK adopted international accounting standards (UK adopted IAS). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of the profit or loss of the Group and the Parent Company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in UK adopted IAS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Parent Company financial position and financial performance;
- in respect of the Group financial statements, state whether UK adopted IAS have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the Parent Company financial statements, state whether UK adopted IAS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parent Company and the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and the Group and enable them to ensure that the Parent Company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and corporate governance statement that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Parent Company's website.

The Directors confirm, to the best of their knowledge:

- that the consolidated financial statements, prepared in accordance with UK adopted IAS, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Parent Company and undertakings included in the consolidation taken as a whole;
- that the Annual Report, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Parent Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Parent Company's position, performance, business model and strategy.

The Corporate Governance Report was approved by the Board and signed on its behalf by:

Sir James Leigh-Pemberton
Chairman

Audit and Risk Committee Report

Introduction

I am pleased to present this Audit and Risk Committee Report for the 2024 financial year. Against the backdrop of continued geopolitical uncertainty and a broadening of reporting obligations, I would like to thank the financial, compliance and governance functions of the Manager for their continued professionalism and high standards of reporting and control across the operations of the Group during the year.

Committee responsibility and composition

This Committee has oversight responsibilities delegated to it by the Board in three principal areas:

- financial reporting and audit;
- risk management and internal controls; and
- the external auditor.

These responsibilities are set out in more detail in the Committee's terms of reference, which may be viewed on the Company's website at www.ritcap.com.

The Committee currently comprises five Directors, each of whom is non-executive and independent of the Company and the Manager.

The Board is satisfied that I have the requisite experience to chair the Committee: I joined the Board as a non-executive Director in May 2022 and I am also a member of the Valuation, Remuneration, and Conflicts Committees, having been appointed to the latter two in October and November 2024, respectively. I am a qualified Danish state-authorised public accountant, hold a Master's degree in Business Economics and Auditing from Copenhagen Business School, have held senior roles in finance, audit, risk management and have significant experience in non-executive capacities.

The other four members of the Committee at the year end were Helena Coles, Philippe Costeletos, Vikas Karlekar and André Perold. Helena joined the Board in October 2024 and at the same time was appointed a member of this Committee. She has held senior roles in investment management and investment banking, as well as roles at the Prudential Regulation Authority in banking supervision. Philippe is our Senior Independent Director. He serves as a member of the Yale University Council and the President's Council on International Activities, with widespread experience in senior roles in private equity, banking and investment firms. Vikas is currently Managing Director of Group Finance of a UK listed asset manager and has held various senior financial leadership roles. André is Chief Investment Officer of an investment management firm and a board member of the Vanguard Group, having previously been a professor of Finance and Banking at Harvard Business School.

Our individual biographies are shown on pages 68 and 69. The Board considers all members of the Committee to have sufficient recent and relevant financial, accounting and/or auditing experience to comply with the requirements of the Codes.

Committee meetings and activity during the year

We met five times in 2024, and once so far in 2025. Meetings of the committee follows an annual plan covering the areas outlined in the Terms of Reference supplemented by deep dives into significant matters.

Committee meetings were held to review the Group's 2023 Annual Report and Accounts (ARA) and the June 2024 Half-Yearly Financial Report. A review of the Group's 2024 ARA was undertaken in February 2025.

Our reviews included the assessment and assurance that the ARAs, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

The Committee considered the evidence supporting the Group's going concern and ongoing viability, including cash flow forecasts as well as levels of available liquidity. For both the 2023 and 2024 ARAs, we were satisfied with our reviews, including the judgement and actions of the Manager in the preparation of the relevant reports, and advised the Board accordingly.

Furthermore, we considered the year-end reports from the external auditor, Ernst & Young LLP (EY), and discussed matters arising with the Manager. The adequacy of the Group's accounting policies and financial reporting procedures including controls are discussed with the external auditor at least annually. Following these discussions and our review of the reports prepared, including the ARAs, the Committee was satisfied with the processes and procedures in place and concluded that the accounting policies are appropriate for the Company and take into account, where necessary, new accounting standards.

We met in May and November 2024 for the six-monthly review of the effectiveness of the Group's risk management and internal control, with reference to reports prepared by the Manager, including from its risk, compliance and internal audit functions. We also considered and are satisfied with the whistleblowing procedures in place.

The Committee reviewed the Manager's overall approach to tax for the Group, including in relation to investments in overseas funds, subsidiaries and the UK's investment trust tax regime. The Committee was satisfied with the overall approach to tax compliance, including in relation to the continuance of the Company's investment trust tax status. The Committee also reviewed the underlying accounting for the Group's share-based payments, concluding that they were appropriately reflected in the Group accounts.

As part of the further integration of the Manager's new accounting system, the Committee considered the additional work undertaken by the Finance function to ensure that the external auditors were able to efficiently undertake testing in relation to journals, an area of key focus for the auditing regulator and therefore EY. The Committee was satisfied with the new processes created by the Manager, which were confirmed with EY as appropriate in this area. The benefits of the new system and its functionalities have proven helpful.

Audit and Risk Committee Report

During 2024, the Group continued to strengthen its approach to integrating ESG considerations into its strategy, operations and investment process. This ARA includes our first TCFD report on pages 60 to 65, which provides a framework for reporting against climate-related financial risks.

The valuation of private investments and other assets

Private investments represented 33.4% of net assets at the year end, and comprise direct investments, direct co-investments and diversified funds managed by external managers (or General Partners (GPs)). By their very nature such investments merit careful attention when considering their fair value. As these are unlisted investments, without a public share price, the estimation of fair value requires the exercise of considerable judgement. This subjectivity means that there is a higher degree of uncertainty in such valuations compared with those of other assets. In assessing the fair values, there is, by necessity, a degree of reliance on the GPs, with co-investments and funds representing the majority of the private investments' portfolio. The GPs will typically have access to proprietary information about the underlying companies and are required to report fair values in accordance with internationally recognised accounting standards. The GPs valuations are usually prepared on a quarterly basis, albeit with a time lag which may be up to three months, as is the industry norm. The Manager reviews these valuations and, where possible, the justification for the valuation and for any changes, as well as considering any additional supporting information. In addition, where the Manager has direct access to the underlying companies, it prepares its own valuations using industry-standard approaches.

The results of the above analysis are reported in detail on a six-monthly basis to the independent Valuation Committee, which is responsible for the final decision on valuation. An important aspect of my Committee's work is therefore to consider the work of the Valuation Committee, the results of their discussions with the Manager and the work of the external auditor. The Audit and Risk Committee receives an executive summary of the Manager's main valuation report as well as the minutes from the Valuation Committee. The Valuation Committee comprises four Directors, all of whom are independent, and with appropriate experience. This Committee plays a key role in providing the Board with assurance that the valuation process is rigorous and independent. Two members of this Committee, myself included, also sit on the Valuation Committee. We view the valuation work as detailed and comprehensive, and are confident that the persons preparing the reports have sufficient and appropriate expertise through their experience, skills and qualifications. Furthermore, we believe that the process is planned and managed to devote adequate time and resource to preparation and review, both by the Manager and also by the members of the Valuation Committee.

We also considered the work of the Valuation Committee as it relates to other assets in the portfolio, including but not limited to the Company's loan notes and real estate holdings. Here, the combination of detailed processes, rigorous analysis and, where relevant, external advice has provided comfort over the portfolio valuations.

Risks and Internal Controls

The Committee has carefully considered the principal risks and emerging risks facing the Group and their mitigants. As an investment company, market risk remains the largest risk we face on a day-to-day basis, with the balance between risk and reward a key consideration of the investment approach. We expect the increase in geopolitical risk to continue as an important element of market risk.

The ongoing elevated discount means that discount risk is also a priority focus for the Committee and the wider Board.

We continue to monitor developments in Artificial Intelligence (AI) and acknowledge the opportunities and risks. We remain of the view that the risk impacts other principal risks such as market risk or cyber security risk and as such do not consider it a new, principal risk.

This Committee is satisfied that the potential impact of the principal risks is appropriately considered and disclosed, as set out on pages 47 to 54 in the Risk Management section.

The Board of Directors is responsible for the Group's system of internal control, and it has delegated the supervision of the system to this Committee. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and, as such, can provide only reasonable and not absolute assurance against any material misstatement or loss.

The Board, who are ultimately responsible for risk management, has delegated to the Manager the implementation and day-to-day management of the system of internal control within an established framework applicable throughout the Group.

A standard 'three lines of defence' approach is used to ensure a robust risk management and internal control environment, encompassing: day-to-day risk and control management; oversight and guidance on risk and controls; and assurance as provided by the internal audit function, which reports to this Committee.

The system of internal control is reviewed twice each year by the Committee, using a comprehensive report prepared by the Manager. The report considers each of the principal risks and any emerging risks and their mitigating actions, summarised in the Risk Management section on pages 47 to 54. The relative importance of each principal risk is assessed by reference to the likelihood and possible impact on the Group's net asset value or share price should a loss occur, resulting in a residual risk level for each principal risk, after taking into consideration the mitigating controls applicable to each.

The review further included a liquidity summary, the main portfolio exposures, as well as the results of the quarterly portfolio stress tests. In addition, the Committee reviewed the log of operational risk incidents during the year, noting that none had a significant impact on the business and were dealt with appropriately.

Related party disclosures

Related party transactions are a common feature of commerce and business. The Group often takes advantage of opportunities offered to it, or services provided to it via many relationships built up over

Audit and Risk Committee Report

time (including those arising from Board members). Disclosure of such transactions is a requirement in order to allow shareholders and other users of the financial statements to assess the risks and opportunities facing the Group.

We consider the work of the Conflicts Committee, a Committee I was appointed to during the year, in reviewing advisory services, co-investment transactions and any other similar arrangements with any related party, and have discussed with the Manager the systems and processes in place to identify, review, record and disclose such transactions. We note the importance that the Board and the Manager place upon the work of the Conflicts Committee. We have reviewed the disclosures made in the financial statements regarding such transactions and consider that the necessary disclosures have been made.

Corporate Governance Code

The 2024 UK Corporate Governance Code (the Code) comes into force for the 2025 financial year, (albeit that changes in relation to controls referenced below are introduced for the 2026 financial year). The primary governance framework for RIT is the 2024 AIC Code of Corporate Governance, which largely replicates the previous 2018 Code. In anticipation of the changes, we are undertaking an exercise during 2025 to ensure that all of the material controls have standardised documentation and remain effective and appropriate. This will support the ability for the Board to make enhanced disclosures in the 2026 ARA, published in Q1 2027.

The Committee does not anticipate any major changes to how we perform our key controls, as we consider there is an effective control environment. Further we consider that the procedures in place are consistent with the most recent Guidance on Risk Management, Internal Control and Related Financial and Business Reporting published by the FRC.

Internal audit and compliance

As part of its ongoing review of the control environment, the Manager, through its Compliance Officer, undertakes an internal audit of selected areas agreed with the Committee. The 2024 internal audits included controls and procedures employed in the management of liquidity within the Group, processes and controls around the new Investment Accounting system, our ESG framework, and the Human Resource policies, procedures and controls. No material weaknesses were identified through the course of these audits. Where modest enhancements have been recommended, the Committee receives reports allowing it to track the Manager's implementation of these. The Committee considers the resource devoted to internal audit to be appropriate to the size and complexity of the Company's operations.

As part of their duties as depositary, BNP undertook quarterly reviews of our Manager's arrangements under AIFMD and the relevant UK legislation and regulations. This involved reviewing processes, systems and controls for organisational structure, compliance, risk management, fund administration and business continuity, with no concerns noted.

While the Manager no longer holds any client money (the minimal amounts of legacy client money having been distributed in a previous year to registered charities), as the associated regulatory permissions were held for part of the year, EY were still required to undertake a limited assurance audit on the Manager's client asset procedures, with no findings during the current year.

The Manager also reports to the Committee the results of its monitoring of external fund managers' compliance with the terms of their investment management arrangements, as well as periodically reviewing their own control procedures.

The Board, through this Committee, has reviewed the effectiveness of the system of internal control in operation during the financial year, and up to the date of this report, and has not identified or been informed of any failings or weaknesses representing a significant business risk.

External auditor

The external auditor, EY, has completed its seventh annual audit, and second with the current audit partner, following its appointment as a result of a tender process in 2017.

EY attended all meetings of the Committee and provided reports on: its audit approach and work undertaken; the quality and effectiveness of the Group's accounting records; and its findings in connection with the Group's annual statutory audit for the year ended 31 December 2024. I and the Committee have also had regular meetings with the audit partner during the year.

The level of non-audit services provided to the Group by the auditor is subject to pre-approval in accordance with our policy on non-audit services and is monitored, as is the auditor's objectivity in providing such service, to ensure that the independence of the audit team from the Group is not compromised. Non-audit services provided by EY in 2024 totalled £5,500 for audit-related assurance work (regarding the Manager's regulated activities). Their selection for this work was based on cost efficiency, synergies with the audit process, and the fact that these services are permitted by the FRC's revised Ethical Standard. Further information on fees paid to the auditor is set out in Note 5 to the financial statements.

The Committee considered EY's independence, objectivity, and the effectiveness of the audit process with the benefit of formal and informal feedback from the Manager and concluded satisfactorily on each of these points.

Finally, I would like to thank my colleagues on the Committee for their contribution and valuable input during the year.

Jutta af Rosenborg
Chair, Audit and Risk Committee

Directors' Remuneration Report

Introduction

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2024. As well as the remuneration of RIT Directors, the Committee is also responsible for oversight of the remuneration policies associated with our operating subsidiaries: JRCM, a regulated entity whose remuneration arrangements are governed by the FCA's applicable Remuneration Codes, and SHL, our events and property subsidiary. Here, incentive schemes are in place, tailored to the respective businesses and appropriately structured and aligned with shareholders' interests.

The Directors' Remuneration Policy and Remuneration Report have been prepared in accordance with the FCA UK Listing Rules, the relevant sections of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). It also sets out how it has applied the principles of the Codes relevant to the Company.

Directors' remuneration policy

The Directors' Remuneration Policy is subject to a binding shareholders' vote every three years. It was last tabled to shareholders at the 2023 AGM, where it was approved by 99% of the vote.

In accordance with the provisions of the AIC Code and the UK Code, non-executive Directors' remuneration reflects their duties and time commitments and is set at a reasonable level which is consistent with the requirement to attract and retain Directors of the appropriate quality and experience. The Board's policy is that the fees paid to the non-executive Directors should reflect the experience of the Board as a whole, be fair and should take account of the level of fees paid by other investment trusts. Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Directors' Remuneration Policy.

Furthermore, the Company's Articles of Association currently limit the aggregate base fees of the non-executive Directors (excluding the Chairman) to £400,000 per annum. The non-executive Directors receive base fees, Committee Chair and membership fees. They are not eligible for any other remuneration or benefits apart from the reimbursement of allowable expenses. There are no performance conditions relating to Directors' fees and they are not entitled to any long-term incentive or pension schemes. No compensation is payable on loss of office.

Committee structure and responsibilities

I have chaired the Committee since 22 July 2019, having previously served on it since 26 April 2018. As at 31 December 2024, the Committee included two further independent non-executive Directors: Sir James Leigh-Pemberton and Jutta af Rosenborg, who was appointed to the Committee on 23 October 2024. Maggie Fanari stepped down from the Committee when she retired from the Board on 29 February 2024 to join JRCM as CEO. The Committee meets at least twice a year on a scheduled basis and additionally as may be required. In 2024, the Committee met on three occasions.

The Committee is responsible for recommending the fees paid to the non-executive Chairman and Directors, by reference to the roles and time commitment of each individual concerned. The final determination of the fees payable to non-executive Directors is a matter for the Board of Directors as a whole.

The overall fee structure is assessed in part by reference to other investment trusts. The Committee seeks information from JRCM management and advice from an independent advisor, as required.

The Remuneration Committee has appointed a remuneration specialist from Alvarez & Marsal, to provide the Committee with advice. In 2024, fees of £9,083 (2023: £12,675) were paid to Alvarez & Marsal in respect of their advice. Alvarez & Marsal abides by the Remuneration Consultant's Code of Conduct which requires it to provide objective and impartial advice. It has no other relationships with the Group and is therefore independent.

Pursuant to Part 15, Chapter 6 of the Companies Act 2006, the Directors' Remuneration Policy applies to the Directors of the Company, all of whom are non-executives.

Incentive structures

In accordance with the relevant principles of the Codes, the Remuneration Committee has sought to ensure that there is an appropriate Group-wide incentive structure to attract, motivate and retain the high-quality individuals we need to deliver our long-term strategic aims and sustainable success. The remuneration approach is designed to align with and reinforce these strategic aims, while promoting responsible risk management.

Fixed remuneration for the Group's employees comprises a base salary, which reflects their talent, skills, competencies and contributions to the Group. Each employee's salary is reviewed on an annual basis, and considers such factors as market levels of remuneration and individual performance. In line with recent years, 2024 salary increases were implemented on a tiered basis, targeted towards more junior employees who were most susceptible to the financial pressures brought about by the rising cost of living. Employees are also eligible to receive various benefits, including pension contributions and private medical insurance.

The Group operates an Annual Incentive Scheme (AIS) for employees as well as longer-term share-based awards. The annual cap for total awards under the AIS is limited to 0.75% of net assets. Our approach is designed to measure and reward performance, and seeks to provide an appropriate balance between shorter-term awards and longer-term incentives, as well as the need for robust risk management. We remain satisfied with the suitability of the AIS in order to meet our objectives.

The performance assessment for awards under the AIS reflect quantitative investment outperformance (as measured by the NAV per share total return versus two KPIs: CPI plus 3.0% and the ACWI (50% £)) as well as discretionary awards for wider achievements not directly linked to the overall NAV return. This may include prudent risk controls, deal origination, ESG and sustainability achievements,

Directors' Remuneration Report

and initiatives which support and enhance our values and culture. Any such qualitative rewards are measured against rigorous performance metrics through a Group-wide annual appraisal process.

The AIS is measured annually and includes longer-term features such as a three-year, 'high water mark' in relation to absolute outperformance. In addition, and in particular for management and senior employees, AIS awards include significant deferrals into RIT shares. For awards above £250,000, 60% of these awards are made in deferred RIT shares. These vest over the subsequent three years, reinforcing the alignment with shareholders' interests.

Decisions made by the Committee have followed a careful appraisal of performance and at all times aim to reinforce shareholder alignment, both through the link to our objectives and also the payment via shares.

AIS awards are subject to malus conditions and the Committee retains the ability to clawback previous awards if necessary.

The second main aspect of the remuneration approach is a long-term incentive plan which is structured as awards of restricted share units (RSUs). RSUs are used by a number of listed companies and they form an important part of aligning awards with our long-term investment performance and shareholder value creation. They vest after three years and are ordinarily subject to the participant's continued service over the vesting period. On vesting, the RSUs are transferred directly to participants who are then free to sell them if they so choose. RSUs also incorporate qualitative performance assessments, including malus and clawback.

Ordinary shares of the Company are used to settle the share components of existing and future awards granted. The Group seeks to hedge its exposure to RSUs by using an employee benefit trust to acquire shares to meet the estimated future liability.

For senior team members, including the JRCM Executive Committee, our incentive structures typically result in a significant proportion of their awards being in the form of shares deferred over three years.

Minimum shareholding requirements

The Committee has adopted minimum shareholding requirements for the JRCM Executive Committee to further align their interests with those of shareholders. Members of the Executive Committee are expected to maintain a minimum shareholding based on a multiple of their base salary, and they must continue to satisfy these shareholding requirements for one year after leaving JRCM.

Consulting with shareholders

Where appropriate, the Committee is responsible for ensuring that there is pro-active engagement and consultation with major shareholders and shareholder representatives in respect of remuneration.

Non-executive Directors' remuneration

The remuneration of the non-executive Chairman and Directors is determined by the Board as a whole. Non-executive fees are reviewed periodically by the Board with reference to market levels in other investment trusts. The Board has discretion to periodically review and amend fee rates. The current fee rates have been in place since 1 January 2022 and are listed below:

Base fee:	
Non-executive Chairman[1]	£150,000
Non-executive Director	£35,000
Additional fees:	
Senior Independent Director fee	£7,500
Committee membership fees:	
Audit and Risk Committee	£6,000
Conflicts Committee	£3,000
Nominations Committee	£4,000
Remuneration Committee	£4,000
Valuation Committee	£6,000
Audit and Risk Committee Chairmanship[2]	£10,000
All other Committee Chairmanship fees (per Committee)[2]	£7,500

[1] *The non-executive Chairman fee is inclusive of membership of Board Committees.*

[2] *The Committee Chairmanship fees are in addition to the Committee membership fees.*

The non-executive Directors each have letters of appointment that are subject to termination upon one month's written notice on either side. The non-executive Chairman's letter of appointment provides for six months' notice on either side.

The letters of appointment for the non-executive Directors are available for inspection at the Company's registered office.

Directors' Remuneration Report

Annual report on remuneration

The annual report on remuneration will be put to an advisory shareholder vote at the 2025 AGM. The information on pages 81 and 82 has been audited where required under the regulations and is indicated as audited information where applicable.

Directors' remuneration – audited

Directors' remuneration is in the form of fees and, if applicable, taxable benefits comprising of travel and subsistence expenses incurred by or on behalf of Directors in the course of travel to attend Board or Committee meetings.

The following table sets out the total remuneration for each Director:

Year ended 31 December Non-executive Director	2021 Total remuneration £	2022 Total remuneration[1] £	2023 Total remuneration £	2024 Total remuneration £	% Change in total remuneration between 2020 and 2021[2]	% Change in total remuneration between 2021 and 2022[2]	% Change in total remuneration between 2022 and 2023[2]	% Change in total remuneration between 2023 and 2024[2]
Chairman								
Sir James Leigh-Pemberton	150,000	150,000	150,000	150,000	–	–	–	–
Directors								
Helena Coles[3]	–	–	–	9,514	n/a	n/a	n/a	n/a
Philippe Costeletos	69,500	74,500	79,823	80,500	2.4	7.2	7.1	0.8
Maggie Fanari[4]	37,000	44,667	46,000	7,667	–	20.7	3.0	(83.3)
Vikas Karlekar	–	13,731	39,069	41,000	n/a	n/a	184.5	4.9
Cecilia McAnulty	–	13,731	40,973	48,500	n/a	n/a	198.4	18.4
André Perold[5]	36,000	52,228	44,791	57,773	(17.6)	45.1	(14.2)	29.0
Jutta af Rosenborg[6]	–	31,962	57,882	66,603	n/a	n/a	81.1	15.1
Dame Hannah Rothschild	30,000	35,000	35,626	39,000	–	16.7	1.8	9.5

Unless taxable benefits are specifically outlined below for each Director, total remuneration above constitutes fees only.

1 *With effect from 1 January 2022 the annual base fee for each non-executive Director (excluding the non-executive Chairman) was increased from £30,000 to £35,000. This was the first such increase since 2016 and followed advice from Alvarez & Marsal on the level of fees paid to non-executive directors of other investment trusts.*

2 *The year-on-year percentage changes in total remuneration are influenced by a number of factors including where Directors have completed part-year service and/or been appointed to Board Committees during the relevant periods.*

3 *Helena Coles was appointed as a Director of the Company on 9 October 2024.*

4 *Maggie Fanari retired as a Director on 29 February 2024 to join JRCM as Chair and CEO.*

5 *André Perold total remuneration for the relevant periods comprises the following:*

Year	*Director's fee*	*Taxable benefits*
2024	*41,000*	*16,773*
2023	*41,000*	*3,791*
2022	*41,000*	*11,228*
2021	*36,000*	*–*

6 *Jutta af Rosenborg total remuneration for the relevant periods comprises the following:*

Year	*Director's fee*	*Taxable benefits*
2024	*58,159*	*8,444*
2023	*53,782*	*4,100*
2022	*29,044*	*2,918*
2021	*–*	*–*

Directors' Remuneration Report

Fees

The total fees payable to Directors for the year was £475,340 (compared to £546,629 in the year ended 31 December 2023). This includes the Directors' base fees as well as committee fees.

The aggregate base fees of the non-executive Directors (excluding the Chairman) for the year was £223,995, which was within the £400,000 limit for such fees under the Company's Articles of Association.

Statement of Directors' shareholdings – audited

The interests of the Directors holding office at 31 December 2024 in the ordinary shares of the Company are shown below:

Ordinary shares of £1 each	Beneficial	Non-beneficial	% of voting rights
Sir James Leigh-Pemberton	11,055	–	<0.1
Philippe Costeletos	80,000	–	<0.1
Helena Coles	1,002	–	<0.1
Vikas Karlekar	2,997	–	<0.1
Cecilia McAnulty	5,077	–	<0.1
André Perold	–	–	–
Jutta af Rosenborg	8,571	–	<0.1
Dame Hannah Rothschild[1]	14,206,051	15,402,708	20.7

[1] *The majority of the beneficial interests shown in the table above for Dame Hannah Rothschild are in respect of shares held via trusts or companies where she is either one of the beneficiaries or one of the individuals able to exert significant influence. Similarly, the non-beneficial interests are held through a charitable foundation where Dame Hannah is one of the controlling trustees.*

Between the end of the year and the date of this report, there were no changes in the Directors' interests. Requests from the Chairman for permission to deal in the ordinary shares of the Company are considered by the Senior Independent Director. Requests from other Directors are referred to the Chairman or Senior Independent Director. Employees of the Group are subject to approval by the JRCM Executive Committee and/or JRCM's Compliance Officer. Except as stated in Note 17 to the financial statements no Director has, or has had during the year under review, any beneficial interest in any contract or arrangement with the Company or any of its subsidiaries within the terms set out in the FCA UK Listing Rules.

Relative importance of spend on pay

The following table shows the year-on-year movement in total remuneration of all employees, compared to the dividends paid and share buybacks.

£ million	Year ended 31 December 2023	Year ended 31 December 2024	Change
Total staff costs	33.4	28.5	(4.9)
Dividends	56.7	56.5	(0.2)
Share buybacks	163.1	80.4	(82.7)

Statement of shareholder voting

Votes in respect of the resolution to approve the Directors' Remuneration Report at the Company's AGM in May 2024 were cast as follows:

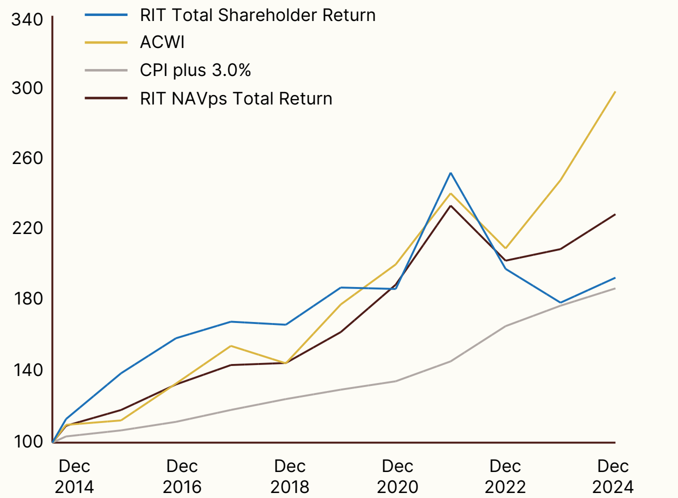
	Number of shares	% of votes cast
Votes cast in favour	68,565,497	99.8
Votes cast against	112,370	0.2
Total votes cast	68,677,867	100.0
Votes withheld	91,010	n/a

The resolution to approve the Directors' Remuneration Policy was last tabled to shareholders at the Company's AGM in April 2023 and the votes were cast as follows:

	Number of shares	% of votes cast
Votes cast in favour	71,085,685	99.8
Votes cast against	160,895	0.2
Total votes cast	71,246,580	100.0
Votes withheld	82,201	n/a

Performance graph

In accordance with the Directors' Remuneration Report regulations, a performance graph which measures the Company's total shareholder return over the period from 31 December 2014 against that of a broad equity market index is shown below. This is calculated by reference to the Company's share price including dividend reinvestment. The Committee considers the ACWI (50% £) to be the most suitable index for this purpose, being a KPI. In addition, the graph includes the Company's absolute return hurdle of CPI plus 3.0%. Further information can be found in the Company's Strategic Report.



Audit

The tables in this report on pages 81 and 82, audited by Ernst & Young LLP, have been marked as such. The Directors' Remuneration Report on pages 79 to 82 was approved by the Board and signed on its behalf by:

Philippe Costeletos
Chair, Remuneration Committee

Directors' Report

Directors' Report: statutory and other disclosures

The Directors present their report and audited financial statements for the year ended 31 December 2024.

Business review and future developments	page 8
Greenhouse gas emissions, energy consumption and energy efficiency action	pages 64, 65
Corporate governance	page 71
Directors' remuneration	page 79
Directors' shareholdings	page 82
Dividend	page 10
Risk management and internal control	page 47

The section above identifies where certain information required to be disclosed in the Directors' Report is shown within other sections of the Report and Accounts (and forms part of the Directors' Report) starting on the page indicated. Additional statutory disclosures are set out below.

Status of company

The Company is registered as a public company and is incorporated in the UK and registered in England and Wales (Company Registration Number 2129188). It conducts its affairs so as to qualify for approval as an investment trust for tax purposes, and has been accepted as an approved investment trust by HMRC, subject to continuing to meet eligibility conditions. The Directors are of the opinion that the Company has conducted its affairs in a manner which will satisfy the conditions for continued approval as an investment trust under Section 1158 of the Corporation Tax Act 2010.

The Company's subsidiaries are mainly engaged in investment activities and the activities of the Group are principally undertaken in the UK.

Directors

The Directors at the date of this report are listed on pages 68 and 69. During the year ended 31 December 2024:

Directorate changes

- Maggie Fanari retired as a Director on 29 February 2024 to join JRCM as Chair and CEO; and
- Helena Coles was appointed as a Director on 9 October 2024.

Committee composition

- Helena Coles was appointed to the Audit and Risk Committee on 9 October 2024; and
- Jutta af Rosenborg was appointed to the Remuneration Committee on 23 October 2024 and the Conflicts Committee on 13 November 2024.

Corporate Objective

The Company's Corporate Objective is: *"to deliver long-term capital growth, while preserving shareholders' capital; to invest without the constraints of a formal benchmark, but to deliver for shareholders increases in capital value in excess of the relevant indices over time."*

Investment Policy

The Company's Investment Policy is: *"to invest in a widely diversified, international portfolio across a range of asset classes, both quoted and unquoted; to allocate part of the portfolio to exceptional managers in order to ensure access to the best external talent available."*

Asset allocation and risk diversification

The Group's assets continue to be allocated across a diversified range of asset classes, geographies, industries and currencies. There are no external restrictions on the allocation of assets. The portfolio is further diversified through the use of external managers with different mandates. Exposures are monitored and managed by JRCM under the supervision of the Board.

Gearing

The Company maintains structural gearing principally through fixed-rate private placement notes, term and revolving credit facilities. At 31 December 2024, the drawn indebtedness was £334 million with debt held at fair value, or £351 million with debt held at par value. This represented net gearing calculated in accordance with AIC guidance of 8.9%.

The maximum indebtedness that the Company is empowered to incur under its Articles of Association is five times its adjusted capital and reserves.

Further information is shown on pages 40, 112, 114 and 133.

Directors' Report

Direct and indirect investment management fees

RIT's Investment Policy includes the allocation of part of the portfolio to exceptional managers in order to ensure access to the best external talent available. These include long-only equity and hedge fund managers, private equity and funds that sit within our Uncorrelated Strategies pillar.

Importantly, and as highlighted by the Chairman, all costs incurred within the business and investment portfolio, including fees we discuss here, are reflected in our NAV and share price, and are not additional fees borne by shareholders when purchasing RIT shares.

The managers' fee structure is always a key consideration in our due diligence. They are necessary costs to invest in difficult to access, high-quality managers or unique deals and are only paid for good performance. The final investment decision is always made on the basis of expected returns, net of all fees.

Fees within the long-only equity funds, whether structured as segregated accounts or otherwise, typically incur a management fee of 0.5% to 1.0% per annum and in some cases a performance fee for outperformance relative to a benchmark. The hedge funds and funds within our Uncorrelated Strategies pillar are slightly higher – typically a 1% to 2% management fee and typically a 10% to 20% performance fee. Fees for investments into private funds are structured differently and will usually have a 1% to 2.5% annual charge (often based on commitments in early years and declining over time with realisations), as well as a 20% to 30% carried interest. This may be above an 8% per annum hurdle and/or with the higher rates earned when investors have received back a minimum multiple of their invested capital (e.g. 3x).

We estimate that the average annual fees for external managers represent 0.84% of average net assets (2023: 0.94%). This excludes performance fees/carried interest which are typically paid for outperformance against an index or an absolute hurdle, and deducted from the valuations we receive.

Share capital

At 31 December 2024, the issued share capital comprised 156,848,065 £1 ordinary shares, of which 13,598,277 (8.7%) were held by the Company in treasury as a result of a series of share buybacks. Further details are shown in Note 21 on pages 114 and 115.

No £1 ordinary shares were issued during the year and the existing shareholder authorities given to the Company at the last AGM to allot and purchase shares will expire at the conclusion of the Company's forthcoming AGM scheduled for 1 May 2025. At the AGM, shareholders shall be asked to renew these authorities, as will be explained in the separate Notice of the meeting.

Major holders of voting rights

As at 31 December 2024, the following notifications had been received from the holders of 3% or more of the voting rights conferred through the direct or indirect holding of the Company's ordinary shares of £1 each

	31 December 2024		
Major holders of voting rights[1]	Total number of shares	% of voting rights[4]	Direct or indirect
Dame Hannah Rothschild[2]	15,402,708	10.8	Indirect
The Rothschild Foundation[2]	15,390,848	10.7	Direct
Evelyn Partners Inv. Mgt. LLP Limited	7,880,671	5.5	Indirect
Five Arrows Limited[3]	6,757,835	4.7	Direct

1 *The above table does not include Dame Hannah Rothschild's direct voting rights in shares in the Company which were below the notifiable threshold.*

2 *As Dame Hannah Rothschild is a member of the Rothschild Foundation, the above notifiable interests include the same 15,390,848 shares held by this charity (which also represent Dame Hannah Rothschild's non-beneficial interests on page 82 under Directors' shareholdings).*

3 *Dame Hannah Rothschild had an indirect beneficial interest in the shares of the Company held by Five Arrows Limited.*

4 *The total interests notified to the Company that directly related to, and was overseen by, the family office of Dame Hannah Rothschild (including shares in which Dame Hannah Rothschild did not have voting rights conferred through a direct or indirect holding) was 22.6%.*

As at 21 February 2025, the voting rights in the above table remained unchanged.

There are no restrictions or significant agreements that may restrict, on a change of control, transfer of securities in the Company or the voting rights attached to those securities.

The shares of the Company qualify for inclusion within an Individual Savings Account.

Directors' Report

Cross holdings

The FCA UK Listing Rules also require closed-ended investment companies to disclose quarterly all of their investments in *"other listed closed-ended investment funds ... which themselves do not have stated investment policies to invest no more than 15% of their total assets in other listed closed-ended investment funds."*

The Group discloses such investments when necessary, but does not restrict its own investment policies in this manner. There were no such investments held by the Group as at 31 December 2024 and 31 December 2023.

Annual General Meeting

The Company's 2025 AGM is scheduled to be held at Spencer House, 27 St. James's Place, London, SW1A 1NR, on 1 May at 12:00pm. Further details will be sent out in the notice of AGM to be circulated to shareholders and made available on the Company's website: www.ritcap.com, in due course.

Auditor

EY has expressed its willingness to continue in office as the Company's external auditor. Resolutions to reappoint EY and to authorise the Directors to set their remuneration will be proposed at the forthcoming AGM.

Other

The Company seeks to agree the best possible terms on which business will take place with its suppliers. It is the Company's policy to abide by such terms.

The Company maintained a qualifying third-party liability insurance for its Directors and Officers throughout the year and up to the date of approval of the Report and Accounts.

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Directors consider, both individually and together, that they have acted in a way they consider, in good faith, is most likely to promote the success of the Company for the benefits of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006 in the decisions taken during the year ended 31 December 2024 (see pages 9 to 11, 18, 19, 40, 57 to 59).

Disclosure of information to the auditor

With regard to the preparation of the Report and Accounts of the Company for the year ended 31 December 2024, the Directors have confirmed to the auditor that:

- so far as they are aware, there is no relevant audit information of which the auditor is unaware; and
- they have taken the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

FCA UK Listing Rules disclosures

There are no disclosures required under the FCA UK Listing Rule 6.6.1.

The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015

Information on subsidiaries that is required to be disclosed under the above regulations is disclosed in Note 30.

Disclosable information in respect of other investments is contained in Note 33.

The Directors' Report on pages 83 to 85 was approved by the Board and signed on its behalf by

Sir James Leigh-Pemberton
Chairman

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Access.
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Consolidated Income Statement and Consolidated Statement of Comprehensive Income

Consolidated income statement

Year ended 31 December

				2024			2023
£ million	Notes	Revenue	Capital	Total	Revenue	Capital	Total
Investment income	2	29.1	–	29.1	29.3	–	29.3
Other income		0.3	–	0.3	3.2	–	3.2
Gains/(losses) on fair value investments	3, 5	–	345.9	345.9	–	109.9	109.9
Gains/(losses) on monetary items and borrowings		–	1.6	1.6	–	0.8	0.8
		29.4	**347.5**	**376.9**	**32.5**	**110.7**	**143.2**
Expenses							
Operating expenses	4, 5	(31.9)	(6.6)	(38.5)	(28.5)	(14.2)	(42.7)
Profit/(loss) before finance costs and taxation	6	(2.5)	340.9	338.4	4.0	96.5	100.5
Finance costs	7	(6.7)	(26.7)	(33.4)	(6.9)	(27.5)	(34.4)
Profit/(loss) before taxation		(9.2)	314.2	305.0	(2.9)	69.0	66.1
Taxation	8	–	–	–	–	–	–
Profit/(loss) for the year		**(9.2)**	**314.2**	**305.0**	**(2.9)**	**69.0**	**66.1**
Earnings/(loss) per ordinary share – basic	9	(6.4p)	217.6p	211.2p	(1.9p)	46.1p	44.2p
Earnings/(loss) per ordinary share – diluted	9	(6.3p)	216.5p	210.2p	(1.9p)	45.7p	43.8p

The total column of this statement represents the Group's consolidated income statement, prepared in accordance with UK adopted international accounting standards (UK adopted IAS). The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations.

Consolidated statement of comprehensive income

Year ended 31 December

				2024			2023
£ million	Notes	Revenue	Capital	Total	Revenue	Capital	Total
Profit/(loss) for the year		(9.2)	314.2	305.0	(2.9)	69.0	66.1
Revaluation gain/(loss) on property, plant and equipment	10	–	0.3	0.3	–	0.9	0.9
Actuarial gain/(loss) in defined benefit pension plan	11	0.3	–	0.3	(0.4)	–	(0.4)
Deferred tax (charge)/credit allocated to actuarial gain/(loss)	12	(0.1)	–	(0.1)	0.2	–	0.2
Total comprehensive income/(expense) for the year		**(9.0)**	**314.5**	**305.5**	**(3.1)**	**69.9**	**66.8**

Other comprehensive income items are never reclassified to profit or loss.

The Notes on pages 94 to 119 form part of these financial statements.

Consolidated Balance Sheet

At 31 December £ million	Notes	2024	2023
Non-current assets			
Investments held at fair value	13	3,792.1	3,499.4
Investment property	13, 15	32.7	34.1
Property, plant and equipment	10	21.7	21.6
Retirement benefit asset	11	0.2	0.1
Derivative financial instruments	13	53.7	5.9
		3,900.4	3,561.1
Current assets			
Derivative financial instruments	13	38.5	65.4
Other receivables	16	123.1	71.2
Amounts owed by group undertakings	17	–	0.1
Cash at bank		189.4	204.3
		351.0	341.0
Total assets		4,251.4	3,902.1
Current liabilities			
Borrowings	18	(160.2)	(142.9)
Derivative financial instruments	13	(69.8)	(2.8)
Other payables	19	(77.5)	(39.2)
Amounts owed to group undertakings	17	(16.3)	(0.1)
		(323.8)	(185.0)
Net current assets/(liabilities)		27.2	156.0
Total assets less current liabilities		3,927.6	3,717.1
Non-current liabilities			
Borrowings	18	(173.7)	(137.9)
Derivative financial instruments	13	(17.5)	(0.0)
Deferred tax liability	12	(0.1)	(0.0)
Provisions	20	(3.0)	(3.0)
Lease liability		(2.1)	(2.9)
		(196.4)	(143.8)
Net assets		**3,731.2**	**3,573.3**
Equity attributable to owners of the Company			
Share capital	21	156.8	156.8
Share premium	22	45.7	45.7
Capital redemption reserve	23	36.3	36.3
Own shares reserve	24	(25.3)	(36.7)
Capital reserve	26	3,548.3	3,393.1
Revenue reserve	27	(41.2)	(32.2)
Revaluation reserve	28	10.6	10.3
Total equity		**3,731.2**	**3,573.3**
Net asset value per ordinary share – basic	29	2,627p	2,449p
Net asset value per ordinary share – diluted	29	2,614p	2,426p

The financial statements on pages 88 to 93 were approved by the Board and authorised for issue on 28 February 2025.

Sir James Leigh-Pemberton
Chairman

The Notes on pages 94 to 119 form part of these financial statements.

Parent Company Balance Sheet

At 31 December £ million	Notes	2024	2023
Non-current assets			
Investments held at fair value	13	3,651.3	3,362.3
Investment property	13, 15	32.7	34.1
Property, plant and equipment	10	21.6	21.5
Investments in subsidiary undertakings	30	147.1	143.2
Derivative financial instruments	13	53.7	5.9
		3,906.4	3,567.0
Current assets			
Derivative financial instruments	13	38.5	65.4
Other receivables	16	122.4	70.6
Cash at bank		183.9	196.7
		344.8	332.7
Total assets		4,251.2	3,899.7
Current liabilities			
Borrowings	18	(160.2)	(142.9)
Derivative financial instruments	13	(69.8)	(2.8)
Other payables	19	(67.6)	(31.9)
Amounts owed to group undertakings	17	(147.7)	(119.6)
		(445.3)	(297.2)
Net current assets/(liabilities)		(100.5)	35.5
Total assets less current liabilities		3,805.9	3,602.5
Non-current liabilities			
Borrowings	18	(173.7)	(137.9)
Derivative financial instruments	13	(17.5)	(0.0)
Provisions	20	(3.0)	(3.0)
Lease liability		(2.1)	(2.9)
		(196.3)	(143.8)
Net assets		**3,609.6**	**3,458.7**
Equity			
Share capital	21	156.8	156.8
Share premium	22	45.7	45.7
Capital redemption reserve	23	36.3	36.3
Capital reserve:			
At 1 January		3,435.8	3,578.6
Profit for the year		318.7	77.0
Treasury shares purchased	21	(80.4)	(163.1)
Dividends paid	31	(56.5)	(56.7)
Capital reserve at 31 December	26	3,617.6	3,435.8
Revenue reserve:			
At 1 January		(226.2)	(209.5)
Loss for the year		(31.2)	(16.7)
Revenue reserve at 31 December	27	(257.4)	(226.2)
Revaluation reserve	28	10.6	10.3
Total equity		**3,609.6**	**3,458.7**

The Company's total comprehensive income for the year was £287.8 million (2023: £61.2 million).

The financial statements on pages 88 to 93 were approved by the Board and authorised for issue on 28 February 2025.

Sir James Leigh-Pemberton
Chairman

The Notes on pages 94 to 119 form part of these financial statements.

Consolidated Statement of Changes in Equity

£ million	Share capital	Share premium	Capital redemption reserve	Own shares reserve	Capital reserve	Revenue reserve	Revaluation reserve	Total equity
Balance at 1 January 2023	156.8	45.7	36.3	(46.3)	3,548.9	(29.1)	9.4	3,721.7
Profit/(loss) for the year	–	–	–	–	69.0	(2.9)	–	66.1
Revaluation gain/(loss) on property, plant and equipment	–	–	–	–	–	–	0.9	0.9
Actuarial gain/(loss) in defined benefit plan	–	–	–	–	–	(0.4)	–	(0.4)
Deferred tax (charge)/credit allocated to actuarial gain/(loss)	–	–	–	–	–	0.2	–	0.2
Total comprehensive income/(expense) for the year	–	–	–	–	69.0	(3.1)	0.9	66.8
Dividends paid	–	–	–	–	(56.7)	–	–	(56.7)
Purchase of treasury shares	–	–	–	–	(163.1)	–	–	(163.1)
Movement in own shares reserve	–	–	–	9.6	–	–	–	9.6
Movement in share-based payments	–	–	–	–	(5.0)	–	–	(5.0)
Balance at 31 December 2023	**156.8**	**45.7**	**36.3**	**(36.7)**	**3,393.1**	**(32.2)**	**10.3**	**3,573.3**
Balance at 1 January 2024	156.8	45.7	36.3	(36.7)	3,393.1	(32.2)	10.3	3,573.3
Profit/(loss) for the year	–	–	–	–	314.2	(9.2)	–	305.0
Revaluation gain/(loss) on property, plant and equipment	–	–	–	–	–	–	0.3	0.3
Actuarial gain/(loss) in defined benefit plan	–	–	–	–	–	0.3	–	0.3
Deferred tax (charge)/credit allocated to actuarial gain/(loss)	–	–	–	–	–	(0.1)	–	(0.1)
Total comprehensive income/(expense) for the year	–	–	–	–	314.2	(9.0)	0.3	305.5
Dividends paid	–	–	–	–	(56.5)	–	–	(56.5)
Purchase of treasury shares	–	–	–	–	(80.4)	–	–	(80.4)
Movement in own shares reserve	–	–	–	11.4	–	–	–	11.4
Movement in share-based payments	–	–	–	–	(22.1)	–	–	(22.1)
Balance at 31 December 2024	**156.8**	**45.7**	**36.3**	**(25.3)**	**3,548.3**	**(41.2)**	**10.6**	**3,731.2**

The Notes on pages 94 to 119 form part of these financial statements.

Parent Company Statement of Changes in Equity

£ million	Share capital	Share premium	Capital redemption reserve	Capital reserve	Revenue reserve	Revaluation reserve	Total equity
Balance at 1 January 2023	156.8	45.7	36.3	3,578.6	(209.5)	9.4	3,617.3
Profit/(loss) for the year	–	–	–	77.0	(16.7)	–	60.3
Revaluation gain/(loss) on property, plant and equipment	–	–	–	–	–	0.9	0.9
Total comprehensive income/(expense) for the year	–	–	–	77.0	(16.7)	0.9	61.2
Dividends paid	–	–	–	(56.7)	–	–	(56.7)
Purchase of treasury shares	–	–	–	(163.1)	–	–	(163.1)
Balance at 31 December 2023	**156.8**	**45.7**	**36.3**	**3,435.8**	**(226.2)**	**10.3**	**3,458.7**
Balance at 1 January 2024	156.8	45.7	36.3	3,435.8	(226.2)	10.3	3,458.7
Profit/(loss) for the year	–	–	–	318.7	(31.2)	–	287.5
Revaluation gain/(loss) on property, plant and equipment	–	–	–	–	–	0.3	0.3
Total comprehensive income/(expense) for the year	–	–	–	318.7	(31.2)	0.3	287.8
Dividends paid	–	–	–	(56.5)	–	–	(56.5)
Purchase of treasury shares	–	–	–	(80.4)	–	–	(80.4)
Balance at 31 December 2024	**156.8**	**45.7**	**36.3**	**3,617.6**	**(257.4)**	**10.6**	**3,609.6**

The Notes on pages 94 to 119 form part of these financial statements.

Consolidated and Parent Company Cash Flow Statement

Year ended 31 December £ million	Notes	Consolidated cash flow 2024	 2023	Parent Company cash flow 2024	 2023
Cash flows from operating activities:					
Cash inflow/(outflow) before taxation and interest	32	123.2	328.6	85.7	331.1
Interest paid		(33.4)	(34.4)	(33.4)	(34.4)
Net cash inflow/(outflow) from operating activities		89.8	294.2	52.3	296.7
Cash flows from investing activities:					
Sale/(purchase) of property, plant and equipment		(0.1)	(0.3)	(0.1)	(0.3)
Investments in subsidiary undertakings		–	–	(8.7)	(21.0)
Divestments from subsidiary undertakings		–	–	34.6	25.2
Net cash inflow/(outflow) from investing activities		(0.1)	(0.3)	25.8	3.9
Cash flows from financing activities:					
Repayment of borrowings		(288.8)	(699.9)	(288.8)	(699.9)
Drawing of borrowings		339.7	618.6	339.7	618.6
Purchase of ordinary shares by EBT[1]	24	(13.7)	(9.8)	–	–
Purchase of ordinary shares into treasury	21	(80.4)	(163.1)	(80.4)	(163.1)
Dividends paid	31	(56.5)	(56.7)	(56.5)	(56.7)
Net cash inflow/(outflow) from financing activities		(99.7)	(310.9)	(86.0)	(301.1)
Increase/(decrease) in cash in the year		(10.0)	(17.0)	(7.9)	(0.5)
Cash at the start of the year		204.3	218.0	196.7	193.9
Effect of foreign exchange rate changes on cash		(4.9)	3.3	(4.9)	3.3
Cash at the year end		**189.4**	**204.3**	**183.9**	**196.7**

[1] *Shares are disclosed in the own shares reserve on the consolidated balance sheet.*

The Notes on pages 94 to 119 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The consolidated financial statements of the Group and Company are prepared in accordance with UK adopted IAS and the requirements of the Companies Act 2006. The Company has taken advantage of section 408 of the Companies Act 2006 not to present the parent company profit and loss account. The Company is domiciled in the United Kingdom.

The financial statements have been prepared on a going concern basis and under the historical cost convention except for the revaluation of financial instruments (including derivatives), investment properties held at fair value through profit or loss (FVPL), associates held at FVPL, certain non-consolidated subsidiaries held at FVPL, and property, plant and equipment held at fair value. The going concern assumption covers the period to 30 June 2026, which is sixteen months from the date of approval of the financial statements. In making this going concern assumption, the Directors have taken into account the closed-ended nature of the Group; its existing cash balances (£189.4 million) and monitoring procedures; its borrowing capacity (£40 million facilities committed and undrawn); the value of investments which could be realised to fund liabilities; loan covenants as well as cash flow forecasts for the period to 30 June 2026; and uncalled commitments (£215.2 million). Further details can be found on page 56.

The principal accounting policies adopted are set out below. Where the presentational guidance set out in the Statement of Recommended Practice: Financial Statements of Investment Trust Companies (the SORP) issued by the Association of Investment Companies (AIC) in July 2022 is consistent with the requirements of UK adopted IAS, the Directors have sought to prepare the financial statements on a basis which complies with the recommendations of the SORP.

Climate change
In preparing the financial statements, the Directors have considered the impact of climate change insofar as they are reasonably able, particularly in the context of the climate-related risks identified in the Risk Management and Going Concern and Viability sections of the Strategic Report and the Sustainability Report. These considerations did not have a material impact on the financial reporting judgements and estimates in the current year, as the investments are held at fair value and reflect market participants' view of climate change risk, nor were they expected to have a significant impact on the Group's going concern or viability.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. The Board has concluded that the Company, being the parent entity of the Group, continues to meet the particular characteristics of an 'Investment Entity'. The 'Investment Entity' amendment to IFRS 10 Consolidated Financial Statements requires that:

(i) the single subsidiary J.Rothschild Capital Management Limited (JRCM), that is not itself an investment entity, which provides investment management services to the Group, is consolidated on a line-by-line basis with balances between the parent and this subsidiary eliminated; and

(ii) all other subsidiaries, including Spencer House Limited (SHL), RIT Investments US, Inc and RIT Investments GP Limited, are accounted for as investments held at FVPL.

In the financial statements of the Company investments in non-consolidated subsidiaries are carried at fair value and the consolidated subsidiary is carried at cost less any provision for impairment made in accordance with IAS 36 Impairment of Assets. Impairment tests are carried out twice each year concurrent with the Group's principal reporting dates.

The financial statements of the subsidiaries are prepared at the same reporting date using consistent accounting policies. Control is achieved where the Company has all of the following;

(i) power over the investee;

(ii) exposure, or rights, to variable returns from its involvement with the investee; and

(iii) the ability to use its power over the investee to affect the amount of the Company's returns.

Both the Group and Company hold investments in associates and joint ventures at fair value as allowed by IAS 28 Investments in Associates and Joint Ventures and IFRS 9 Financial Instruments.

Presentation of income statement
In order to better reflect the activities of an investment trust company, and in accordance with guidance issued by the AIC, supplementary information which analyses the consolidated income statement between items of a revenue and capital nature has been presented within the consolidated income statement and the consolidated statement of comprehensive income (SOCI).

Income
Dividend income from investments is recognised when the right to receive payment has been established and this is normally the ex-dividend date.

UK dividend income is recorded at the amount receivable. Overseas dividend income is shown net of withholding tax under investment income.

Interest and other income is accrued on a time basis.

Rental income from investment properties under short-term leases is accounted for on a straight-line basis, over the lease term.

Allocation between capital and revenue
In respect of the analysis between capital and revenue items presented within the consolidated income statement, the SOCI and the statement of changes in equity, all expenses and finance costs, which are accounted for on an accruals basis, have been presented as revenue items except those items listed below:

Notes to the Financial Statements

1. Accounting Policies (continued)

- expenses are allocated to capital where a direct connection with the maintenance or enhancement of the value of the investments can be demonstrated. Expenses are allocated to revenue where there is an indirect connection;
- all segregated account fees are considered to be a cost of achieving a capital return for those external managers operating segregated accounts. This ensures consistency with the treatment of all other investment management fees within our fund investments, which are automatically included in capital and reflected in the investment gain/loss;
- the Group has in place certain incentive arrangements whereby individuals receive share awards based on investment performance and/or share price growth. The cost of these arrangements derives principally from the capital performance and therefore the Directors consider it appropriate to allocate such costs to capital;
- expenses which are incidental to the purchase or disposal of an investment are deducted from the initial fair value or disposal proceeds of the investment; and
- costs incurred in connection with aborted portfolio investment transactions are also allocated to capital.

The following are also presented as capital items:

- gains and losses on the realisation of investments, including foreign exchange differences;
- increases and decreases in the valuation of investments held at the year end, including foreign exchange differences;
- realised and unrealised gains and losses on derivatives transactions of a capital nature; and
- expenses, together with the related taxation effect, allocated to capital in accordance with the above policies.

Finance costs
Finance costs on borrowings are accounted for on an accruals basis and are settled at the end of each contractual period. Finance costs on derivatives are settled in line with the underlying contract.

Finance costs are allocated in the ratio 20:80 to the revenue and capital columns of the income statement.

Foreign currencies
The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates, i.e. its functional currency. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in sterling which is the functional currency of the Company, and the presentational currency of the Group. Transactions in currencies other than sterling are recorded at the rate of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. All foreign exchange gains and losses are recognised in the consolidated income statement.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not subject to tax or are not deductible for tax purposes. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not subject to tax on capital gains. In view of the Company's status as an investment trust, and its intention to continue meeting the conditions required to maintain approval for the foreseeable future, the Company has not provided current or deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Deferred tax is charged or credited to the consolidated income statement or SOCI, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Investments
Investments are recognised and derecognised on the trade date where a purchase or sale is made under a contract whose terms require delivery within the timeframe established by the market concerned. All investments are measured initially and at subsequent reporting dates at fair value and classified in accordance with IFRS as FVPL. Unrealised changes in the fair value of these investments are recognised in the consolidated income statement as capital items. The gain or loss arising on the disposal of investments is determined as the difference between the sale proceeds and the carrying amount of the asset at the beginning of the year and is recognised in the consolidated income statement as capital items. Transaction costs are included within gains or losses on these investments.

Fair value, for quoted investments, is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Investments in externally-managed funds are valued at the closing price, the bid price or the single price as appropriate, released by the relevant fund administrator or investment manager.

Notes to the Financial Statements

1. Accounting Policies (continued)

In respect of private investments, or where the market for a financial instrument is not active, fair value is estimated by using appropriate valuation techniques and often involves significant judgement and estimation uncertainty. For direct private investments held through co-investment vehicles managed by a General Partner (GP), as well as private funds managed by a GP, the estimated fair value is based on the most recent valuation provided by the GP. These valuations are normally prepared quarterly and usually received within three months of the relevant valuation date. Depending on the timing of the finalisation of the half-year and year-end report and accounts, it is likely that the majority of these assets are valued at the previous quarter end. Where this is the case, the valuations of private funds are adjusted for subsequent investments, distributions and currency moves. In relation to direct co-investments, the valuations will also be adjusted for subsequent investments, distributions and currency moves, as well as pricing events where there is sufficient information to suggest the period-end valuation should be adjusted. Further, in light of the intrinsic valuation uncertainty, where information is received after the year end which relates to conditions present at the year end, an adjustment will be considered if it would be likely to have a material impact on the net assets. Ultimately these valuations are dependent on the reasonableness of the fair value estimation by the GP. The valuations are reviewed periodically by the Manager, and in the absence of contrary information, are assumed to be reliable. A review is also conducted annually in respect of the valuation bases of the investee funds to confirm these are in accordance with fair value standards.

Where the Manager has sufficient information to undertake its own valuations, these will be prepared having regard to the International Private Equity and Venture Capital Valuation Guidelines as recommended by the British Private Equity and Venture Capital Association. The inputs into the valuation methodologies adopted include observable data such as historical earnings or cash flows as well as more subjective data such as earnings forecasts or discount rates. At period ends, all of the valuations are subject to review, adjustment as appropriate and ultimately approval by the Company's Valuation Committee that operates as a sub-committee of the Board comprised entirely of independent non-executive Directors.

The gains and losses on financial assets classified at FVPL exclude any related interest income, dividend income and finance costs where these items are separately identifiable. These items are disclosed separately in the financial statements.

Leasehold and freehold investment properties are measured initially at cost, including related transaction costs. After initial recognition at cost, investment properties are carried at their fair values based on the external professional valuation made as of each reporting date. Valuation surpluses and deficits arising in the year are included in the consolidated income statement.

Derivative financial instruments, including futures, options and other derivatives, are stated in the balance sheet at fair value. For derivatives that are capital in nature, the associated change in value is presented as a capital item in the income statement. The Group has adopted trade date accounting. Accordingly, derivative financial instruments are recognised on the date the Group enters into the relevant contract, and are derecognised on the date on which it commits to their sale or they expire. All derivatives are classified as FVPL and are presented as assets when their fair value is positive, and as liabilities when their fair value is negative.

Cash at bank
Cash at bank in the balance sheet comprises cash balances and deposits.

Provisions
A provision is recognised in the balance sheet when the Group or Company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Share-based payment
In accordance with IFRS 2 Share-based Payment (IFRS 2), the Group is required to reflect in its income statement and balance sheet the effects of share-based payment transactions. The Group's share-settled incentive schemes include the Annual Incentive Scheme (AIS) in part, share appreciation rights (SARs) and restricted share units (RSUs).

AIS awards are structured such that 60% of individual amounts in excess of £250,000 are paid in deferred shares of the Company which vest equally over the three years following the award. Deferred shares are valued using the prevailing market price at award. The expense is recognised over the year the award relates to and the following three years.

Historically, long-term incentive plan (LTIP) awards were made via SARs and performance shares. SARs were measured at the fair value at grant date using a trinomial option valuation model. The cost is then recognised through the capital column of the income statement over the three-year vest period.

Performance shares were conditional awards of shares subject to performance conditions. They were accounted for as equity settled in accordance with IFRS 2. The awards were fair valued at grant using a Monte Carlo model and the resulting cost of an award is then recognised through the capital column of the income statement over the vest period particular to that award.

Following a review by the Remuneration Committee, it was decided that from 2021, future LTIP awards would be made using restricted share units (RSUs), with the first such award in March 2021.

RSUs are equity-settled awards accounted for in accordance with IFRS 2 and are measured at fair value using the share price at the grant date. The cost is recognised through the capital column of the income statement over the three-year vest period.

On 31 March 2021, staff members were given the option to convert their existing SARs and performance shares at fair value into RSUs, with the vast majority subsequently converted. This conversion was accounted for in accordance with IFRS 2.

Notes to the Financial Statements

1. Accounting Policies (continued)

Shares required to meet the estimated future requirements from grants or exercises under all schemes, are purchased by an Employee Benefit Trust (EBT), which is consolidated by the Group. The cost of own shares held at the end of the year by the EBT is reflected in the Group's own shares reserve on the consolidated balance sheet.

The movement in equity arising under IFRS 2 is applied to the capital reserve.

Property, plant and equipment

Property, plant and equipment is shown at cost less accumulated depreciation, save as detailed below. Depreciation is calculated by the Group on a straight-line basis by reference to original cost, estimated useful life and residual value. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. The period of estimated useful life for this purpose is between three and five years for the majority of assets except for the Company's leasehold interest in 27 St. James's Place for which the estimated useful life is 59 years, which is also the period remaining on the property lease. The proportion of this asset occupied by the Group is accounted for at fair value under the revaluation model allowed by IAS 16. Property, Plant and Equipment, which is intended to ensure that the carrying value of the asset is never substantially different to its fair value. Changes in fair value are reflected in the SOCI and a separate revaluation reserve. The proportion of property assets not occupied by the Group is accounted for as investment properties at fair value. Determination of fair value requires significant judgement and external advisers are used.

Pensions

JRCM is a participating employer in the Group's non-contributory, funded, defined benefit retirement scheme which is closed to new members and the assets of which are held in a trustee-administered fund. There are no longer any active members of this scheme.

The Group accounts for this defined benefit retirement scheme by reference to IAS 19 Employee Benefits. The cost of benefits accruing during the year in respect of past service is charged to the income statement and allocated to revenue. The net interest on the net defined benefit liability or asset is recognised in the income statement. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest on the net defined benefit liability or asset, are recognised in the SOCI. An actuarial valuation of the defined benefit retirement scheme is undertaken every three years as at 1 January and is updated as at each principal reporting date. The valuation is carried out using the projected unit credit method of funding basis. The income statement also includes costs incurred in respect of defined contribution schemes, comprising the contributions payable in the year.

Other receivables/other payables

Other receivables/other payables do not carry any interest, are short-term in nature and are carried at amortised cost. Application of the expected credit loss model to receivables has had an immaterial impact on their carrying value. The carrying value of receivables and payables approximates to their fair value.

Amounts owed to/by Group undertakings

Amounts owed to/by Group undertakings do not carry any interest and are carried at amortised cost. Application of the expected credit loss model to these items has had an immaterial impact on their carrying value. The carrying value of amounts owed to/by Group undertakings approximates to their fair value.

Bank borrowings

Interest-bearing bank loans are recorded initially at the proceeds received and subsequently at FVPL, on the basis that the Group and its performance is evaluated on a fair value basis, in line with IFRS 9, paragraph 4.2.2. The fair value is calculated as the amount to replace the facility which is equal to par.

Loan notes

Loan notes are classified as a financial liability at FVPL and are measured initially and subsequently at fair value with movements in fair value taken to the income statement as a capital item. The fair value is calculated with a discounted cash flow model using the fixed interest and redemption payments based on the underlying contractual cash flows. The discount rate adopted reflects the prevailing market rate for similar instruments. As a result, the determination of fair value requires management judgement. Further details of the loan notes are provided on page 114.

Dividends

The Company recognises interim dividends in the year in which they are paid.

Share capital and share premium

Share capital is classified as equity. Share premium reflects the excess of the consideration received on issuing shares over the nominal value of those shares, net of issue costs.

Treasury shares

The cost of repurchasing shares into treasury, including all related costs, is dealt with in the Statement of Changes in Equity and deducted from the Capital Reserve.

New and amended standards and interpretations not applied

There are no new standards and interpretations that are relevant to RIT and effective up to the date of issuance of the financial statements that require disclosure in the Financial Statements.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with UK adopted IAS requires the use of certain critical accounting estimates. It also requires the Manager and Board to exercise judgement in the process of applying the Group's accounting policies. The areas requiring a higher degree of judgement or complexity and where assumptions and estimates are significant to the consolidated financial statements, are in relation to the valuation of private investments (see pages 95 and 96 and Note 13) and property (see page 97 and Notes 10 and 15).

Notes to the Financial Statements

2. Investment income

£ million	2024	2023
Income from listed investments:		
Dividends	15.6	10.1
Interest	2.4	0.4
Income from unlisted investments:		
Interest	–	3.5
Interest income on cash and margin balances	9.6	13.5
Income from investment properties	1.5	1.8
Total investment income	**29.1**	**29.3**

3. Gains/(losses) on fair value investments

£ million	2024	2023
Gains/(losses) on fair value investments excluding segregated accounts	304.8	70.8
Gains/(losses) on segregated accounts	47.5	47.1
Segregated account fees - annual	(2.0)	(1.9)
Segregated account fees - performance	(4.4)	(6.1)
Net gains/(losses) on fair value investments held in segregated accounts	41.1	39.1
Gains/(losses) on fair value investments	**345.9**	**109.9**

The Company's Investment Policy involves the allocation of part of the portfolio to external fund managers. The vast majority of these managers operate funds where the fees are charged within the fund. These 'indirect' investment management and performance fees are therefore automatically reflected within the valuations received from the administrators or managers, and form part of the investment gains/(losses). At 31 December 2024, three funds (31 December 2023: three) were structured as segregated accounts, where the managers separately invoice the Company for investment management fees. In order to provide a consistent presentation for all external fees, these are included within the gains/(losses) on fair value investments as shown above. Further details on the typical fee structures for the external funds are set out in the Directors' Report on page 84.

4. Operating expenses

£ million	2024	2023
Staff costs:		
Wages and salaries	18.9	14.3
Share-based payment costs (Note 25)	5.9	14.7
Social security costs	3.2	3.9
Pension costs (Note 11)	0.7	0.5
Total staff costs	28.7	33.4
Auditor's remuneration (Note 5)	0.4	0.4
Depreciation	0.3	0.3
Lease payments	0.5	0.5
Other operating expenses	8.6	8.1
Total operating expenses	**38.5**	**42.7**

Operating expenses include costs incurred by JRCM in managing the Group's assets and property costs from the Group's property portfolio. Further information is provided in Note 6.

The figures include Directors' emoluments, details of which are shown in the Directors' Remuneration Report on pages 79 to 82.

The average monthly number of employees during the year was 63 (2023: 65) of which 50 (2023: 52) were employed by JRCM and 13 (2023: 13) were employed by SHL.

5. Other disclosable expenses

During the year the Group obtained the following services from the Company's auditor and its associates:

£ thousand	2024	2023
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and consolidated financial statements	266	278
Fees payable to the Company's auditor and its associates for other services:		
Audit of the Company's subsidiaries	105	95
Audit-related assurance services	3	9
Total	**374**	**382**

Transaction costs

The following transaction costs represent commissions paid on the purchase and sale of listed investments and are included within gains/(losses) on fair value investments.

£ million	2024	2023
Purchases	2.1	0.7
Sales	1.1	0.6
Transaction costs	**3.2**	**1.3**

Furthermore £0.5 million of professional fees (2023: £0.02 million) incurred on purchases of investments are included within gains/(losses) on fair value investments.

Notes to the Financial Statements

6. Business and geographical segments

For 2024 and 2023, the Group is considered to have three principal operating segments, all based in the UK, as follows:

Segment	Business	2024 AUM £ million[1]	2024 Employees[1]	2023 AUM £ million[2]	2023 Employees[2]
RIT	Investment trust	–	–	–	–
JRCM	Investment management/ administration	3,731	48	3,573	50
SHL	Events/ premises management	–	13	–	12

[1] At 31 December 2024.

[2] At 31 December 2023.

Key financial information for 2024 is as follows:

£ million	Net assets	Income/ gains[1]	Operating expenses[1]	Profit[2]
RIT	3,609.6	373.7	(52.9)	320.8
JRCM	127.9	49.5	(32.1)	17.4
SHL	1.5	4.4	(4.2)	0.2
Adjustments[3]	(7.8)	(50.7)	50.7	–
Total	**3,731.2**	**376.9**	**(38.5)**	**338.4**

Key financial information for 2023 is as follows:

£ million	Net assets	Income/ gains[1]	Operating expenses[1]	Profit[2]
RIT	3,458.7	143.0	(45.3)	97.7
JRCM	120.6	39.0	(36.5)	2.5
SHL	1.3	4.1	(3.8)	0.3
Adjustments[3]	(7.3)	(42.9)	42.9	–
Total	**3,573.3**	**143.2**	**(42.7)**	**100.5**

[1] *Includes intra-group income and expenses.*

[2] *Profit before finance costs and taxation.*

[3] *Consolidation adjustments in accordance with IFRS 10 Consolidated Financial Statements.*

7. Finance costs

£ million	2024	2023
Interest on borrowings	16.9	23.1
Interest on swaps	16.4	11.3
Other finance costs	0.1	0.0
Finance costs	**33.4**	**34.4**

8. Taxation

£ million	Year ended 31 December 2024 Revenue	Capital	Total
UK corporation tax charge/(credit)	–	–	–
Current tax charge/(credit)	–	–	–
Deferred tax charge/(credit)	–	–	–
Taxation charge/(credit)	**–**	**–**	**–**

£ million	Year ended 31 December 2023 Revenue	Capital	Total
UK corporation tax charge/(credit)	–	–	–
Current tax charge/(credit)	–	–	–
Deferred tax charge/(credit)	–	–	–
Taxation charge/(credit)	**–**	**–**	**–**

The tax charge for the year differs from the effective rate of corporation tax in the UK for 2024 of 25% (2023: 23.5%). The differences are explained as follows:

£ million	Year ended 31 December 2024 Revenue	Capital	Total
Profit/(loss) before taxation	(9.2)	314.2	305.0
Tax at the standard UK corporation tax rate of 25.0%	(2.3)	78.6	76.3
Effect of:			
Capital items exempt from corporation tax	–	(88.9)	(88.9)
Dividend income not taxable	(3.4)	–	(3.4)
Expenses not deductible for tax purposes	0.2	–	0.2
Tax losses not recognised	5.5	11.9	17.4
Other items	–	(1.6)	(1.6)
Total taxation charge/(credit)	**–**	**–**	**–**

£ million	Year ended 31 December 2023 Revenue	Capital	Total
Profit/(loss) before taxation	(2.9)	69.0	66.1
Tax at the standard UK corporation tax rate of 23.5%	(0.7)	16.2	15.5
Effect of:			
Capital items exempt from corporation tax	–	(25.9)	(25.9)
Dividend income not taxable	(1.7)	–	(1.7)
Expenses not deductible for tax purposes	0.1	–	0.1
Tax losses not recognised	2.3	10.0	12.3
Other items	–	(0.3)	(0.3)
Total taxation charge/(credit)	**–**	**–**	**–**

Refer to Note 12 on page 103 for the explanation of carried forward tax losses.

Notes to the Financial Statements

9. Earnings per ordinary share – basic and diluted

The basic earnings per ordinary share for 2024 is based on the profit of £305.0 million (2023: £66.1 million) and the weighted average number of ordinary shares in issue during the period of 144.4 million (2023: 149.5 million). The weighted average number of shares is adjusted for shares held in the EBT and in treasury in accordance with IAS 33 – Earnings per share.

£ million	2024	2023
Net revenue profit/(loss)	(9.2)	(2.9)
Net capital profit/(loss)	314.2	69.0
Total profit/(loss) for the year	**305.0**	**66.1**

Weighted average (million)	2024	2023
Number of shares in issue	156.8	156.8
Shares held in EBT	(1.2)	(1.8)
Shares held in treasury	(11.2)	(5.5)
Basic shares	**144.4**	**149.5**

pence	2024	2023
Revenue earnings/(loss) per ordinary share – basic	(6.4)	(1.9)
Capital earnings/(loss) per ordinary share – basic	217.6	46.1
Total earnings per share – basic	**211.2**	**44.2**

The diluted earnings per ordinary share for the period is based on the basic shares (above) adjusted for the effect of share-based payments awards for the period.

Weighted average (million)	2024	2023
Basic shares	144.4	149.5
Effect of share-based payment awards	0.7	1.4
Diluted shares	**145.1**	**150.9**

pence	2024	2023
Revenue earnings/(loss) per ordinary share – diluted	(6.3)	(1.9)
Capital earnings/(loss) per ordinary share – diluted	216.5	45.7
Total earnings per ordinary share – diluted	**210.2**	**43.8**

10. Property, plant and equipment

The Group's property, plant and equipment as at 31 December 2024 was £21.7 million (2023: £21.6 million).

Group £ million	Cost	Accumulated depreciation	Revaluation	Net book/ fair value
At 1 January 2024	17.8	(6.5)	10.3	21.6
Additions	0.1	–	–	0.1
Charge for depreciation	–	(0.3)	–	(0.3)
Revaluation gain/ (loss)	–	–	0.3	0.3
Fair value at 31 December 2024	**17.9**	**(6.8)**	**10.6**	**21.7**
Of which:				
Property – leasehold	14.1	(5.2)	10.6	19.5

Group £ million	Cost	Accumulated depreciation	Revaluation	Net book/ fair value
At 1 January 2023	17.5	(6.2)	9.4	20.7
Additions	0.3	–	–	0.3
Charge for depreciation	–	(0.3)	–	(0.3)
Revaluation gain/ (loss)	–	–	0.9	0.9
Fair value at 31 December 2023	**17.8**	**(6.5)**	**10.3**	**21.6**
Of which:				
Property – leasehold	14.1	(4.9)	10.3	19.5

The Company's property, plant and equipment as at 31 December 2024 was £21.6 million (2023: £21.5 million).

Company £ million	Cost	Accumulated depreciation	Revaluation	Net book/ fair value
At 1 January 2024	16.1	(4.9)	10.3	21.5
Additions	0.1	–	–	0.1
Charge for depreciation	–	(0.3)	–	(0.3)
Revaluation gain/ (loss)	–	–	0.3	0.3
Fair value at 31 December 2024	**16.2**	**(5.2)**	**10.6**	**21.6**
Of which:				
Property – leasehold	14.1	(5.2)	10.6	19.5

Notes to the Financial Statements

10. Property, plant and equipment (continued)

Company £ million	Cost	Accumulated depreciation	Revaluation	Net book/ fair value
At 1 January 2023	15.8	(4.6)	9.4	20.6
Additions	0.3	–	–	0.3
Charge for depreciation	–	(0.3)	–	(0.3)
Revaluation gain/ (loss)	–	–	0.9	0.9
Fair value at 31 December 2023	**16.1**	**(4.9)**	**10.3**	**21.5**
Of which:				
Property – leasehold	14.1	(4.9)	10.3	19.5

The fair value at both year ends predominantly relates to the proportion of the leasehold interest in 27 St. James's Place occupied by the Group. The property valuations are based on Jones Lang LaSalle's (JLL) valuations at the respective year ends.

11. Pension commitments

The Group has pension commitments in respect of its participation in the RITCP Pension and Life Assurance Scheme (the Scheme). The Scheme consists of a defined benefit plan which is closed to new members. The Scheme is administered under a Trust Deed and Rules and a corporate trustee, Law Debenture Pension Trust Corporation plc, who is independent of the Group and was appointed in May 2019.

In December 2022, the Group de-risked its retirement benefit obligations by supporting the trustees of the Scheme in completing a £20 million bulk annuity insurance policy 'buy-in'. The 'buy-in' secured an insurance asset that fully matches almost all the remaining pension liabilities of the Scheme, with the result that the Group no longer bears material investment, longevity, interest rate or inflation risk. The annuity policy is held in the name of the Trustee.

As a result of the 'buy-in', current cash contributions into the Scheme have ceased. In addition, the Group will no longer record non-cash interest income on the accounting surplus.

It is now expected that a full buy-out of the Scheme will complete in 2025, during which individual insurance policies will be purchased for the beneficiaries of the scheme. After the 'buy-out' has completed, the Group will no longer have any liabilities against the Scheme.

The costs associated with the Scheme, their recognition in the financial statements, the assumptions underlying the calculation of those costs and their disclosure in the consolidated income statement or statement of comprehensive income (SOCI) are set out below.

Defined benefit cost

£ million	2024	2023
Net interest on defined benefit asset	0.0	(0.0)
Administration costs and taxes	0.2	–
Remeasurement effects recognised in the SOCI	(0.3)	0.4
Total cost/(credit)	**(0.1)**	**0.4**

Recognised in the consolidated income statement

£ million	2024	2023
Defined contribution schemes	0.5	0.5
Defined benefit scheme:		
Net interest on defined benefit asset	0.0	0.0
Administration costs and taxes	0.2	–
Total pension cost recognised in the consolidated income statement	**0.7**	**0.5**

Recognised in the SOCI

£ million	2024	2023
Defined benefit scheme:		
Actuarial loss due to liability experience	0.2	0.0
Actuarial (gain)/loss due to liability assumption changes	(1.7)	0.5
Actuarial (gain)/loss due to demographic assumption changes in defined benefit obligation (DBO)	0.1	(0.3)
Return on Scheme assets greater than discount rate	1.1	0.2
Remeasurement effects recognised in the SOCI	**(0.3)**	**0.4**
Total (credit)/expense	**0.4**	**0.9**

Notes to the Financial Statements

11. Pension commitments (continued)

The Scheme's assets and liabilities are shown below together with the actuarial assumptions used.

Changes in the DBO

£ million	2024	2023
DBO at end of prior year	17.3	17.1
Interest cost on the DBO	0.8	0.9
Actuarial (gain)/loss - demographic experience	0.2	0.0
Actuarial (gain)/loss - demographic assumptions	0.1	(0.3)
Actuarial gain - financial assumptions	(1.7)	0.5
Benefits paid from scheme assets	(0.9)	(0.9)
Total DBO	**15.8**	**17.3**

Changes in Scheme assets

£ million	2024	2023
Opening fair value of the Scheme assets	17.4	17.6
Interest income on Scheme assets	0.8	0.9
Return on Scheme assets greater than discount rate	(1.1)	(0.2)
Benefits paid	(0.9)	(0.9)
Administration costs and taxes	(0.2)	–
Total Scheme assets	**16.0**	**17.4**

The Company has unrestricted rights to any surplus in the Scheme upon wind-up. As such there is no irrecoverable surplus for either the current year or prior year.

Development of the net balance sheet position

£ million	2024	2023
Net defined benefit asset at end of prior year	0.1	0.5
Net cost recognised in profit and loss	(0.2)	–
Remeasurement effects recognised in the SOCI	0.3	(0.4)
Net defined benefit asset	**0.2**	**0.1**

The assumptions used to determine the measurements at the reporting dates are shown below:

	2024	2023
Discount rate	5.55%	4.65%
Price inflation (RPI)	3.40%	3.30%
Rate of salary increase	n/a	n/a
Pension increases for pre 6 April 1997 pension	4.00%	4.00%
Pension increases for post 6 April 1997 pension	4.25%	4.20%
Pension increases for deferred benefits (non Guaranteed Minimum Pension)	3.40%	3.30%
Scheme participant census date	31 December 2023	31 December 2023
Post retirement mortality assumption-source	SAPS[1]	SAPS[1]

[1] *Self-administered Pension Scheme light series year of birth tables allowing for Continuous Mortality Investigation projections and a 1.5% per annum long-term trend.*

Sensitivity analysis

In accordance with IAS 19 (revised), the sensitivity of the DBO to the relevant actuarial assumptions is shown below. In each case the changed assumption has been considered in isolation (i.e. all other factors remain constant).

£ million	2024	2023
DBO	15.8	17.3

Significant actuarial assumptions at 31 December 2024:

£ million	Assumptions used for sensitivity analysis	Sensitivity analysis	Revised DBO for each sensitivity
Discount rate	5.05%	0.5% point decrease	16.8
Price inflation (RPI)	3.90%	0.5% point increase	16.0
Life expectancy	–	Increase of 1 year	16.4

Significant actuarial assumptions at 31 December 2023:

£ million	Assumptions used for sensitivity analysis	Sensitivity analysis	Revised DBO for each sensitivity
Discount rate	4.15%	0.5% point decrease	18.5
Price inflation (RPI)	3.80%	0.5% point increase	17.6
Life expectancy	–	Increase of 1 year	18.0

Notes to the Financial Statements

11. Pension commitments (continued)

The weighted average duration of the DBO is 11 years. Further Scheme analysis is shown below.

Analysis of DBO by participant category

£ million	2024	2023
Deferred participants	1.7	1.8
Pensioners	14.1	15.5
DBO	**15.8**	**17.3**

The fair value of Scheme assets of £16.0 million is analysed in the table below (2023: £17.4 million).

Scheme asset breakdown	31 December 2024	31 December 2023
Bulk insurance policy	99%	98%
Cash and liquidity/other	1%	2%
Total	**100%**	**100%**

12. Deferred taxation

The gross movement on deferred tax during the year is shown below:

£ million	2024	2023
Balance at start of year	(0.0)	(0.2)
(Debit)/credit to consolidated income statement	–	–
(Debit)/credit to SOCI	(0.1)	0.2
Balance at end of year	**(0.1)**	**(0.0)**

The deferred tax asset/(liability) is analysed below:

£ million	2024	2023
Retirement benefit asset	(0.1)	(0.0)
Balance at end of year	**(0.1)**	**(0.0)**

The Group had carried forward tax losses of £607 million at 31 December 2024 (2023: £521 million) that have not been recognised as a deferred tax asset, as it is considered unlikely that the unrecognised asset will be utilised in the foreseeable future.

13. Financial instruments

As an investment company, financial instruments make up the vast majority of the Group's assets and liabilities and generate its performance.

Financial instruments comprise securities, derivatives and other investments, cash, short-term receivables and payables, and short and long-term borrowings.

The nature and extent of the financial instruments outstanding can be seen on the face of the balance sheet and the risk management policies employed by the Group and Company are set out below.

The Group's policy for determining the fair value of investments (including private investments) is set out on pages 95 and 96.

In relation to receivables, payables and short-term borrowings, the carrying amount is viewed as being a reasonable approximation of fair value.

13.1. Financial risk management

The main risks arising from the Group's financial instruments are market risk (including price risk, interest rate risk and currency risk), credit risk and liquidity risk. The day-to-day identification, mitigation and monitoring of these risks is undertaken by the Manager under the authority of the Board and the Audit and Risk Committee, and is described in more detail below.

The objectives, policies and processes for managing risks have not changed since the previous accounting year. The risk management processes of the Company are aligned with those of the Group as a whole and it is at the Group level that the majority of the risk management procedures are performed. Where relevant and materially different from the Group position, Company-specific risk exposures are explained alongside those of the Group.

13.1.1. Market risk

The fair value or future cash flows of a financial instrument or investment property held by the Group may fluctuate as a result of changes in market prices. Market risk can be summarised as comprising three types of risk:

- *Price risk*
  The risk that the fair value or future cash flows of financial instruments and investment properties will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).
- *Interest rate risk*
  The risk that the fair value or future cash flows of financial instruments and investment properties will fluctuate because of changes in interest rates.
- *Currency risk*
  The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates.

The Group's exposure to, sensitivity to and management of each of these risks are described in further detail below.

Management of market risk is fundamental to the Group's investment objective. The investment portfolio is continually monitored to target an appropriate balance of risk and reward.

The Manager may seek to reduce or increase the portfolio's exposure to stock markets, interest rates and currencies by utilising derivatives such as index futures, options, swaps and currency forward contracts. These instruments are used for the purpose of hedging some or all of the existing exposure within the portfolio to those currencies or particular markets, as well as to enable increased exposure when deemed appropriate. With respect to equity, foreign exchange and interest rate options, the notional exposure presented in this note is adjusted to reflect the estimated sensitivity of the option to movements in the underlying security.

Notes to the Financial Statements

13. Financial instruments (continued)

13.1.2. Price risk

Price risk may affect the value of the quoted, private and other investments held by the Group.

The Group has a widely diversified investment portfolio which significantly reduces the exposure to individual asset price risk. The performance of third-party investment managers is regularly reviewed and assessed to ensure compliance with their mandates and that their performance is compatible with the Group's investment objective.

The Group's exposure to price risk is monitored and managed by analysing the levels of direct exposure from quoted equity price risk and the exposure from other price risk.

The Group's exposure to quoted equity price risk (also described as net quoted equity exposure) can be assumed to be equivalent to the quoted equity investments in the investment portfolio adjusted for:

- notional exposure from quoted equity derivatives;
- estimated cash balances held by external managers; and
- estimated net equity exposure from hedge fund managers.

Other price risk exposure relates to investments in private investments, absolute return and credit, and real assets, adjusted for the notional exposure from commodity and credit derivatives.

£ million	31 December 2024	31 December 2023
Exposure to quoted equity price risk[1]	1,900.5	1,594.5
Exposure to other price risk	2,018.6	2,332.2
Total exposure to price risk	**3,919.1**	**3,926.7**

[1] *Quoted equity price risk represented 51% of year-end net assets (2023: 45%).*

Price risk sensitivity analysis

The sensitivity of the Group's net assets and profit with regards to changes in market prices is illustrated below. This is estimated using an assumed 10% increase in general market prices with all other variables held constant. A 10% decrease is assumed to produce an equal and opposite effect.

The sensitivity analysis takes account of the relevant derivative transactions the Group has entered into including those designed to provide a hedge against such movements.

£ million	2024 Impact on profit and net assets	2023 Impact on profit and net assets
Quoted equity	268.6	230.2
Other	207.4	260.4
Total	**476.0**	**490.6**

The Group is exposed to market risk in respect to the fair value of the investment properties. The investment properties are valued by JLL using a market valuation approach and as such, the valuation will be influenced by trends experienced in the property market and also the wider economic environment. In particular, the valuation will be dependent on rental income yields, demand and supply for office space in London and comparable transactions completed in the marketplace. Fluctuations in any of the inputs used by the valuers to value the investment properties may increase or decrease the fair value of the properties.

13.1.3. Interest rate risk

The Group finances its operations mainly through its share capital and reserves, including realised gains on investments. In addition, financing has been obtained through bank borrowings and fixed rate loan notes. Changes in interest rates have a direct or indirect impact on the fair value or future cash flows of the following financial assets and liabilities:

- Gilts and other government securities;
- Money market funds;
- Credit funds;
- Cash and cash equivalents;
- Group borrowings; and
- Certain derivative contracts.

Changes in interest rates indirectly affect the fair value of the Group's other investments including those in quoted equity securities, private investments or property.

Interest rate risk is managed by taking into account the possible effects on fair value and cash flows that could arise as a result of changes in interest rates when making decisions on investments and borrowings.

Exposure of the Group's financial assets and liabilities to floating interest rates (giving cash flow interest rate risk when rates are reset) and fixed interest rates (giving fair value risk), is shown below.

	31 December 2024		
£ million	Floating rate	Fixed rate	Total
Portfolio investments – debt securities[1]	–	128.1	128.1
Cash	189.4	–	189.4
Borrowings	(200.1)	(133.8)	(333.9)
Total	**(10.7)**	**(5.7)**	**(16.4)**

13. Financial instruments (continued)

	31 December 2023		
£ million	Floating rate	Fixed rate	Total
Portfolio investments – debt securities[1]	–	154.0	154.0
Cash	204.3	–	204.3
Borrowings	(142.9)	(137.9)	(280.8)
Total	**61.4**	**16.1**	**77.5**

[1] *In addition, the Group holds £686.4 million (2023: £672.9 million) invested in absolute return and credit, of which £360.7 million (2023: £327.6 million) is in funds that predominantly invest in credit instruments. These provide indirect exposure to interest rate risk.*

Exposures vary throughout the year as a consequence of changes in the composition of the net assets of the Group arising out of investment, borrowing and risk management processes.

Portfolio investments include direct and indirect (via externally-managed funds) investments in government securities, money markets, as well as quoted and unquoted debt securities issued by companies.

Interest received on cash and cash equivalents is at prevailing market rates.

The Group has total borrowings with a fair value of £333.9 million outstanding at the year end (2023: £280.8 million). The revolving credit facilities and term loan comprising £200.1 million of this total incur floating interest payments (2023: £142.9 million). The loan notes with a fair value of £133.8 million (par value of £151.0 million) have fixed interest payments (2023: fair value £137.9 million; par value £151.0 million). Further details are provided in Note 18.

Interest rate risk sensitivity analysis

The approximate sensitivity of the Group's net assets and profit in regard to changes in interest rates is illustrated below. This is based on an assumed 50 basis point annualised increase in prevailing interest rates at the balance sheet date applied to the floating rate and fixed rate assets and liabilities and the following assumptions:

- the fair values of all other assets and liabilities are not affected by a change in interest rates;
- funds will be reinvested in similar interest-bearing securities on maturity; and
- all other variables are held constant.

A 50 basis point decrease is assumed to produce an equal and opposite impact.

£ million	2024 Impact on profit and net assets	2023 Impact on profit and net assets
Total	**(1.7)**	**2.7**

The Group has direct exposure to the effect of interest rate changes on the valuation and cash flows of its interest-bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Group invests, and the impact on valuations that use interest rates as an input, including valuation models for private investments. Therefore, the sensitivity analysis may not reflect the full effect on the Group's net assets.

13.1.4. Currency risk

Consistent with its Investment Policy, the Group invests in financial instruments and transactions denominated in currencies other than sterling. As such, the Group's profit and net assets could be significantly affected by currency movements.

Currency risk is managed by the Group by entering into currency options or forward currency contracts as a means of limiting or increasing its exposure to particular currencies. These contracts are used for the purpose of hedging part of the existing currency exposure of the Group's portfolio (as a means of reducing risk) or to enable increased exposure when this is deemed appropriate by the Manager.

Foreign currency exposure

£ million	2024 Net exposure % of NAV	2023 Net exposure % of NAV
US dollar	32.1	39.6
Euro	1.7	6.0
Japanese yen	4.3	4.4
Other non-sterling	4.4	2.6
Total[1]	**42.5**	**52.6**

[1] *Amounts in the above table are based on the carrying value of all foreign currency denominated assets and liabilities and the underlying notional amounts of forward currency contracts. It does not take into account any estimates of 'look-through' exposure from our fund investments.*

Currency risk sensitivity analysis

The sensitivity of the Group's net assets and profit in regard to changes in key currencies is illustrated below. This is based on an assumed 10% strengthening of sterling relative to the foreign currencies as at 31 December 2024, and assumes all other variables are held constant. A 10% weakening is assumed to produce an equal and opposite effect.

The sensitivity analysis is based on the net foreign currency assets held at the balance sheet dates and takes account of currency forwards and options that adjust the effects of changes in currency exchange rates.

Notes to the Financial Statements

13. Financial instruments (continued)

£ million	2024 Impact on profit and net assets	2023 Impact on profit and net assets
US dollar	(67.3)	(104.8)
Japanese yen	(15.9)	(15.9)
Euro	(6.5)	(21.5)
Other non-sterling	(16.4)	(8.9)
Total	**(106.1)**	**(151.1)**

13.1.5. Credit risk

Credit risk is the risk that a counterparty to a financial instrument held by the Group will fail to discharge an obligation or commitment that it has entered into with the Group, which could result in a loss to the Group.

This risk is not considered significant and is managed as follows:

- the vast majority of the Group's listed transactions are settled on a delivery versus payment basis and are held directly by the custodian in fully segregated client accounts;
- use of a range of brokers and counterparties with their credit quality monitored regularly;
- cash balances are predominantly held with our custodian, whose credit worthiness is regularly monitored;
- cash margin is held by a range of approved counterparties, with both margin balances and counterparties' creditworthiness monitored regularly; and
- careful selection of a diversified portfolio of credit managers.

A credit exposure could arise in respect of derivative contracts entered into by the Group if a counterparty was unable to fulfil its contractual obligations.

The Group has exposure to certain debt instruments acquired as part of its private equity investments. The credit risk associated with these instruments is managed as part of the overall investment risk in the relevant portfolio companies and is not considered separately.

The Group's maximum credit exposure is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below.

Credit risk exposure

£ million	2024	2023
Portfolio investments – debt securities[1]	128.1	154.0
Derivative financial instruments[2]	92.2	71.3
Cash margin	117.3	37.8
Other receivables	5.8	33.4
Cash at bank	189.4	204.3
Total	**532.8**	**500.8**

1 *Debt securities held within portfolio investments include a private loan note issued by LionTree Advisory Holdings LLC.*

2 *Represents the fair value of assets held by counterparties.*

The credit quality of certain financial assets that are not past due, where the risk of loss is primarily that a counterparty fails to meet an obligation, can be assessed by reference to external credit ratings.

The Manager has a review process in place that includes an evaluation of a potential counterparty's ability to service and repay its debt. This is considered on a regular basis. Cash margins and other receivables comprise mainly balances with counterparties which are investment grade financial institutions with a short-term credit rating by S&P of A-2 or higher (2023: A-2).

BNP is the custodian and depositary to the Company under the Alternative Investment Fund Managers Directive (AIFMD). Under the UK equivalent regulations, the Company is the Alternative Investment Fund (AIF) and JRCM is the Alternative Investment Fund Manager (AIFM). As custodian, substantially all of the Company's directly-held listed portfolio investments and cash at bank are held by BNP. Bankruptcy or insolvency of the custodian may cause the Group's rights with respect to securities held by the custodian to be delayed; however, the custodian's local long-term rating from S&P was A+ in the most recent rating prior to 31 December 2024 (2023: A+).

As depositary under AIFMD, the main obligation of BNP is the safeguarding of those custodied assets on behalf of the RIT shareholder. The depositary is liable for the loss of financial instruments held in custody, other than under limited circumstances. As a result of this obligation, the depositary maintains oversight of all transactions undertaken by the AIFM (JRCM) on behalf of the AIF (RIT). This includes reviewing all cash movements, receiving copies of internal sign-off documentation and key legal agreements, and oversight and review of key procedures and controls.

13.1.6. Liquidity risk

Liquidity risk is the risk that the Group will have difficulty in meeting its obligations in respect of financial liabilities as they fall due.

In addition to the Group's liquidity balances and committed but undrawn borrowings, the investment portfolio includes a substantial amount of assets which would be expected to be realised within a relatively short time frame, depending on market conditions. This might include stocks (unless held via a co-investment fund or subject to a lock-up), government bonds and derivatives. Other investments can be realised over varying timeframes depending on the nature of the investment and/or the legal terms governing disposal. Investments in externally-managed equity and hedge funds have redemption periods which typically range from daily to quarterly and longer, depending in part on the underlying nature of the portfolio holdings. There is also a risk in stress situations of the funds imposing additional restrictions or 'gates' on redemptions (as happened in particular to hedge funds during the global financial crisis). Direct private and private fund investments are inherently less liquid, and while there is a secondary market, participants will often experience discounts to fair value, in particular at times of stress.

JRCM manages the Group's liquid resources in line with a liquidity risk framework overseen by the Board. This establishes a minimum level of liquidity available to meet expected contractual commitments, including ongoing costs, margin calls and capital calls (from funds

Notes to the Financial Statements

13. Financial instruments (continued)

with a commitment/drawdown structure - see Note 14). The Manager monitors the level of short-term funding, and balances the need for access to short-term funding, with the long-term funding needs of the Group.

The Group has two revolving credit facilities with a total capacity of £185 million (of which £40 million was committed and undrawn at the year end), a term loan of $66 million and £151 million par value long-term loan notes (details of which are disclosed in Note 18).

The remaining contractual financial liabilities of the Group to maturity of each instrument at the year end, with borrowings at par value, and based on the earliest date on which payment could be required are as follows:

	31 December 2024			
£ million	3 months or less	3-12 months	>1 year	Total
Current liabilities:				
Borrowings	–	161.1	–	161.1
Derivative financial instruments	58.2	11.6	–	69.8
Amounts owed to group undertakings	16.3	–	–	16.3
Non-current liabilities:				
Derivative financial instruments	–	–	17.5	17.5
Borrowings	1.8	6.6	223.3	231.7
Lease liability	0.1	0.1	6.5	6.7
Financial liabilities	76.4	179.4	247.3	503.1
Other non-financial liabilities	77.5	–	3.1	80.6
Total	**153.9**	**179.4**	**250.4**	**583.7**

	31 December 2023			
£ million	3 months or less	3-12 months	>1 year	Total
Current liabilities:				
Borrowings	142.9	–	–	142.9
Derivative financial instruments	2.5	0.3	–	2.8
Amounts owed to group undertakings	0.1	–	–	0.1
Non-current liabilities:				
Derivative financial instruments	0.0	–	–	0.0
Borrowings	–	5.6	189.3	194.9
Lease liability	0.1	0.3	8.0	8.4
Financial liabilities	145.6	6.2	197.3	349.1
Other non-financial liabilities	39.2	–	3.0	42.2
Total	**184.8**	**6.2**	**200.3**	**391.3**

In addition, the Company has contingent liabilities in the form of commitments amounting to £215 million (2023: £307 million) as set out in Note 14.

13.2. Collateral

Collateral in the form of cash margin is posted by the Group in relation to certain derivative transactions, transacted under the auspices of the International Swaps and Derivatives Association. The Group does not hold collateral from other counterparties.

Set out below is the amount of financial assets pledged as collateral at the year end.

£ million	2024	2023
Cash margin	**117.3**	**37.8**

13.3. Derivative financial instruments

The Group typically uses the following types of derivative instruments in the portfolio:

- futures and forward contracts relating to market indices, foreign currencies and government bonds;
- options relating to foreign currencies, market indices, stocks and interest rates; and
- swaps relating to interest rates, bonds, credit spreads, equity indices and stocks.

As explained above, the Manager uses derivatives to hedge various exposures and also selectively to increase or decrease exposure where desired. The notional amount of certain types of derivatives provides a basis for comparison with instruments recognised on the balance sheet, but does not necessarily indicate the amount of future cash flows involved or the current fair value of the derivatives.

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in indices, security prices, market interest rates or foreign exchange rates relevant to the terms of the derivative instrument. The aggregate contractual or notional amount of derivative financial instruments held, the extent to which instruments are favourable or unfavourable and thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

Details of the unsettled derivatives at 31 December 2024 and 31 December 2023 are:

	Group and Company			
As at 31 December 2024 £ million	Notional[1] amount	Assets (positive fair value)	Liabilities (negative fair value)	Total fair value
Commodity derivatives	122.1	2.2	(9.7)	(7.5)
Currency derivatives	1,660.9	9.3	(49.0)	(39.7)
Equity derivatives	317.5	80.7	(28.6)	52.1
Total		92.2	(87.3)	4.9

Notes to the Financial Statements

13. Financial instruments (continued)

As at 31 December 2023 £ million	Notional[1] amount	Assets (positive fair value)	Liabilities (negative fair value)	Total fair value
	Group and Company			
Commodity derivatives	233.5	6.0	(1.8)	4.2
Currency derivatives	1,406.8	32.6	(0.7)	31.9
Equity derivatives	415.9	32.7	(0.3)	32.4
Total		**71.3**	**(2.8)**	**68.5**

[1] *Long and short notional exposure has been netted.*

13.4. IFRS 13 fair value measurement classification

IFRS 13 requires the Group to classify its financial instruments held at fair value using a hierarchy that reflects the significance of the inputs used in the valuation methodologies. These are as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The vast majority of the Group's financial assets and liabilities, investment properties and property, plant and equipment are measured at fair value on a recurring basis.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting year when they are deemed to occur.

A description of the valuation techniques used by the Group with regards to investments categorised in each level of the fair value hierarchy is detailed below. Where the Group invests in a fund or a partnership, which is not itself listed on an active market, the categorisation of such investments between levels 2 and 3 is determined by reference to the nature of the fund or partnership's underlying investments. If such investments are categorised across different levels, the lowest level of the hierarchy that forms a significant proportion of the fund or partnership exposure is used to determine the reporting disclosure.

If the proportion of the underlying investments categorised between levels changes during the period, these will be reclassified to the most appropriate level.

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Where a market price is available but the market is not considered active, the Group has classified these investments as level 2.

Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques which maximise the use of observable market data where it is available. Specific valuation techniques used to value OTC derivatives include quoted market prices for similar instruments, counterparty quotes and the use of forward exchange rates to estimate the fair value of forward foreign exchange contracts at the balance sheet date. Investments in externally-managed funds which themselves invest primarily in listed securities are valued at the price or net asset value released by the investment manager or fund administrator as at the balance sheet date.

Level 3

The Group considers all private investments, whether direct or funds, (as described in the Investment Portfolio on page 44) as level 3 assets, as the valuations of these assets are not typically based on observable market data. Where other funds invest into illiquid stocks, these are also considered by the Group to be level 3 assets.

Private fund investments are held at the most recent fair values provided by the GPs managing those funds, adjusted for subsequent investments, distributions, and currency movements up to the period end, and are subject to periodic review by the Manager.

Direct co-investments are also held at the most recent fair values provided by the GPs managing those co-investments, adjusted for subsequent investments, distributions, currency moves, as well as pricing events where the Manager has sufficient information to suggest the period-end valuation should be adjusted. The remaining directly-held private investments are valued on a semi-annual basis using techniques including a market approach, income approach and/or cost approach. The valuation process involves the investment functions of the Manager who prepare the initial valuations, which are then subject to review by the finance function, with the final valuations being determined by the Valuation Committee, comprised of independent non-executive Directors, of which the Audit and Risk Committee Chair is also a member.

Notes to the Financial Statements

13. Financial instruments (continued)

Specific valuation techniques used will typically include the value of recent transactions, earnings multiples, discounted cash flow analysis, and, where appropriate, industry specific methodologies. The acquisition cost, if determined to be fair value, may be used to calibrate inputs to the valuation. The valuations will often reflect a synthesis of a number of distinct approaches in determining the final fair value estimate. The individual approach for each investment will vary depending on relevant factors that a market participant would take into account in pricing the asset. These might include the specific industry dynamics, the company's stage of development, profitability, growth prospects or risk as well as the rights associated with the particular security.

Borrowings at 31 December 2024 comprise bank loans and senior loan notes. The bank loans are revolving credit facilities paying floating interest, and are typically drawn in tranches with a duration of three or six months. The loans are therefore short-term in nature, and their fair value approximates their nominal value. The term loan was drawn in September 2024 with a tenor of three years and pays floating interest. The loan notes were issued in 2015 with tenors of between 10 and 20 years with a weighted average of 15 years. They are valued on a monthly basis using a discounted cash flow model where the discount rate is derived from the yield of similar tenor UK Government bonds, adjusted for any significant changes in either credit spreads or the perceived credit risk of the Company.

The fair value of investments in non-consolidated subsidiaries is considered to be the net asset value of the individual subsidiary as at the balance sheet date. The net asset value comprises various assets and liabilities which are fair valued on a recurring basis and is considered to be level 3.

On a semi-annual basis, the Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties and property, plant and equipment held at fair value. Further information is shown in Notes 10 and 15.

The following table analyses the Group's assets and liabilities within the fair value hierarchy, at 31 December 2024:

As at 31 December 2024

£ million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL):				
Portfolio investments	996.3	989.4	1,665.6	3,651.3
Non-consolidated subsidiaries	–	–	140.8	140.8
Investments held at fair value	996.3	989.4	1,806.4	3,792.1
Derivative financial instruments	8.1	84.1	–	92.2
Total financial assets at FVPL	**1,004.4**	**1,073.5**	**1,806.4**	**3,884.3**
Non-financial assets measured at fair value:				
Investment property	–	–	32.7	32.7
Property, plant and equipment	–	–	21.7	21.7
Total non-financial assets measured at fair value	**–**	**–**	**54.4**	**54.4**
Financial liabilities at FVPL:				
Borrowings	–	–	(333.9)	(333.9)
Derivative financial instruments	(8.0)	(79.3)	–	(87.3)
Total financial liabilities at FVPL	**(8.0)**	**(79.3)**	**(333.9)**	**(421.2)**
Total net assets measured at fair value	**996.4**	**994.2**	**1,526.9**	**3,517.5**
Other non-current assets				0.2
Cash at bank				189.4
Other current assets				123.1
Other current liabilities				(93.8)
Other non-current liabilities				(5.2)
Net assets				**3,731.2**

Notes to the Financial Statements

13. Financial instruments (continued)

Movements in level 3 assets

Year ended 31 December 2024 £ million	Investments held at fair value	Properties	Total
Opening balance	1,765.2	55.7	1,820.9
Purchases	222.8	–	222.8
Sales	(242.3)	–	(242.3)
Gains/(losses) through profit or loss[1]	138.9	(0.5)	138.4
Unrealised gains/(losses) through other comprehensive income	–	0.3	0.3
Transfer in to level 3	43.2	–	43.2
Transfer out of level 3	(137.3)	–	(137.3)
Other	15.9	(1.1)	14.8
Closing balance	**1,806.4**	**54.4**	**1,860.8**

[1] *Included within gains/(losses) through profit or loss is £129.6 million of unrealised gains (2023: £23.3 million loss) relating to those level 3 assets held at the end of the reporting period.*

During the year, investments in funds with a fair value of £43.2 million were transferred from level 2 to 3. In addition, investments in funds with a fair value of £137.3 million were transferred from level 3 to 2. This is as a result of new financial information received during the year in respect of the underlying investments of the funds.

Level 3 assets

Level 3 assets – direct private investments

Further information in relation to the directly-held private investments is set out in the following table. This summarises the portfolio by the primary method used in estimating the fair value of the investment. As a range of valuation methods and inputs may be used in the valuation process, selection of a primary method is subjective, and designed primarily to assist the subsequent sensitivity analysis.

Primary valuation method/approach

£ million	31 December 2024	31 December 2023
Third-party valuation[1]	213.8	259.7
Discount to earnings multiple	50.2	–
Recent transaction	31.6	60.0
Earnings multiple[1]	21.5	7.5
Other industry metrics	14.1	22.9
Discount to agreed sale[2]	12.0	13.3
Cost[3]	12.0	6.0
Blend of methods	11.3	–
Discount to recent transaction	8.1	22.3
Total	**374.6**	**391.7**

[1] *Included in these methods are direct private investments held within the non-consolidated subsidiaries with a total of £7.2 million (December 2023: £25.1 million).*

[2] *Includes assets previously in 'discount to sale proceeds'.*

[3] *Cost was previously included within Other industry metrics.*

The majority of the direct private investments are structured as co-investments, managed by a GP. For these investments, the valuation approach is to typically use the latest quarterly fair valuations provided by the GP, adjusted for any subsequent investments/distributions and currency moves as well as pricing events or other factors, where there is sufficient information to suggest the period-end valuation should be adjusted.

Where the Manager has sufficient information to undertake its own valuation, a range of methods will typically be used. For companies with positive earnings, this will usually involve a earnings multiple approach, typically using EBITDA or similar. The earnings multiple is assessed by reference to similar listed companies or transactions involving similar companies. When an asset is undergoing a sale and the price has been agreed but not yet completed or an offer has been submitted, the agreed or offered price will be used, often with a discount as appropriate to reflect the risks associated with the transaction completing or any price adjustments. Where a company has been the subject of a recent financing round which is viewed as representative of fair value, this transaction price will be used. Other methods employed include discounted cash flow analysis and industry metrics such as multiples of assets under management or revenue, where market participants use these approaches in pricing assets.

The following table provides a sensitivity analysis of the valuation of directly-held private investments, and the impact on net assets:

Valuation method/approach	Sensitivity analysis
Third-party valuations	A 5% change in the value of these assets would result in a £10.7 million or 0.3% (December 2023: £13.0 million, 0.4%) change in net assets.
Discount to earnings multiple	Assets in this category are valued using discounts applied to sales multiples. The discounts range between 50% and 75% and the multiples used range between 1.8x - 10.3x. If the net impact of these variables caused an increase or decrease of 5% then the net assets would increase/decrease by £2.5 million or 0.07% (December 2023: n/a).
Recent transaction	A 5% change in the value of these assets would result in a £1.6 million or 0.04% (December 2023: £3.0 million, 0.08%) change in net assets.
Earnings multiple	Assets in this category are valued using earnings multiples in the range of 1.0x - 11.9x. If the multiple used for valuation purposes is increased or decreased by 5% then the net assets would increase/decrease by £0.6 million or 0.02% (December 2023: £0.5 million, 0.02%).
Other industry metrics	A 5% change in the value of these assets would result in a £0.7 million or 0.02% (December 2023: £1.4 million, 0.04%) change in net assets.

Notes to the Financial Statements

13. Financial instruments (continued)

Valuation method/approach	Sensitivity analysis
Discount to agreed sale	The asset in this category is valued at a 25% discount to an agreed sale to account for uncertainty of the deal closing. A 5% change in discount would result in a £0.2 million or <0.01% (December 2023: £0.03 million, <0.001%) change in net assets.
Cost	A 5% change in the value of these assets would result in a £0.6 million or 0.02% (December 2023: £0.3 million, <0.01%) change in net assets.
Blend of methods	A 5% change in the value of these assets would result in a £0.6 million or 0.02% (December 2023: n/a) change in net assets.
Discount to recent transaction	Assets in this category are valued using a discount applied to a recent financing round or secondary transaction. Discounts range between 50% and 63% and are reflective of a number of different factors including elapsed time since the transaction and the movement in market prices of broadly similar listed companies. A 5% change to the discount applied would result in a £0.4 million or 0.01% (December 2023: £1.1 million, 0.03%).

Level 3 assets – other

The investment property and property, plant and equipment with an aggregate fair value of £54.4 million (2023: £55.7 million) were valued using a third-party valuation provided by Jones Lang LaSalle. The properties were valued using weighted average capital values of £1,484 per square foot (2023: £1,499) developed from rental yields and supported by market transactions. A 5% per square foot increase/decrease in capital values would result in a £2.4 million increase/decrease in fair value (2023: £2.5 million increase/decrease).

The non-consolidated subsidiaries are held at their fair value of £140.8 million (2023: £137.1 million) representing £124.5 million of portfolio investments (2023: £138.1 million) and £16.3 million of remaining assets (2023: £1.0 million of remaining liabilities). A 5% change in the value of these assets would result in £7.0 million or 0.2% (2023: £6.9 million, 0.2%) change in total net assets.

The remaining investments held at fair value and classified as level 3 of £1,298.2 million (2023: £1,261.5 million) were valued using third-party valuations from a GP, administrator or fund manager. A 5% change in the value of these assets would result in a £64.9 million or 1.74% (2023: £63.1 million, 1.77%) change in net assets.

In aggregate, the sum of the direct private investments, investment property, property, plant and equipment, non-consolidated subsidiaries and the remaining fund investments represents the total level 3 assets of £1,860.8 million (2023: £1,820.9 million).

The following table analyses the Group's assets and liabilities within the fair value hierarchy, at 31 December 2023:

As at 31 December 2023

£ million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL):				
Portfolio investments	668.4	1,065.8	1,628.1	3,362.3
Non-consolidated subsidiaries	–	–	137.1	137.1
Investments held at fair value	668.4	1,065.8	1,765.2	3,499.4
Derivative financial instruments	8.7	62.6	–	71.3
Total financial assets at FVPL	**677.1**	**1,128.4**	**1,765.2**	**3,570.7**
Non-financial assets measured at fair value:				
Investment property	–	–	34.1	34.1
Property, plant and equipment	–	–	21.6	21.6
Total non-financial assets measured at fair value	**–**	**–**	**55.7**	**55.7**
Financial liabilities at FVPL:				
Borrowings	–	–	(280.8)	(280.8)
Derivative financial instruments	(1.8)	(1.0)	–	(2.8)
Total financial liabilities at FVPL	**(1.8)**	**(1.0)**	**(280.8)**	**(283.6)**
Total net assets measured at fair value	**675.3**	**1,127.4**	**1,540.1**	**3,342.8**
Other non-current assets				0.1
Cash at bank				204.3
Other current assets				71.3
Other current liabilities				(39.3)
Other non-current liabilities				(5.9)
Net assets				**3,573.3**

Notes to the Financial Statements

13. Financial instruments (continued)

Movements in level 3 assets

Year ended 31 December 2023 £ million	Investments held at fair value	Properties	Total
Opening balance	1,875.3	58.6	1,933.9
Purchases	187.2	–	187.2
Sales	(159.0)	–	(159.0)
Gains/(losses) through profit or loss	(143.2)	(2.9)	(146.1)
Unrealised gains/(losses) through other comprehensive income	–	0.3	0.3
Other	4.9	(0.3)	4.6
Closing balance	**1,765.2**	**55.7**	**1,820.9**

13.5. Capital management

The Group's primary objectives in relation to the management of capital are:

- to deliver long-term capital growth for its shareholders, while preserving shareholders' capital;
- to deliver for shareholders increases in capital value in excess of the relevant indices over time through an appropriate balance of equity capital and gearing; and
- to ensure the Group's ability to continue as a going concern.

The Company is subject to externally imposed capital requirements:

- the Company's Articles of Association restrict borrowings to a maximum of five times share capital and reserves; and
- the Company's borrowings are subject to covenants limiting the total exposure based on a minimum net assets and a cap of borrowings as a percentage of adjusted net assets.

All these conditions were met during this year and the previous financial year.

In addition, JRCM is subject to capital requirements imposed by the FCA and must ensure that it has sufficient capital to meet these requirements. JRCM was compliant with those capital requirements throughout the year.

The Group's capital at 31 December 2024 and 31 December 2023 comprised:

£ million	2024	2023
Equity share capital	156.8	156.8
Retained earnings and other reserves	3,574.4	3,416.5
Net asset value	3,731.2	3,573.3
Borrowings	333.9	280.8
Total capital	**4,065.1**	**3,854.1**

There have been no significant changes to the Group's capital management objectives, policies and processes in the year, nor has there been any change in what the Group considers to be its capital.

14. Financial commitments

Financial commitments to invest additional funds which have not been provided for are as follows:

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Commitments	**215.2**	**215.2**	**307.1**	**307.1**

The financial commitments are principally uncalled commitments to private funds, typically established as 10-year funds with a five-year investment period, are diversified across multiple funds and vintage years, and may be called, with customary notice, at any time. The majority are denominated in US dollars and therefore subject to currency fluctuation.

15. Investment property

The Group and Company's investment property as at 31 December 2024 was £32.7 million (2023: £34.1 million).

£ million	2024	2023
Rental income from investment properties	1.5	1.8
Direct operating expenses arising from investment properties that generated rental income during the year	(1.7)	(1.5)
Cash outflow from leases	(0.5)	(0.5)

The Group and Company is committed to making the following payments under non-cancellable leases over the periods described.

£ million	2024	2023
Within one year	0.2	0.4

Under non-cancellable leases the Group and Company will receive the following:

£ million	2024	2023
Within one year	0.6	0.6
Between one and two years	0.5	0.3
Between two and three years	0.3	0.1
Between three and four years	–	0.0

All investment properties held by the Group during the year generated rental income.

Notes to the Financial Statements

15. Investment property (continued)

The Company leases Spencer House from the Spencer Trustees (the Trustees). The terms of this lease include provisions such that: any assignment or sale of the lease can occur only with the consent of the Trustees, there are limits on the frequency of events and that the Trustees retain certain (de minimis) usage rights over the 'fine rooms'. The Company is required to externally redecorate every three years and to internally redecorate every seven years. The property is typically open to the public for viewing every Sunday, except during August. The investment property portfolio is valued by JLL on a six-monthly basis in accordance with current RICS Valuation – Global Standards, published by the Royal Institution of Chartered Surveyors, on the basis of open market value. The most recent valuation, which reflects the factors highlighted above, was undertaken as at 31 December 2024.

16. Other receivables

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Cash margin	117.3	117.3	37.8	37.8
Amounts receivable	1.5	1.3	1.2	1.2
Prepayments and accrued income	1.2	0.7	4.2	3.6
Sales for future settlement	3.1	3.1	28.0	28.0
Total	**123.1**	**122.4**	**71.2**	**70.6**

The carrying amount of other receivables approximates their fair value, due to their short-term nature.

17. Related party transactions

In the normal course of its business, the Group has entered into a number of transactions with related parties. All arrangements with related parties are monitored by the Conflicts Committee, which is comprised solely of independent non-executive Directors.

Transactions with Dame Hannah Rothschild or parties related to her

During the current and prior year the Group transacted with entities classified as related to Dame Hannah Rothschild as a result of her having significant influence over them, a beneficial interest in them, or otherwise in accordance with IAS 24 – Related Party Disclosures (IAS 24).

The Group had arrangements with these related parties covering the provision and receipt of administrative, support and supply services. Under these arrangements the Group received £39,711 (2023: £72,193) and paid £87,013 (2023: £94,257).

Certain of these related parties occupy office space in St. James's Place which is owned or leased by the Group. The rent, rates and services charged by the Group for the year ended 31 December 2024 amounted to £205,065 (2023: £186,232).

Nothing was owed by the Group to the parties related to Dame Hannah Rothschild at either 31 December 2024 or 31 December 2023. The balance due to the Group from these related parties at 31 December 2024 was £11,567 (2023: £12,303).

Group undertakings

JRCM acts as the Company's manager, administrator and corporate secretary. During the year ended 31 December 2024, the charge for these services from JRCM to the Company amounted to £49.5 million (2023: £42.6 million). JRCM incurred rent charges of £580,000 (2023: £580,000) from the Company. During the year SHL (also a wholly-owned subsidiary of the Company) earned property management revenues of £90,462 from JRCM (2023: £89,191) and £1,809,849 from the Company (2023: £1,830,681).

In May 2024 the Company withdrew from its former associate, JRCM (London) LLP for no gain or loss. No subscriptions were made to JRCM (London) LLP in the year (2023: £nil).

Amounts due from subsidiaries and to subsidiaries are disclosed on the face of the Group's balance sheet. The balances outstanding at the year ends are show below:

	Amounts owed by/(to) Group undertakings	
£ million	2024	2023
RIT Investments US, Inc	(1.3)	0.0
RIT Investments GP Limited	(0.1)	(0.1)
J. Rothschild Capital Management US, Inc	(14.9)	0.1
Total	**(16.3)**	**0.0**

	Amounts owed by/(to) Company undertakings	
£ million	2024	2023
RIT Investments US, Inc	(1.3)	0.0
JRCM	(131.5)	(119.7)
J. Rothschild Capital Management US, Inc	(14.9)	0.1
Total	**(147.7)**	**(119.6)**

RITCP Pension and Life Assurance Scheme

The Group's pension scheme is deemed to be a related party of the Company pursuant to IAS 24. Details of the pension contributions made during the year are disclosed in Note 11. There was £nil owing to the pension scheme by the Company at 31 December 2024 (31 December 2023: £48,894). There was £44,123 owed by the Group's pension scheme to the Company at 31 December 2024 (31 December 2023: £nil).

Directors and key management personnel

Details of the remuneration and benefits attributable to Directors and key management personnel are set out below.

£ million	2024	2023
Short-term employee benefits	8.9	4.2
Share-based payment	4.4	11.5
Social security costs	1.9	2.3
Total	**15.2**	**18.0**

The Group has no ultimate controlling party.

Notes to the Financial Statements

18. Borrowings

£ million	Group and Company 2024	2023
Unsecured loans payable within one year:		
Revolving credit facilities	147.3	142.9
Fixed rate loan notes	12.9	–
Unsecured loans payable in more than one year:		
Floating rate term loan	52.8	–
Fixed rate loan notes	120.9	137.9
Total borrowings	**333.9**	**280.8**

At 31 December 2024 the Company had two revolving credit facilities (RCFs): an £85 million, three-year facility with BNP Paribas SA and a £100 million three-year facility with Industrial and Commercial Bank of China, both agreed in December 2022. These are flexible as to currency, duration and number of drawdowns, and pay floating interest linked to SONIA, SOFR or equivalent relevant to the period and currency drawn. As they are drawn in tranches with tenors less than one year they are classified as current liabilities. The fair value and par value of the drawn borrowings at the year end was £147.3 million (2023: £142.9 million). A change in interest rates is not expected to have a significant impact on the fair value of the RCFs. No bank loans are held within subsidiaries. The weighted average interest rate on drawn RCFs at the year end was 6.62% (2023: 7.28%).

In September 2024 the Company agreed a $66 million, three-year term loan with BNP Paribas SA. This is flexible as to currency and pays floating interest linked to SOFR. The fair value of the term loan at year end was £52.8 million. A change in interest rates is not expected to have a significant impact on the fair value of the term loan. The weighted average interest rate on the term loan at year end was 7.16%.

On 1 June 2015 the Company issued £151.0 million of fixed rate loan notes with tenors between 10 and 20 years and coupons from 3.00% to 3.56%. These notes are held at fair value and pay interest on a semi-annual basis. The fair value of this debt at the end of the year was £133.8 million (2023: £137.9 million) calculated using a discount rate of 5.87% (2023: 5.13%). The first tranche of these notes, with a par value of £13.0 million, matures in June 2025 and is classified in current liabilities. A 5% increase/decrease in the underlying discount rate would result in an increase/decrease in net assets of approximately £2.0 million (2023: £2.0 million) or 0.05% (2023: 0.06%). The weighted average interest rate payable on these Notes is 3.45% and their remaining weighted average tenor is 6.2 years (2023: 7.2 years).

The overall weighted average interest rate on drawn borrowings at the year end was 5.31% (2023: 5.32%). The Company's borrowings are subject to covenants as outlined in note 13.5.

19. Other payables

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Accruals	16.3	6.7	15.2	8.3
Other creditors	18.0	17.7	21.3	20.9
Purchases for future settlement	43.2	43.2	2.7	2.7
Total	**77.5**	**67.6**	**39.2**	**31.9**

The carrying value of the Group's other payables approximates their fair value, due to their short-term nature.

20. Provisions

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Opening balance	3.0	3.0	1.8	2.2
Additional provision	0.2	0.2	1.7	1.3
Amounts utilised	(0.3)	(0.3)	(0.4)	(0.4)
Foreign exchange movements	0.1	0.1	(0.1)	(0.1)
Total	**3.0**	**3.0**	**3.0**	**3.0**

The provision above relates to an indemnity provided by the Company in 1991 when it profitably disposed of its indirect interest in Cavenham Forest Industries (CFI). The sellers (including the Company) indemnified the purchasers of CFI against certain ongoing costs being incurred by CFI. The indemnity provision has been estimated based on the net present value of the Company's share of the projected indemnified costs.

As at 31 December 2024 there are no provisions in respect of investments which are expected to settle within the next 12 months (as at 31 December 2023: £nil). It is anticipated that provisions noted above will be settled more than 12 months after the balance sheet date.

21. Share capital

£ million	Shares in issue	2024 Nominal value of total shares in issue	2023 Nominal value of total shares in issue
Allotted, issued and fully paid:			
At 1 January	156,848,065	156.8	156.8
At 31 December	**156,848,065**	**156.8**	**156.8**

The Company has one class of ordinary shares which carry no right to fixed income. The share capital is not distributable.

Notes to the Financial Statements

21. Share capital (continued)

In 2024, 4,290,460 shares were bought back at a cost of £80.4 million and held in treasury (2023: 8,617,954 shares at a cost of £163.1 million) meaning at 31 December 2024, 13,598,277 shares were held in treasury (2023: 9,307,817 shares).

22. Share premium

£ million	2024	2023
At 1 January	45.7	45.7
At 31 December	**45.7**	**45.7**

The share premium is not distributable.

23. Capital redemption reserve

£ million	2024	2023
At 1 January	36.3	36.3
At 31 December	**36.3**	**36.3**

The capital redemption reserve is not distributable and represents the cumulative nominal value of shares cancelled.

24. Own shares reserve

£ million	2024	2023
Opening cost	(36.7)	(46.3)
Own shares acquired	(13.7)	(9.8)
Own shares transferred	25.1	19.4
Closing cost	**(25.3)**	**(36.7)**

The Group has established an Employee Benefit Trust (EBT) which purchases shares in order to meet the anticipated value of equity-settled, share-based awards. At the year end, the EBT held 1,198,716 shares with a cost of £25.3 million and market value of £23.8 million (2023: 1,611,339 shares, cost £36.7 million, market value £30.3 million). The own shares reserve is not distributable.

25. Share-based payments

The Group utilises share-based awards for employees, the vast majority of which are equity-settled, and designed to align the interests of employees with those of shareholders.

Restricted share units (RSUs) were awarded to employees during the year. These are widely used long-term incentive awards that comprise awards of shares made to employees that will vest after a three-year service period. There are also a small number of legacy share appreciation rights (SARs) remaining. These are no longer awarded to employees since the conversion to RSUs was made in 2021.

In addition, 60% of annual bonuses over £250,000 are made in deferred shares which vest over three years (based on a service condition).

The total expense for share-based awards is fixed based on the initial fair value at the time the award is made. The ultimate impact on the net asset value is the cost of the shares acquired by the EBT and then transferred to employees if and when they vest. For 2024, the cost recognised in the income statement (excluding national insurance) for share-based awards was £5.9 million (2023: £14.7 million) of which £3.8 million relates to RSUs and £2.1 million to deferred shares.

The movement in share-based awards is as follows:

Number (thousand)	2024	2023
Outstanding at the start of the year:		
SARs	109	315
RSUs	1,200	1,483
Deferred shares	627	988
Total	1,936	2,786
Granted during the year:		
RSUs	481	424
Deferred shares	102	91
Total	583	515
Exercised/vested during the year:		
SARs	–	–
RSUs	(707)	(377)
Deferred shares	(387)	(452)
Total	(1,094)	(829)
Lapsed/forfeited during the year:		
SARs	(22)	(206)
RSUs	(69)	(330)
Deferred shares	(35)	–
Total	(126)	(536)
Outstanding at the end of the year:		
SARs	87	109
RSUs	905	1,200
Deferred shares	307	627
Total	1,299	1,936
SARs exercisable at year end	87	109
Intrinsic value of SARs exercisable at year end (£ million)	**0.0**	**0.0**

For share-based awards granted during the year, the weighted average fair value of each award was 1,630 pence (2023: 1,770 pence).

Share-based awards with service conditions attached (deferred shares and RSUs) were valued using the prevailing market price.

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26. Capital reserve

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Balance at start of year	3,393.1	3,435.8	3,548.9	3,578.6
Gains/(loss) for the year	347.5	348.1	110.7	110.7
Dividend paid	(56.5)	(56.5)	(56.7)	(56.7)
Other capital items	(135.8)	(109.8)	(209.8)	(196.8)
Taxation	–	–	–	–
Total capital return	155.2	181.8	(155.8)	(142.8)
Balance at end of year	**3,548.3**	**3,617.6**	**3,393.1**	**3,435.8**

The Company's Articles of Association allow distribution by dividends of realised capital reserves.

£ million	2024	2023
Capital reserve:		
in respect of investments realised	2,670.2	2,557.3
in respect of investments held	947.4	878.5
Balance at end of year	**3,617.6**	**3,435.8**

27. Revenue reserve

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Balance at start of year	(32.2)	(226.2)	(29.1)	(209.5)
Loss for the year	(9.2)	(31.2)	(2.9)	(16.7)
Actuarial gain/(loss)	0.3	–	(0.4)	–
Deferred tax (charge)/ credit	(0.1)	–	0.2	–
Balance at end of year	**(41.2)**	**(257.4)**	**(32.2)**	**(226.2)**

As permitted by Section 408 of the Companies Act 2006, the Company has not published a separate income statement or statement of comprehensive income. The Company's revenue loss after tax amounted to £31.2 million (2023: loss £16.7 million). The Company's total comprehensive income for the year was £287.8 million (2023: comprehensive income of £61.2 million).

28. Revaluation reserve

	31 December 2024		31 December 2023	
£ million	Group	Company	Group	Company
Balance at start of year	10.3	10.3	9.4	9.4
Revaluation gain/(loss) on property, plant and equipment	0.3	0.3	0.9	0.9
Balance at end of year	**10.6**	**10.6**	**10.3**	**10.3**

The revaluation reserve is not distributable.

29. Net asset value per ordinary share – basic and diluted

Net asset value per ordinary share is based on the following data:

31 December	2024	2023
Net assets (£ million)	3,731.2	3,573.3
Number of shares in issue (million)	156.8	156.8
Shares held in EBT (million)	(1.1)	(1.6)
Shares held in treasury (million)	(13.6)	(9.3)
Basic shares (million)	142.1	145.9
Effect of share-based payment awards (million)	0.7	1.4
Diluted shares (million)	**142.8**	**147.3**

31 December	2024 pence	2023 pence
Net asset value per ordinary share – basic	2,627	2,449
Net asset value per ordinary share – diluted	2,614	2,426

30. Investments in subsidiary undertakings

£ million	
Carrying value at 1 January 2024	143.2
Additions	8.7
Disposals	(34.6)
Fair value movements in year	29.8
Carrying value at 31 December 2024	**147.1**

£ million	
Carrying value at 1 January 2023	107.2
Additions	21.0
Disposals	(25.2)
Fair value movements in year	40.2
Carrying value at 31 December 2023	**143.2**

Investments in subsidiary undertakings are stated at cost or fair value where appropriate.

At 31 December 2024 the Company held investments in the following subsidiaries, which, unless otherwise stated, are wholly-owned, share the same accounting reference date as the Company and operate principally in their country of incorporation. The voting share capital, unless otherwise stated, is held directly by the Company.

In accordance with IFRS 10 the subsidiary below is consolidated by the Group and held by the Company at cost:

Name	Issued share capital
JRCM[1]	£6,250,001 divided into 6,250,000 ordinary shares of £1 each and one special share of £1 which provides rights over the use of the "J. Rothschild" name.

[1] *Registered office and principal place of business: 27 St. James's Place, London SW1A 1NR.*

Notes to the Financial Statements

30. Investments in subsidiary undertakings (continued)

In accordance with IFRS 10 the Company and Group holds the following subsidiaries at fair value at 31 December 2024:

Name	Principal place of business	Ownership
Spencer House Limited[1,5]	England	100%
RIT US Value Partnership LP[1,6]	England	100%
RIT Investments GP Limited[2,3,5]	Scotland	100%
J. Rothschild Capital Management US Inc[4,5]	United States	100%
RIT Investments US Inc[3,4,5]	United States	100%
RIT US Holdings LLP[3,4,6]	United States	100%

1 *Registered office and principal place of business: 27 St. James's Place, London SW1A 1NR.*
2 *Registered office and principal place of business: 50 Lothian Road, Edinburgh EH3 9WJ.*
3 *Held indirectly.*
4 *Registered office: 251 Little Falls Drive, Wilmington, Delaware 19808, USA.*
5 *Ownership interest is ordinary shares.*
6 *Ownership interest is partnership capital.*

For all of the above the proportion of voting rights held is equivalent to the ownership interest.

There are no significant restrictions arising from any contractual arrangements or regulatory requirements that would affect the ability of any of the above entities to transfer funds to or repay loans made by the Company.

There are no other current commitments or contractual arrangements to provide financial support to any of the entities above other than in the normal course of business (e.g. funding of investment transactions/capital calls). The Company has not assisted any of the above entities in obtaining financial support in any way over the year.

31. Dividends

	2024 Pence per share	2023 Pence per share	2024 £ million	2023 £ million
Dividends paid in year	**39.0**	**38.0**	**56.5**	**56.7**

The above amounts were paid as distributions to equity holders of the Company in the relevant year from accumulated capital profits.

Dividends are not paid on shares held in treasury and the EBT waives its rights to all dividends.

On 4 March 2024 the Board declared a first interim dividend of 19.5 pence per share in respect of the year ended 31 December 2024 that was paid on 26 April 2024. A second interim dividend of 19.5 pence per share was declared by the Board on 31 July 2024 and paid on 25 October 2024.

The Board declares the payment of a first interim dividend of 21.5 pence per share in respect of the year ending 31 December 2025. This will be paid on 25 April 2025 to shareholders on the register on 4 April 2025, and funded from the accumulated capital profits.

32. Reconciliation of profit/(loss) before finance costs and taxation to net cash inflow/(outflow) from operating activities before taxation and interest

£ million	Group 2024	Group 2023
Profit/(loss) before dividend and interest income, finance costs and taxation	310.8	73.0
Dividend income	15.6	10.1
Interest income	12.0	17.4
Profit/(loss) before finance costs and taxation	**338.4**	**100.5**
(Increase)/decrease in other receivables	(51.9)	174.1
Increase/(decrease) in other payables	38.3	(24.3)
Other movements	25.4	20.0
(Gains)/losses on borrowings	(4.1)	3.6
Realised foreign exchange (gains)/ losses on repayments and drawings of borrowings	(1.8)	(15.3)
Unrealised foreign exchange (gains)/ losses on repayments and drawings of borrowings	8.0	3.3
Purchase of investments held at fair value	(1,480.6)	(853.4)
Sale of investments held at fair value	1,596.8	951.9
(Gains)/losses on fair value investments	(408.9)	(11.2)
(Increase)/decrease in derivatives	63.6	(20.6)
Net cash inflow/(outflow) from operating activities before taxation and interest	**123.2**	**328.6**

Notes to the Financial Statements

32. Reconciliation of profit/(loss) before finance costs and taxation to net cash inflow/(outflow) from operating activities before taxation and interest (continued)

	Company	
£ million	2024	2023
Profit/(loss) before dividend and interest income, finance costs and taxation	293.3	67.2
Dividend income	15.6	10.1
Interest income	12.0	17.4
Profit/(loss) before finance costs and taxation	**320.9**	**94.7**
(Increase)/decrease in other receivables	(51.8)	174.3
Increase/(decrease) in other payables	35.7	(22.2)
Other movements	5.8	1.2
(Gains)/losses on borrowings	(4.1)	3.6
Realised foreign exchange (gains)/ losses on repayments and drawings of borrowings	(1.8)	(15.3)
Unrealised foreign exchange (gains)/ losses on repayments and drawings of borrowings	8.0	3.3
(Increase)/decrease in investments in subsidiary undertakings	(29.8)	(40.2)
Increase/(decrease) in amounts owed to group undertakings	28.1	29.5
Purchase of investments held at fair value	(1,379.0)	(832.5)
Sale of investments held at fair value	1,485.8	926.7
(Gains)/losses on fair value investments	(395.7)	28.6
(Increase)/decrease in derivatives	63.6	(20.6)
Net cash inflow/(outflow) from operating activities before taxation and interest	**85.7**	**331.1**

Reconciliation of liabilities arising from financing activities (Group and Company):

£ million	2023	Non-cash changes in fair value[1]	Net (drawdowns)/ repayments	2024
Borrowings: current	(142.9)	33.6	(50.9)	(160.2)
Borrowings: non-current	(137.9)	(35.8)	–	(173.7)
Total	**(280.8)**	**(2.2)**	**(50.9)**	**(333.9)**

[1] *Including currency translation.*

33. Material investments and related undertakings

Further information regarding investments is shown here.

Disclosed below are the ten largest investments in the portfolio (excluding investments in non-consolidated subsidiaries) shown at fair value:

As at 31 December 2024	£ million
3D Opportunities	167.1
BlackRock Strategic Equity	128.0
Tresidor Credit Opportunities	98.3
Attestor Value	89.6
Motive	84.6
ARCM IV	83.6
Springs Opportunities	83.4
HCIF Offshore	80.1
RIT US Value Partnership	77.4
Woodline Fund	68.4
Total	**960.5**

As at 31 December 2023	£ million
3D Opportunities	182.2
HCIF Offshore	156.8
BlackRock Strategic Equity	112.3
Attestor Value	97.5
ARCM IV	96.9
Tresidor Credit Opportunities	89.9
Motive	78.0
RIT US Value Partnership	77.8
Springs Opportunities	70.7
Caxton Dynamis	68.5
Total	**1,030.6**

Further to the disclosures in Note 30 (Investments in subsidiary undertakings), the table on the following page shows a list of significant related undertakings of the Group as at 31 December 2024. For the investments shown the principal place of business voting rights held is considered to be the ownership interest.

The Directors do not consider that any of the portfolio investments shown in the table on the following page fall within the definition of an associated company (aside from the entities noted below the table) as the Group does not exercise significant influence over their operating and financial policies as it is a passive investor.

In a number of cases the Group owns more than 50% of a particular class of shares or partnership interest. The Group does not consider these holdings, although greater than 50%, provide control of the investee entities concerned as firstly the Group's position as a passive investor in these entities acts as a substantive barrier to its exercising any power over the investee and secondly the nature of the Group's holding does not give it the ability to direct the relevant activities of the investee because it does not control or participate in the governing bodies of these entities.

Notes to the Financial Statements

33. Material investments and related undertakings (continued)

Unconsolidated structured entities
The Group holds interests in closed-ended limited partnerships which invest in underlying companies or securities for the purpose of capital appreciation. The Group, alongside the other limited partners, makes commitments to finance the investment programme of the relevant GP or manager, who may draw down this committed amount either upfront or over a period of years.

The table below shows the Group's carrying value of such investments and represents the maximum exposure to loss based on the Group's contributions to date.

£ million	2024	2023
Total[1]	**1,745.4**	**1,729.5**

[1] *Included within Investments held at fair value*

The list of significant related undertakings below is pursuant to the requirements of Companies Act 2006, Statutory Instrument 2015 No. 980 The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015, IFRS and the SORP.

Disclosed below for the year ended 31 December 2024 are:

- entities classified as significant holdings (20% or greater interest in a class of shares or partnership);
- material investee undertakings in which the Group had an interest of over 3% of the allotted shares of any class; and
- material investment funds in which the Group had an interest of 10% or more in any class of share or unit.

All the investments in the table below are held at FVPL

Investment name	Place of registration	Registered address	Fair value £ million	% interest[1]
1992 Co-Invest (offshore) LP	Cayman Islands	PO Box 209, Ugland House, Grand Cayman, KY1-1104	35.0	55.7%
Bronte Capital Metis Fund LP	Cayman Islands	Waystone PO Box 1344 Grand Cayman KY1-1108	30.1	99.0%
Browning West Cayman Special Situations LP	Cayman Islands	Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008	23.0	36.7%
Browning West Cayman SPV 2 LP	Cayman Islands	Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	14.3	30.9%
Browning West SPV 3 LP	Delaware, USA	1209 Orange Street, Wilmington, New Castle County Delaware 19801. LPA s. 2.04	26.5	22.1%
Chicago Atlantic CO3 (Offshore) LP	Cayman Islands	4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002	8.2	26.4%
Darwin Private Equity I LP	England and Wales	4 Burntwood Drive, Oxted, Surrey, RH8 9EN	0.7	23.9%
HHLR Fund Feeder UK Ltd, Class A	Cayman Islands	4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002	7.9	73.1%
Hunter Point Capital	England and Wales	27 St. James's Places, London SW1A 1 NR	9.4	27.3%
ICQ Holdings 6 LLC	Delaware, USA	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	19.8	100.0%
LCV Fund III LP	Delaware, USA	251 Little Falls Drive Wilmington, New Castle, DE, 19808	21.9	31.3%
Mather Point Offshore Fund Ltd	Cayman Islands	Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008	7.5	28.0%
Media Technology Ventures IV LP	California, USA	185 Berry Street, Suite 3600, San Francisco, California 94107	1.6	38.5%
RR Capital Partners LP	Delaware, USA	251 Little Falls Drive Wilmington, New Castle, DE, 19808	0.3	20.5%
Springs Global Strategic Partners Fund – Anchor Class	Cayman Islands	Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008	0.3	77.5%
Springs Opportunities Fund LP, Series A	Cayman Islands	4th Floor, Willow House, Cricket Square, Grand Cayman KY1-9010	83.4	100.0%
Tresidor Credit Opportunities Fund	Ireland	2nd Floor, 2 Custom House Plaza, Harbourmaster Place, Dublin 1	129.3	100.0%
Xander Seleucus II LP	Cayman Islands	PO Box 209, Ugland House, Grand Cayman, KY1-1104	0.2	41.9%
Xander Seleucus LP	Cayman Islands	PO Box 209, Ugland House, Grand Cayman, KY1-1104	0.0	43.3%
Xander Seleucus Retail	Cayman Islands	Maples and Calder PO Box 309GT Ugland House South Church Street George Town, Grand Cayman KY1-1104	1.3	48.8%

[1] *The Directors consider these entities, in which the Group holds ordinary shares, or limited partnership interests, as associated companies as the Group has significant influence due to circumstances particular to the investment. The Group has chosen to account for associated companies held for investment purposes at FVPL in accordance with IAS 28 Investments in Associates and Joint Ventures and IFRS 9 Financial Instruments.*

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIT CAPITAL PARTNERS PLC

Opinion

In our opinion:

- RIT Capital Partners plc's Group financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of RIT Capital Partners plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise:

Group	Parent Company
Consolidated Balance Sheet as at 31 December 2024	Parent Company Balance Sheet as at 31 December 2024
Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the year then ended 31 December 2024	Parent Company Statement of Changes in Equity for the year then ended 31 December 2024
Consolidated Statement of Changes in Equity for the year then ended 31 December 2024	Consolidated and Parent Company Cash Flow Statement for the year then ended 31 December 2024
Consolidated and Parent Company Cash Flow Statement for the year then ended 31 December 2024	Related notes 1 to 33 to the financial statements, including: material accounting policy information
Related notes 1 to 33 to the financial statements, including: material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of the Directors' processes and controls for determining the appropriateness of the use of the going concern basis. This included discussions with J. Rothschild Capital Management Limited (the 'Manager') on the governance structure, corroborating our understanding with the Audit and Risk Committee and obtaining the Directors' going concern assessment, including cashflow forecasts, stress tests and covenant calculations, covering the period to 30 June 2026, which is sixteen months from the date these financial statements were authorised for issue;
- Reviewing the Group's cashflow forecasts and stress tests, assessing the completeness of the severe scenarios that consider the key risks identified by the Group. We considered the appropriateness of the methods used to calculate

Independent Auditor's Report

the cashflow forecasts, stress tests and covenant calculations and determined through inspection and review of the methodology and calculations that the methods utilised were appropriate to be able to make an assessment for the entity;
- Obtaining the Group's reverse stress tests and identifying the factors that would lead to the Group utilising all liquidity or breaching financial covenants during the going concern period;
- Considering the actions the Group can take to mitigate the impact of the reverse stress test scenarios. This included evaluating the Parent Company's ability to prevent a breach of financial covenants using mitigating actions if required, such as the repayment of borrowings. We also verified credit facilities available to the Parent Company by obtaining third party confirmations;
- Reviewing the liquidity and regulatory capital position of the Group, including an assessment of the liquidity profile of the Group's portfolio;
- Making enquiries of the Manager and reviewing board minutes and key regulatory documents for risks, events or contrary evidence that may impact the Group's ability to continue as a going concern; and
- Reviewing the Group's going concern disclosures included in the Report and Accounts in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for a period assessed by the Directors, being the period to 30 June 2026, which is sixteen months from the date these financial statements were authorised for issue.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach	
Audit scope	• The Group is principally managed from one location in London. All core functions are located in London. The Group comprises one consolidated subsidiary and six subsidiaries held at fair value. Monitoring and control over the operations of these subsidiaries, including those located overseas, is centralised in London. The London based Group audit team directly performed audit procedures on all items material to the Group and Parent Company financial statements.
Key audit matters	• Risk of inaccurate recognition of investment income and gains/(losses) on investments held at fair value. • Risk of incorrect valuation of investments held at fair value.
Materiality	• Overall Group materiality of £37.3m which represents 1% of net assets.

An overview of the scope of the Parent Company and Group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the size of components relative to the size of the Group, areas of judgement and estimation which require disclosure in the Group financial statements and the principal activity and risk of material misstatement of components.

We identified one component, J. Rothschild Capital Management Limited, as individually relevant to the Group due to its size relative to the Group, it's principal activity as Manager of the Parent Company being significant to the Group and its areas of judgement and estimation requiring disclosure in the Group financial statements. We designed and performed audit procedures on the entire financial information of the component.

Independent Auditor's Report

The investment portfolio balance is the most material part of the Consolidated Balance Sheet. Monitoring and control over the valuation of investments is exercised by the Manager centrally in London, and as such is audited wholly by the London based Group audit team. Monitoring and control over the operations of the subsidiaries within the Group is also centralised in London. The Group audit team performed all the work necessary to issue the Group and Parent Company audit opinion, including undertaking all of the audit work on the risks of material misstatement identified above. All audit work performed for the purposes of the audit was undertaken by the Group audit team; there were no component audit teams. In establishing our audit approach, we considered the type of audit procedures required to be performed and the audit evidence required to obtain sufficient and appropriate audit evidence as a basis of our opinion on the Group. All audit evidence was received electronically and there were regular on-site visits to the Manager's offices. Meetings with the Manager and the Directors were conducted in person or over video conferencing. The audit team encountered no difficulties in connecting with the Manager or the Directors and were able to execute the audit fieldwork effectively.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Group has determined that climate change may impact either it's own business, the external managers with whom it invests and/or the underlying portfolio investments. This is explained on page 52 in the Principal Risks and Viability section of the Strategic Report, which forms part of the "Other information", rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

Our audit effort in considering climate change was focused on the adequacy of the Group's disclosures in the financial statements as set out in Note 1 and concluded that there was no material impact from climate change on the financial statements. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

<table>
<tr><th>Risk</th><th>Our response to the risk</th></tr>
<tr><td>

Risk of inaccurate recognition of investment income and gains/(losses) on investments held at fair value (2024: £375.0m, 2023: £139.2m)

Refer to the Audit and Risk Committee Report (pages 76 to 78); Accounting policies (pages 94 to 97); and Notes 2 and 3 of the Consolidated Financial Statements (page 98)

The Group's revenue consists of investment income and gains/(losses) on investments held at fair value.

The accuracy of recognition and measurement of revenue is material to the Group's financial statements.

Shareholder expectations may place pressure on the Manager to influence the recognition of revenue. This may result in overstatement or deferral of revenues to assist in meeting current or future targets or expectations.

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We obtained an understanding of the Manager's processes and controls around the investment income process and valuation process to ascertain whether investment income and realised and unrealised gains/(losses) are appropriately calculated by performing walkthroughs.

For investment income, on a sample basis, we have:

- agreed dividend income to an independent source and to corresponding receipts in bank statements;
- agreed distributions received to the notices received from the fund managers and to bank statements;
- recalculated interest income based on the terms of underlying agreements;
- agreed accrued dividends at the period end to an external source and post year end bank statements, where received as at the date of this report;
- tested the completeness of income receipts by verifying that income declared during the period, per an independent source, has been correctly recorded as an income receipt; and
- recalculated income from investment properties based on the terms of the underlying agreements.

For gains/(losses) on investments held at fair value, on a sample basis, we have:

- recalculated the unrealised gains/(losses), considering the procedures performed on the valuations where relevant;
- agreed purchases and sales of investments during the year to trade tickets, sales agreements, call and distributions notices, and to the corresponding cash movements in bank statements; and
- recalculated realised gains/(losses) from disposals in the year.

We have also performed journal entry testing and made enquiries of management in order to address the residual risk of management override.

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Key observations communicated to the Audit and Risk Committee
The results of our procedures identified no material misstatements in relation to the risk of inaccurate recognition of investment income and gains/(losses) on investments held at fair value.

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</table>

Independent Auditor's Report

Risk	Our response to the risk
Risk of incorrect valuation of investments held at fair value (2024: £3,829.7m, 2023: £3602.0m) *Refer to the Audit and Risk Committee Report (pages 76 to 78); Accounting policies (pages 94 to 97); and Note 13 of the Consolidated Financial Statements (pages 103 to 112)* Investments held at fair value are material to the financial statements, and are the primary driver of the Group's net asset value and total profit. The Group's investment portfolio is diverse and includes both listed and unlisted investments. Unlisted investments are held in the form of both direct private and illiquid fund investments. There is also exposure to investment property and derivative financial instruments. The Group's investments are held at fair value through profit and loss. Fair value is determined using prices readily available on an exchange where the investments are listed. Investments in illiquid funds are valued based on latest information provided by the relevant fund administrator or investment manager. The valuation of direct private investments are either determined by the Manager or General Partner ('GP') (and assessed by the Manager), and ultimately approved by the Valuation Committee, and are complex and include estimates and significant judgements. Where the Manager has sufficient information to undertake its own valuations, these are prepared in accordance with International Private Equity and Venture Capital Valuation ('IPEV') guidelines. The Manager has engaged a specialist to prepare valuations of their investment property, in accordance with Royal Institution of Chartered Surveyors ('RICS') guidelines. There is the risk that inaccurate judgements made in the assessment of fair value could lead to the incorrect valuation of investments. In turn, this could materially misstate the financial assets at fair value in the Consolidated and Parent Company Balance Sheet, and the gains/(losses) on fair value investments in the Consolidated Income Statement. There is also a risk that the Manager may influence the judgements and estimations in respect of unlisted investments in order to meet market expectations.	We obtained an understanding of the Manager's processes and controls for determining the fair valuation of investments by performing walkthroughs. Our procedures also included reviewing the governance structure and protocols around oversight of the valuation process, including their oversight of the valuations performed by the underlying GPs and funds and corroborating our understanding by attending Valuation Committee meetings in an observational capacity. We assessed the Manager's valuation methodology against applicable reporting frameworks, including UK adopted international accounting standards and the IPEV and RICS Guidelines. We sought explanations from the Manager where there were judgements applied in its application of the guidelines and assessed their appropriateness. For listed investments, we verified market prices and exchange rates applied by the Manager to an independent pricing vendor and recalculated the investment valuations as at the year end. For a sample of illiquid fund investments and GP led private investments, we: • confirmed the most recently available fund valuation to third party statements, including from the GP, fund manager or fund administrator; • where the most recently available fund valuation was not at the year end date, reviewed the Manager's approach to address the timing difference and challenged any adjustments made to the last valuation received. Where applicable, we corroborated these adjustments by agreeing any cash flows between the date of the fund valuation and the Group's year end valuation date to supporting documentation; and • challenged the Manager on the IFRS 13 levelling classification of the illiquid fund portfolio, focusing on those which are considered to be subjective. For a sample of direct private investments determined by the Manager, we: • challenged the appropriateness of assumptions made in the underlying valuation models; • corroborated key inputs to the valuation models to source data; • tested the mathematical accuracy of the valuation models; • considered the impact of the current macroeconomic climate throughout the procedures performed on the valuation of direct private investments, by challenging whether the valuation methodologies and assumptions used remained appropriate; • for direct private investments valued using a multiple to earnings or revenues, we assessed the suitability of earnings multiples by considering the appropriateness of the selected comparable companies, including adjustments made to reflect the differences between these and the investee company; • for direct private investments valued using recent transaction prices or offers, we compared the fair valuation to recently completed market transactions or recent offers and assessed the suitability of any adjustments applied due to market movements by independently reviewing market data, including when this is applied to a GP led valuation.

Independent Auditor's Report

Risk	Our response to the risk
	For a sample of illiquid fund and direct private investments we: • assessed prior year valuations which were based on unaudited net asset statements by reference to their respective audited financial statements, and investigated and obtained explanations for all material movements; • discussed with the Manager the rationale for any differences between the exit prices of investments realised during the year and the prior year fair value, to further verify the reasonableness of the current year valuation models and methodology adopted by the Manager; and • obtained and assessed the due diligence performed by the Manager for new investments made in the year. With the assistance of our valuation specialists, we formed an independent range for the fair value of the Group's investment properties and a sample of over-the-counter derivative instruments. During the post year end period, we monitored the receipt by the Manager of updated valuation statements and other financial information relevant to the valuation of the illiquid fund investments, and challenged the accuracy of the fair value recorded at year end. We have also performed journal entry testing and made enquiries of management in order to address the residual risk of management override.
Key observations communicated to the Audit and Risk Committee The results of our procedures identified no material misstatements in relation to the risk of incorrect valuation of investments held at fair value.	

There have been no changes to the areas of audit focus raised in the above risk table from the prior year.

Our application of materiality
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £37.3m (2023: £35.7m), which is 1% (2023: 1%) of net assets. We believe that net assets provides us with a consistent year on year basis for determining materiality, and is the most relevant measure to the stakeholders of the entity.

We determined materiality for the Parent Company to be £36.1m (2023: £34.6m), which is 1% (2023: 1%) of net assets.

We calculated materiality during the planning stage of the audit and then during the course of our audit, we reassessed materiality based on 31 December 2024 net assets, and adjusted our audit procedures accordingly.

Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgment was that performance materiality was 75% (2023: 75%) of our planning materiality, namely £27.9m (2023: £26.8m). We have set performance materiality at this percentage based on the fact that there were no material prior year misstatements, that the internal control environment is consistent with the prior year and there have been no significant changes in circumstances.

Independent Auditor's Report

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of £1.9m (2023: £1.8m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 56;

Independent Auditor's Report

- Directors' explanation as to its assessment of the Parent Company's prospects, the period this assessment covers and why the period is appropriate set out on page 55;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 55;
- Directors' statement on fair, balanced and understandable set out on page 75;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 49;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 47 and 48; and
- The section describing the work of the Audit and Risk Committee set out on page 76.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 75, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and the Manager.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK adopted international accounting standards, the Companies Act 2006, the Association of Investment Companies (AIC) code, the AIC Statement of Recommend Practice (SORP), the 2018 UK Corporate Governance Code and the Companies (Miscellaneous Reporting) Regulations 2018) and relevant tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations which may influence the determination of the amounts and disclosures in the financial statements including the UK Listing Rules of the UK Listing Authority.
- We understood how RIT Capital Partners plc is complying with those frameworks by making enquiries of the Manager, including the General Counsel and Company Secretary, Chief Financial and Operating Officer, Head of Compliance and Internal Audit and also the Non-Executive Directors including the Chairs of the Audit and Risk Committee and Valuation Committee. We corroborated our understanding through our review of Board minutes, Remuneration Committee minutes, papers provided to the Audit and Risk Committee, including Valuation Committee packs, minutes of the Board's Conflicts Committee and correspondence received from regulatory bodies.

Independent Auditor's Report

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with Directors and the Manager to understand where they considered there was susceptibility to fraud. We also considered performance targets and their potential influence on efforts made by Directors and the Manager to manage the net asset value ('NAV') per share or the NAV per share total return. We identified a fraud risk with respect to management override in relation to the risk of inaccurate valuation of direct private investments and resulting impact on the income statement. Our audit procedures stated above in the 'Key audit matters section' of this Auditor's report were performed to address this fraud risk. In order to address the residual risk of management override we have performed journal entry testing and enquiries of senior management as detailed below.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved; journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of the Directors of the Manager and of the Audit and Risk Committee at the planning and completion stages of the audit; and focused testing, as referred to in the key audit matters section above.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit and Risk committee, we were appointed by the Parent Company on 26 April 2018 to audit the financial statements for the year ending 31 December 2018 and subsequent financial periods.
- The period of total uninterrupted engagements including previous renewals and reappointments is seven years, covering the years ending 31 December 2018 to 31 December 2024.
- The audit opinion is consistent with the additional report to the Audit and Risk committee.

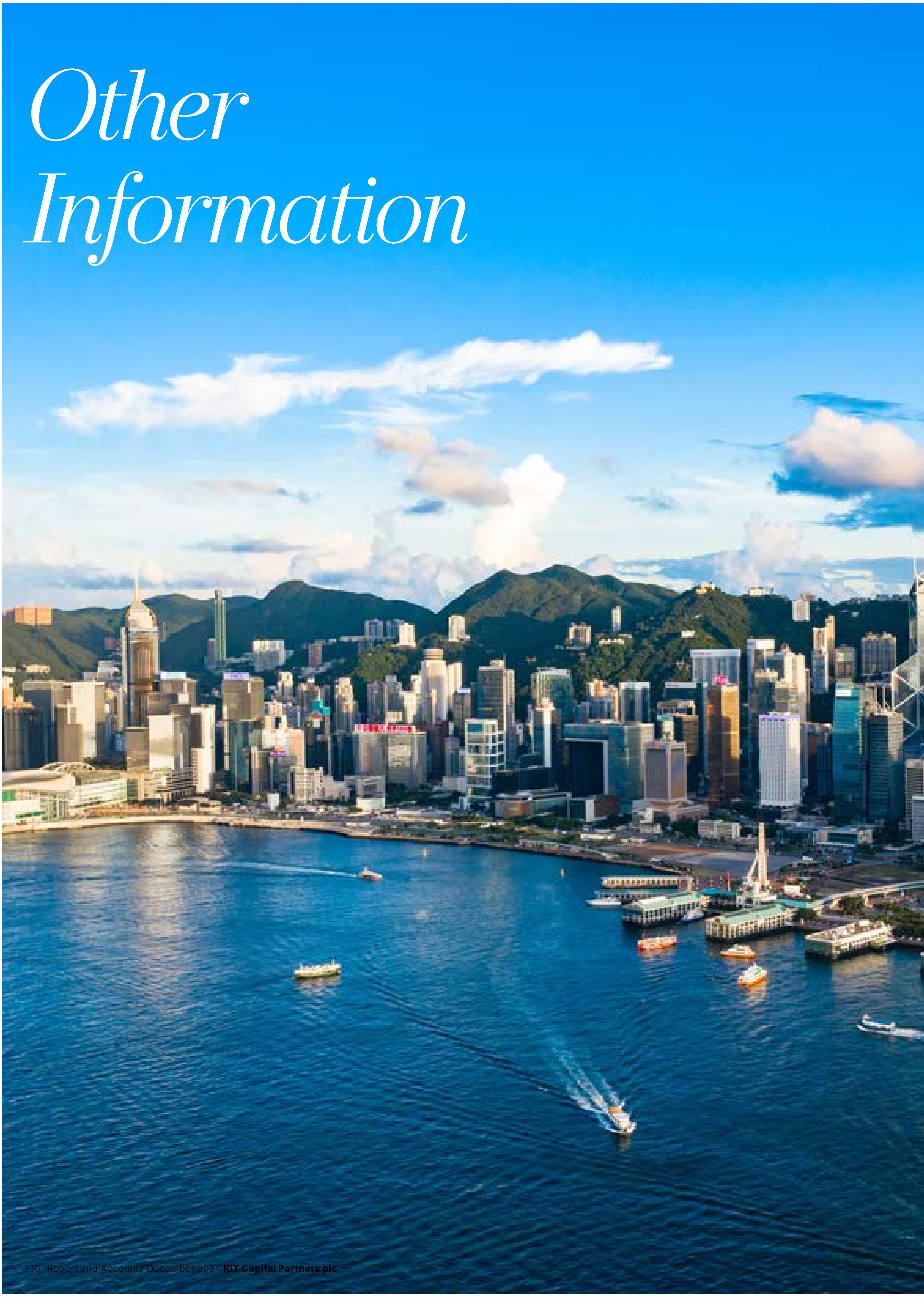
Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mike Gaylor
(Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor, London

28 February 2025

Other Information



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Investment Portfolio Reconciliation

The following table shows a summary reconciliation between the amounts reported within the Investment Portfolio, as shown on pages 43 to 46, and the 31 December 2024 consolidated balance sheet, as shown on page 89:

	31 December 2024				
£ million	Quoted Equity	Private Investments	Uncorrelated Strategies	Net liquidity/ borrowing/ other/ adjustments	Consolidated balance sheet
Non-current assets					
Portfolio investments at fair value	1,688.6	1,229.2	740.4	(6.9)	3,651.3
Non-consolidated subsidiaries	7.3	15.5	101.7	16.3	140.8
Investments held at fair value	1,695.9	1,244.7	842.1	9.4	3,792.1
Investment property	-	-	32.7	-	32.7
Property, plant and equipment	-	-	21.7	-	21.7
Retirement benefit asset	-	-	-	0.2	0.2
Derivative financial instruments	53.7	-	-	-	53.7
	1,749.6	1,244.7	896.5	9.6	3,900.4
Current assets					
Derivative financial instruments	29.2	-	-	9.3	38.5
Other receivables	-	-	1.8	121.3	123.1
Cash at bank	-	-	-	189.4	189.4
	29.2	-	1.8	320.0	351.0
Total assets	**1,778.8**	**1,244.7**	**898.3**	**329.6**	**4,251.4**
Current liabilities					
Borrowings	-	-	-	(160.2)	(160.2)
Derivative financial instruments	(12.7)	-	(8.0)	(49.1)	(69.8)
Other payables	(26.2)	-	-	(51.3)	(77.5)
Amounts owed to group undertakings	-	-	-	(16.3)	(16.3)
	(38.9)	-	(8.0)	(276.9)	(323.8)
Net current assets/(liabilities)	**(9.7)**	**-**	**(6.2)**	**43.1**	**27.2**
Total assets less current liabilities	**1,739.9**	**1,244.7**	**890.3**	**52.7**	**3,927.6**
Non-current liabilities					
Borrowings	-	-	-	(173.7)	(173.7)
Derivative financial instruments	(17.5)	-	-	-	(17.5)
Deferred tax liability	-	-	-	(0.1)	(0.1)
Provisions	-	-	-	(3.0)	(3.0)
Finance lease liability	-	-	(2.1)	-	(2.1)
	(17.5)	-	(2.1)	(176.8)	(196.4)
Net assets	**1,722.4**	**1,244.7**	**888.2**	**(124.1)**	**3,731.2**

Glossary and Alternative Performance Measures

Glossary

Within this Annual Report and Accounts, we publish certain financial measures common to investment trusts. Where relevant, these are prepared in accordance with guidance from the AIC, and this glossary provides additional information in relation to them.

Alternative performance measures (APMs): APMs are numerical measures of the Company's current, historical or future financial performance, financial position or cash flows, other than financial measures defined or specified in the Company's applicable financial framework – namely UK adopted IAS and the AIC SORP. They are denoted with an * in this section.

CPI: The CPI refers to the United Kingdom Consumer Price Index as calculated by the Office for National Statistics and published monthly. It is the UK Government's target measure of inflation and, from 1 January 2023, is used as a measure of inflation in one of the Company's KPIs, CPI plus 3.0% per annum.

Gearing*: Gearing is a measure of the level of debt deployed within the portfolio. The ratio is calculated in accordance with AIC guidance as total assets, net of cash, divided by net assets and expressed as a 'net' percentage, e.g. 110% would be shown as 10%.

£ million	2024	2023
Total assets	4,251.4	3,902.1
Less: cash	(189.4)	(204.3)
Sub total[a]	4,062.0	3,697.8
Net assets[b]	3,731.2	3,573.3
Gearing[a/b]	**8.9%**	**3.5%**

Leverage: Leverage, as defined by the UK Alternative Investment Fund Managers Directive (AIFMD), is any method which increases the exposure of the portfolio, whether through borrowings or leverage embedded in derivative positions or by any other means.

ACWI (50% £): The MSCI All Country World Index is a total return, market capitalisation-weighted equity index covering major developed and emerging markets. Described in this report as ACWI (50% £), this is one of the Company's KPIs or reference hurdles and, since its introduction in 2013, has incorporated a 50% sterling measure. This is calculated using 50% of the ACWI measured in sterling and therefore exposed to translation risk from the underlying foreign currencies. The remaining 50% uses a sterling-hedged ACWI from 1 January 2015 (from when this is readily available). This incorporates hedging costs, which the portfolio also incurs, to protect against currency risk and is an investable index. Prior to this date it uses the index measured in local currencies. Before December 1998, when total return indices were introduced, the index is measured using a capital-only version.

Net asset value (NAV) per share: The NAV per share is calculated by dividing the total value of all the assets of the trust less its liabilities (net assets) by the number of shares outstanding. Unless otherwise stated, this refers to the diluted NAV per share, with debt held at fair value.

NAV total return*: The NAV total return for a period represents the change in NAV per share, adjusted to reflect dividends paid during the period. The calculation assumes that dividends are reinvested in the NAV at the month end following the NAV going ex-dividend. The NAV per share at 31 December 2024 was 2,614 pence, an increase of 188 pence, or 7.7%, from 2,426 pence at the previous year end. As dividends totalling 39 pence per share were paid during the year, the effect of reinvesting the dividends in the NAV is 1.7%, which results in a NAV total return of 9.4%. The since inception return is calculated using the NAV per share at 2 August 1988.

Net quoted equity exposure: This is the estimated level of exposure that the trust has to listed equity markets. It includes the assets held in the quoted equity category of the portfolio adjusted for the notional exposure from quoted equity derivatives, as well as estimated cash balances held by externally-managed funds, estimated exposure levels from hedge fund managers, and an estimate of quoted equities held in private investment funds.

Notional: In relation to derivatives, this represents the estimated exposure that is equivalent to holding the same underlying position through a cash security.

Ongoing charges figure (OCF)*: As a self-managed investment trust with operating subsidiaries, the calculation of the Company's OCF requires adjustments to the total operating expenses. In accordance with AIC guidance, the main adjustments are to remove non-recurring costs as well as direct performance-related compensation from JRCM, as this is analogous to a performance fee for an externally-managed trust.

£ million	2024	2023
Operating expenses	38.5	42.7
Adjustments	(10.4)	(15.0)
Ongoing charges[a]	28.1	27.7
Average net assets[b]	3,688	3,614
OCF[a/b]	**0.76%**	**0.77%**

Glossary and Alternative Performance Measures

Premium/discount: The premium or discount (or rating) is calculated by taking the closing share price on 31 December 2024 and dividing it by the NAV per share at 31 December 2024, expressed as a net percentage. If the share price is above/below the NAV per share, the shares are said to be trading at a premium/discount.

pence	31 December 2024	31 December 2023
Share price[a]	1,986	1,882
Diluted NAV per share[b]	2,614	2,426
Premium/(discount)[((a/b)-1)]	(24.0%)	(22.4%)

Share price total return or total shareholder return (TSR)*: The TSR for a period represents the change in the share price adjusted to reflect dividends reinvested on the ex-dividend date. Similar to calculating a NAV total return, the calculation assumes the dividends are notionally reinvested at the daily closing share price following the shares going ex-dividend. The share price on 31 December 2024 closed at 1,986 pence, an increase of 104 pence, or 5.5%, from 1,882 pence at the previous year end. Dividends totalling 39 pence per share were paid during the year, and the effect of reinvesting the dividends in the share price is 2.4%, which results in a TSR of 7.9%. The TSR is one of the Company's KPIs. The since inception return is calculated using the closing share price on 2 August 1988.

Historical Information and Financial Calendar

	Diluted net assets £ million	Diluted NAV per share pence	Closing share price pence	Premium/ (discount) %	Diluted earnings per share pence	Dividend per share pence
02 August 1988	280.5	105.9	81.5	(23.0)	n/a	n/a
31 March 1989	344.4	134.2	114.0	(15.1)	29.3	1.7
31 March 1990	334.0	131.0	97.0	(26.0)	(2.5)	2.6
31 March 1991	318.0	131.7	92.0	(30.1)	0.7	2.4
31 March 1992	305.5	140.7	85.2	(39.4)	6.6	1.1
31 March 1993	385.9	181.1	117.0	(35.4)	40.5	1.1
31 March 1994	468.6	221.6	171.0	(22.8)	41.5	1.6
31 March 1995	450.2	213.4	174.0	(18.5)	(8.1)	1.7
31 March 1996	560.8	283.2	223.0	(21.3)	63.3	1.6
31 March 1997	586.1	303.5	242.5	(20.1)	17.2	1.8
31 March 1998	737.5	384.1	327.0	(14.9)	81.5	2.0
31 March 1999	759.7	398.6	341.0	(14.5)	14.6	2.2
31 March 2000	811.4	509.0	439.0	(13.8)	100.2	3.1
31 March 2001	759.8	484.3	436.5	(9.9)	(28.8)	3.1
31 March 2002	758.3	483.4	424.5	(12.2)	2.2	3.1
31 March 2003	674.7	430.2	371.5	(13.6)	(50.2)	3.1
31 March 2004	981.1	628.2	577.5	(8.1)	195.9	3.1
31 March 2005	1,113.1	712.7	694	(2.6)	90.0	3.1
31 March 2006	1,534.7	982.7	1,020	3.8	270.3	3.1
31 March 2007	1,635.6	1,047.3	1,000	(4.5)	67.0	3.1
31 March 2008	1,690.0	1,091.6	1,147	5.1	50.6	4.0
31 March 2009	1,350.5	874.3	831	(5.0)	(205.2)	7.5
31 March 2010	1,815.7	1,180.1	1,082	(8.3)	306.3	4.0
31 March 2011	1,984.0	1,289.4	1,307	1.4	111.7	4.0
31 March 2012	1,920.0	1,249.3	1,220	(2.3)	(35.7)	4.0
31 December 2012	1,847.2	1,191.4	1,131	(5.1)	(29.6)	28.0
31 December 2013	2,146.0	1,383.6	1,260	(8.9)	215.7	28.0
31 December 2014	2,299.6	1,483.0	1,397	(5.8)	129.8	29.4
31 December 2015	2,441.3	1,572.5	1,681	6.9	121.4	30.0
31 December 2016	2,692.1	1,730	1,885	9.0	195.0	31.0
31 December 2017	2,858.3	1,839	1,962	6.7	142.4	32.0
31 December 2018	2,830.2	1,821	1,910	4.9	17.5	33.0
31 December 2019	3,145.6	2,004	2,115	5.5	220.8	34.0
31 December 2020	3,590.4	2,292	2,065	(9.9)	321.0	35.0
31 December 2021	4,390.3	2,794	2,750	(1.6)	545.5	35.25
31 December 2022	3,721.7	2,388	2,125	(11.0)	(371.3)	37.0
31 December 2023	3,573.3	2,426	1,882	(22.4)	43.8	38.0
31 December 2024	**3,731.2**	**2,614**	**1,986**	**(24.0)**	**210.2**	**39.0**

Notes:

1 *The Company commenced its business as an approved investment trust on 3 August 1988, following the listing of its share capital on the London Stock Exchange.*

2 *Prior to 31 March 2000, the diluted net assets were measured on the assumption that all convertible stock was converted at the balance sheet date. By 31 March 2000, all convertible stock had been converted or redeemed.*

3 *Dividends per share represent the amounts paid in the relevant financial year or period.*

4 *Since 31 March 2005 the closing share price has been displayed to the nearest pence and from 31 December 2016 the diluted net assets per share has been disclosed to the nearest pence.*

Financial calendar:

1 May 2025, 12:00pm: Annual General Meeting (to be held at Spencer House, 27 St. James's Place, London, SW1A 1NR).
25 April 2025: Payment of interim dividend.

Investor Information

Share price information

The Company's £1 ordinary shares are listed on the London Stock Exchange and may be identified using the following codes:

TIDM:	RCP LN
SEDOL:	0736639 GB
ISIN:	GB0007366395

Daily and 15 minute delay share price information is displayed on the Company's website: www.ritcap.com, as well as numerous online platforms.

Registrar

The Company's registrar may be contacted as follows:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Tel: 0370 703 6307
Overseas: +44 370 703 6307

Shareholders may contact the registrar should they need to notify a change of name or address, or have a query regarding the registration of their holding or the payment of a dividend. Shareholders who wish to have dividends credited directly to their bank account rather than paid by cheque may do so by arrangement with the registrar. Shareholders may also arrange with the registrar to have their dividend payment invested in additional RIT Capital Partners plc ordinary shares purchased in the market.

Registered holders of ordinary shares of RIT Capital Partners plc may elect to receive communications from the Company electronically as an alternative to receiving hard copy accounts and circulars. This facility is provided by the registrar and shareholders will need to go online at www.investorcentre.co.uk and select the 'eComms' signup section to participate. To complete the registration process shareholders will need their postcode or country of residence, along with their shareholder reference number (as shown on their share certificates or dividend advices). Shareholders will also be asked to agree to the terms and conditions for electronic communication.

Registered shareholders also have the facility to check their shareholding, change their address or update their bank mandate instruction by registering to become a member of 'Investorcentre'.

Regardless of whether shareholders sign up for 'eComms' or become a member of 'Investorcentre', they are able to cast proxy votes in respect of general meetings electronically if they wish by using the link provided on their proxy form or in their email notification.

Directory

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RIT Capital Partners plc

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