RIT Capital Partners (RCP)

RCP's shares have outperformed the ACWI under the new CEO, with all three NAV pillars performing well.

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Overview

Investment 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.

Source: Morningstar

As at:	07/09/2026
Trust Name	RIT Capital Partners
Ticker	RCP
Management Company	Internally managed
Manager Name	Maggie Fanari (CEO)
Association of Investment Companies (AIC) Sector	Flexible Investment
Dividend Yield	1.8%
Dividend Distribution Frequency	Semi-Annually
Latest Market Capitalisation	£3,084,415,315
Latest Net Gearing (Cum Fair)	5%
Latest Ongoing Charge Ex Perf Fee	0.73%
Shares Outstanding	124,622,841
(Discount)/ Premium % (Cum Fair)	-20.3%
Daily Closing Price	2475p

RIT Capital Partners (RCP) is staging a visible return to form. From its listing in 1988 the trust, led by the late Lord Jacob Rothschild, became known as one of London's great compounders, capturing the bulk of equity market upside while participating in a fraction of the downside, and its shares customarily traded around NAV. That standing frayed in the post-2021 period as scepticism over private valuations pushed the shares to a discount. Under Maggie Fanari, appointed CEO in March 2024, the evidence points to a resurgence, with all three pillars of the trust's highly differentiated portfolio having delivered good returns, powering attractive, equity-like NAV performance and share price returns ahead even of the MSCI ACWI (see Performance).

One of the key attractions of RCP is the access it offers to private investments which are unavailable to most investors, including institutional investors. RCP holds stakes in some of the world's largest and most sought-after private companies, including SpaceX (now listed), Anthropic (planning an IPO this year), Databricks and Stripe. Crucial is the repeatable process behind them: a flywheel in which long-standing relationships with elite managers and founders generate fund positions and open doors to co-investment and secondary opportunities. SpaceX illustrates the point. Bought well below the IPO price, the position has delivered 4x. The recent allocation to Y Combinator feeds the top of the same funnel. This accelerator has backed thousands of startups since 2005, including Airbnb, Dropbox, Coinbase and Stripe.

Private investments have delivered the best returns over 2025 and 2026, while RCP has realised 43% of its private portfolio at above carrying value during a weak market for exits, which we think should allay some fears about valuations. Quoted equities, a mix of directly held positions and specialist, largely closed, funds have also delivered good returns while the uncorrelated strategies have helped the portfolio outperform in the two most recent drawdowns – the tariff tantrum of 2025 and Iran war sell-off of 2026.

RCP still trades on a 20% discount at the time of writing, although this has narrowed considerably following a tender offer (see **Discount**).

Analyst's View

RCP is a truly distinctive equity diversifier, providing a unique way to invest as a core part of a portfolio or a differentiated position to complement more conventional strategies. Positioning is anchored on two structural themes, technology diffusing through the economy with AI at its core, and an increasingly multipolar world. A high exposure to unlisted equity reflects how important these have become, with companies staying private for longer. Meanwhile, on a look-through basis, the portfolio is significantly underweight US equities and overweight emerging markets, with big sectoral and industry positions such as that in biotech, which the team see as having strong near-term prospects. Even in the direct equity book, the largest positions are highly distinctive from global indices – there is no sense in which beta is being bought to offset the differentiated positioning elsewhere. We think this portfolio looks highly attractive at a time when investors are likely to have to work harder and think differently to find growth opportunities.

While performance in the recent drawdowns has been good, and uncorrelated strategies have been the main contributor, we note that private investments have also been written up over these periods. A high equity exposure does mean that in any drawdown long enough to affect private valuations RCP might not be so defensive, although the managers note they are seeking to boost their exposure to absolute return strategies. We think RCP is better thought of as a differentiated growth play with extra downside protection rather than a defensive fund. The wide discount makes the shares particularly attractive at present and we think is unlikely to persist for long, with the potential for a more substantial dividend policy to be the trigger for a further step in.

Bull

- Unrivalled contacts bringing access to top tier private and public equity managers
- Diversified and unique portfolio with potential to deliver more stable returns than index-like strategies
- Discount still wide with board committed to tackling it

Bear

- Some opacity to shareholders due to private investments and NDAs with managers
- Early-stage tech exposure brings risks of failed technologies or business models at stock level
- Potential for quoted and unquoted equities to be written down in sustained down market

Portfolio

RIT Capital Partners (RCP) has been purposefully evolved in recent years, mostly since the arrival of CEO Maggie Fanari, who was appointed in March 2024. It now invests via three pillars: quoted equities, private investments and uncorrelated strategies, in a simplified approach which has seen greater concentration at the stock and fund level. The investment objective remains the same: to deliver equity-like returns while protecting capital in down markets, and the new portfolio has delivered a marked improvement in **Performance** which seems to be contributing to a narrowing **Discount**.

RCP is essentially an equity diversifier or total portfolio solution, but implemented in a unique way which means its portfolio is highly differentiated and offers exposure to numerous opportunities which are difficult or impossible to otherwise access. This includes stakes in some of the world's most sought-after private companies, among them Anthropic, Databricks and Stripe. SpaceX is another, which recently IPOed at over four times the trust's purchase price for its direct holding. Maggie chairs an investment committee which looks for opportunities based on top-down and bottom-up considerations. The portfolio is shaped around two structural themes she and her team have identified. These are the diffusion of technology through the economy, with AI at its core, and the transition to a multipolar world. Around these, the committee populates the portfolio with funds and exceptional stock-specific ideas as they come through. One of the key strengths and selling points of RCP is the very strong network of contacts throughout the global investment industry which means these ideas include many that are simply not offered to most investors, institutional or otherwise. RCP's long pedigree as an investment vehicle for the Rothschild family, still strongly represented on the board and shareholder register, plays a role, but Maggie has brought her own network of contacts from her role at the Ontario Teachers' Pension Plan, one of the largest institutional investors in the world, which includes deep roots in the VC tech ecosystem of Silicon Valley, and was the source of the SpaceX position.

The long-term allocation between the three pillars is governed by deliberately flexible ranges rather than rigid targets. Quoted equities are expected to vary from 30% to 60% of the portfolio, and the other two pillars from 20% to 40%. As of 30/06/2026, the figures were 47.8%, 33.4% and 20.2% respectively. These allocations shift around based on the opportunities the team sees as well as performance, and they stress that positioning is not based around a single macro thesis or level of conviction, but is all about balancing risks and opportunities and letting individual investment ideas play out.

Quoted Equities

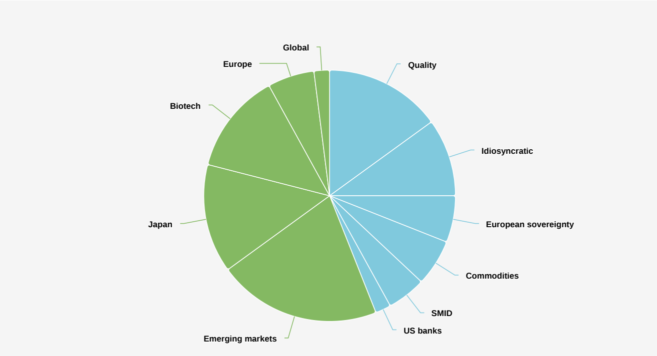
While a lot of what makes RCP unique is in the private investments and uncorrelated strategies pillars, the quoted equity book is itself highly distinctive and differentiated from a passive or benchmark-aware approach. Maggie and the team invest in global equities directly, as well as through funds. The quoted equity book is deliberately constructed to complement the tech-heavy private portfolio, identifying themes that generate return streams distinct from those driving the privates.

Funds are used to get access to the alpha available from specialist managers in specific areas. Often this means from funds that are closed to new investors, such as the Japanese engagement strategy run by 3D Investment Partners. This fund, managed by a team of Japanese nationals, is hard-closed to new investors and has an excellent track record of generating alpha through engagement in a highly concentrated portfolio. The name of the biotech managers can't be disclosed due to NDAs, but is another specialist investor which has delivered excellent returns. The team are bullish on the outlook for the industry which is seeing waves of innovation and M&A, and as such are happy to let their position rise, knowing that if they sold out they would be unable to get back into the vehicle.

Sometimes the team will take a position via an ETF in an idea while they look for a better way to express it actively. This was the case with emerging markets last year, which were invested in via an ETF before the team found a new active manager, Carrhae Capital. Having done their due diligence, the team bought into an EM ex China fund run by the boutique of Ali Akay, a manager with 25 years' experience and a strong track record. This is one of many funds typically only offered to institutions. Similarly, in H1 2026 the team took a position in a US SMID ETF while they look for an active manager. They tell us they prefer to be slow and deliberate with their manager selection, doing rigorous in-depth research and building strong relationships with the intention of investing for the long term. Having a track record of being a long-term investor is itself helpful in getting access to in-demand managers who can be selective in who they work for.

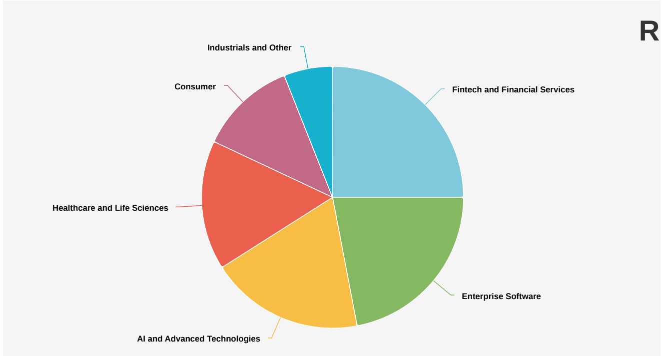
Direct holdings, which are coloured blue in the thematic chart below, are focused on some key themes including a recovery in quality companies, stocks benefitting from growing European divergence from the US in terms of sovereignty and defence, and plenty of idiosyncratic stories – a 4.4% position in SpaceX is included in the 10% of idiosyncratic stories in the table. The number of positions has halved under Maggie's tenure, with the intention of allowing individual positions to have a more meaningful impact. The team tell us they are looking for companies which are winners in their vertical, citing French company Legrand Group as a leader in electrification and energy efficiency, and Booking Holdings, owner of Booking.com, as an unquestioned leader in its market, as well as Galderma, a Swiss company owned since its 2024 IPO which is a leader in injectable aesthetics. The diversity of these holdings reflects deliberate, conviction-led selection rather than any anchoring to an index.

QUOTED EQUITY EXPOSURES



Source: RCP
Past performance is not a reliable indicator of future results.

PRIVATE PORTFOLIO



Source: RCP
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A notable feature of the quoted exposure is the major underweight to the US, which is worth 48% of the book. It is true that the private investments bring more US exposure, and so on a look-through basis the total exposure of the portfolio is 57.3%, but this is still significantly below the 63.6% of the MSCI ACWI. This reflects partly where the team are finding opportunities, but also an overarching view that US markets are expensive and diversifying into growth opportunities elsewhere is likely to help long-term outperformance.

Private Investments

Private investments represent approximately one third of NAV and are mainly exposed to US venture capital backing founder-led businesses, with 10% of NAV held directly and 23% through funds. This is where RCP can really differentiate itself, and while quoted equities are a larger proportion of the fund, and while private investments have been deliberately cut from the >40% of 2022, the potential gains are much higher than those in quoted equities and so the returns potential from this pillar are arguably more exciting. While the SpaceX IPO has seen retail participation, RCP was able to get direct access at a very attractive valuation, and indeed one of its private funds built a position very early on at a much lower valuation, which means it benefitted from massive growth before the IPO pop and is sitting on gains of over 3x despite the subsequent decline. The position has made excellent returns for RCP, while it also owns many more exciting opportunities which are in the early stages of their growth runway and could be the next SpaceX, while being diversified enough that it is not too exposed to any failures.

Most notably this includes a position in Anthropic, which is worth 1.7% of NAV held directly while the portfolio has additional exposure through its holding in leading VC investor Iconiq's funds. The team tell us they were able to co-invest thanks to their relationship with Iconiq which led to their introduction. Anthropic is the next private juggernaut thought to be planning an IPO, and RCP offers investors a rare chance to participate in the pre-IPO gains as well as any post-IPO returns. As with the quoted equities, RCP invests directly (10% of NAV) and via funds (23%). The funds offer broad exposure plus include some of the most important VC investors which have some of the hottest Silicon Valley opportunities locked up, such as Iconiq, Thrive and most recently Y Combinator.

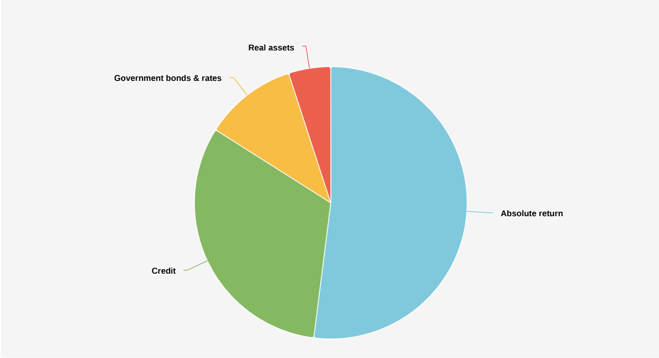
RCP allocated capital to Y Combinator in H1 2026. The accelerator has backed thousands of startups since 2005, with alumni including Airbnb, Dropbox, Coinbase and Stripe, and sits at the very top of the Silicon Valley funnel. This relationship has also opened the door for a direct investment in fintech platform Stripe, among the largest private companies in the world and notoriously difficult to access.

As with the quoted equities book, this pillar has seen concentration under Maggie's tenure, with SpaceX and Anthropic examples of high conviction positions. While the portfolio has some indirect access to OpenAI via funds, it has taken a sizable bet on Anthropic being the near-term winner in the enterprise space. Other AI positions include Cognition, an AI software engineering company, and Databricks, which provides AI-powered data infrastructure that companies can employ on their proprietary data. There are also SaaS companies, perceived as being under threat from AI, which make up c. 6% of NAV. The team note that IPO markets are shut to these sorts of companies at the moment given wariness about AI's impact, but operationally the companies have been performing well. While AI has huge potential and is in vogue, the private book is diversified and the team do not expect all positions to be in favour at once. The valuation of unlisted equities have been called into question in recent years, and investors have been concerned that the low-interest rate environment led to valuations getting excessive. In this regard, we think it impressive that RCP has realised 43% of its private portfolio over the past two years at above carrying value, and with IRRs between 18% and 44%. It is true that the funds include some old vintages, with 17% of these dating back to before 2017, although equally VC timelines can be longer than the typical private equity timelines, and the tendency is for companies to remain private for longer before listing – Stripe was founded 16 years ago and is happily unlisted with a valuation that would make it an S&P 500 company.

Uncorrelated strategies

The uncorrelated strategies pillar also sees the team seek out specialist managers, with over half this allocation made up of absolute return managers running hedge fund-like strategies. Liquid, low duration credit is another key part, and some opportunistic credit funds looking for stock-specific opportunities in distressed debt have added meaningfully to returns. However, with spread compression making the market look less attractive for these strategies at a top-down level, credit exposure has been reduced over the past year, and the team are likely to bolster their exposure to absolute return strategies in the coming period. This pillar is critical to the portfolio's downside protection, and they argue the backdrop for the sort of macro strategies many of these funds employ is looking better than it has been for some time. This part of the portfolio also looks for exposure to real assets, with gold having been a holding for the past decades, while the portfolio currently also has exposure to soft commodities such as corn.

UNCORRELATED STRATEGIES BY SECTOR



Source: RCP
Past performance is not a reliable indicator of future results.

The team entered 2026 with low **Gearing** of around 103%, having built up some positions in gilts and US treasuries to offset their fixed debt. Once the initial crisis was over and the Straits of Hormuz started to open, they reduced these holdings and added more risk back on, and this contributed to the weight to uncorrelated strategies falling. This is a good example of how debt and cash balances are managed with an eye to positioning as well as managing liquidity for the ongoing commitments to private funds. It also perhaps stresses the point that the exposure to uncorrelated strategies is lower than the target range once cash-like holdings are excluded, which means stable private valuations through short-term equity market disruption are still likely to be a little more crucial than ideal to downside protection in the NAV until this is addressed.

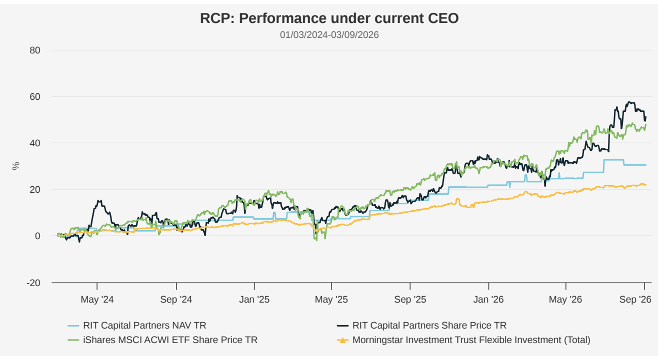
Gearing

RCP has a series of long-term loan notes taken out in 2015 with maturity dates between 2025 and 2035. The first tranche matured last year and the remainder have a par value of £138m, just 3.2% of net assets at 30/06/2026. The weighted average rate payable on these loans is 3.49% and the remaining weighted average life was 5.7 years as of 31/12/2025. The trust also has access to three revolving credit facilities in multiple currencies which charge a floating rate linked to interbank rates and total c. £335m. The gearing primarily provides flexibility to the management team.

Performance

Absolute performance has been strong since Maggie Fanari was appointed CEO in March 2024 and purposefully overhauled the strategy. RCP has posted NAV total returns of 9.4% and 13.5% for the two completed calendar years, and 9% for the first half of 2026. RCP aims to deliver long-term growth while protecting shareholders' capital. This means it seeks equity-like returns, but with better protection in falling markets and lower volatility. As such, the expectation is that it might lag in the sharpest equity rallies but perform more steadily and make up, if not exceed, any shortfall in the tougher times for equity markets. Returns in 2024 and 2025 have certainly been equity-like, although the MSCI ACWI has been in a strong bull market which means it has outperformed. Nonetheless, we think 30.5% in NAV terms under the new team is a good return for shareholders given the objectives.

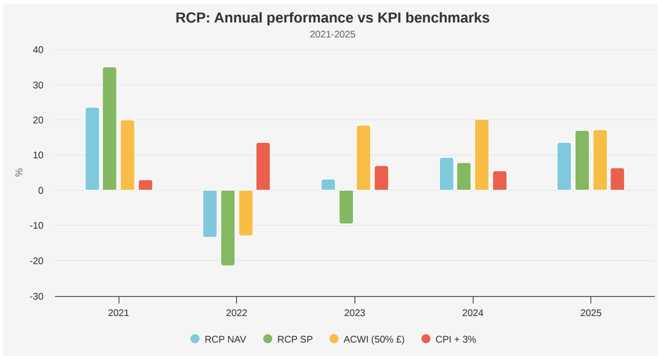
PERFORMANCE



Source: Morningstar
Past performance is not a reliable indicator of future results

RCP considers performance against two KPIs, or benchmarks: CPI plus 3% and the MSCI ACWI, but with 50% hedged back into sterling. As the chart below shows, the first has been beaten in the two completed financial years, while the equity benchmark has delivered exceptional returns, well above long-term averages and at a level which would not be expected to repeat for long. In H1 2026, the same pattern has repeated: CPI plus 3% equates to 2.8% while the equity benchmark was up 12.5%. The chart also shows the two tough years of 2022 and 2023. We think negative returns in 2022 were particularly damaging for the trust given its focus on value preservation. This was an exceptionally tough year for investors with equities and bonds crashing together, and the model employed by the previous management team didn't provide enough offsetting exposures. One point to note is that RCP's quoted equity portfolio is highly differentiated from global equity market indices, so the strong performance it has delivered in recent years has not come from the stocks driving passive funds. This differentiation adds to the appeal of the trust in our view, particularly as there are some signs that the trends that have driven the market for three or four years may be fading and evolving.

RETURNS



Source: RCP; Note RPI was used instead of CPI for 2021 FY
Past performance is not a reliable indicator of future results

Particularly encouraging is the strong performance delivered across the three investment pillars: quoted equities, private investments and uncorrelated strategies. All three pillars provided double digit returns in 2025, in highly volatile markets, and each has played a role and worked in different environments in a volatile 2026. The uncorrelated strategies helped ensure the NAV was up over Q1, and stable over February and March after war broke out. The absolute return funds in this pillar performed well, while gold also provided protection. However, some of these gains were given back when gold later sold off, although the position had been trimmed. A well-timed decision to take exposure to oil in February also performed well when war broke out, and this position was sold into strength.

This was the second serious period of volatility since the start of last year, with the previous one being the tariff tantrum of Q1 2025. RCP also performed well during this sell-off, the NAV down just 0.6% while its equity benchmark was down 3.1%. Uncorrelated strategies were the chief contributor in this period too. Given the importance of downside performance to the investment objectives, we think strong performance during these two sell-offs is promising, although private investments being written up over periods in which equity markets are down (due to the usual timing mismatches and lags) have contributed to this stability.

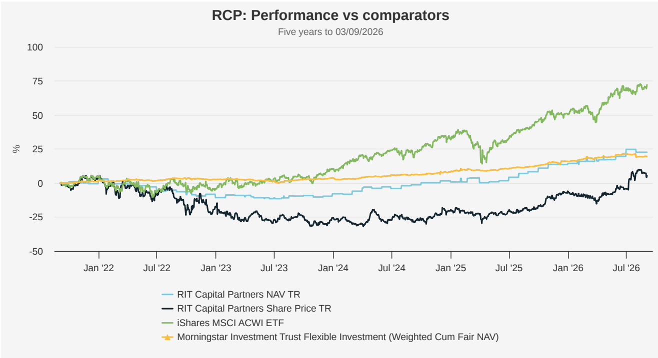
Turning back to 2026, having sailed through the volatility caused by the outbreak of hostilities in the Middle East, the portfolio captured 71% of the market upside in the recovery. Performance from the funds was particularly good, with 10.1% average returns driven by global, emerging market and biotech managers. Meanwhile, in the direct equity portfolio, the contrarian position in quality equities delivered some mixed performance, while the precious metals sell-off hit some mining equities. Private investments delivered 9.1% on average thanks largely to the big gains made on SpaceX. RCP's purchase price for its direct holding was $40 a share, so it has enjoyed huge gains from this position even after the post-IPO bounce sell-off. Uplifts to Anthropic, the maker of Claude, Databricks and Dandy also boosted returns.

Performance was very strong in this pillar over 2025 too, with private investments making 18.3% on average, and outperforming the other two pillars. Crucially, this involves significant realised gains. In the two years to 30/06/2026, the team have realised more than 43% of the private portfolio, all above carrying value in a weak market, generating £569m. We think the strong performance here bears emphasising, as we think the wide discount in recent years has much to do with concerns about the heavy investment in unlisted assets and scepticism about their carrying values. In particular, investors may have feared investments made in 2020 and 2021, with interest rates near zero, may lead to losses. However, three of the four big exits of the past year were of the 2020 and 2021 vintages. Xapo Bank was exited in January 2025 having delivered 2.3x of invested capital and an IRR of 28%, before Scale AI was partially exited in June for a multiple of 1.7x on the 50% of the position sold and an IRR of 18%. Then online broker Webull was exited in October 2025 having delivered 2.2x of invested capital and an IRR of 23%. The team stress to us that much of the drawdown in valuations over 2023 and 2024 was driven by sentiment, while operational performance in the early-stage tech companies they focus on continued to be strong even as multiples declined.

The fourth major exit from the private portfolio is SpaceX, with the IPO considered a realisation although the position had not been sold at the time of writing. This position was 4.4% as of 30/06/2026, well above the 2% the team state is their preferred level for their largest direct equity holding, so we may see this position sold down. While private investors in the IPO are likely nursing losses, RCP's direct investment is at around 3x their purchase price. The portfolio has also received a distribution from the fund run by VC investor Thrive this year out of its gains on SpaceX which it entered at a price of just $4 compared to today's $135. We think this highlights the potential in getting access early to the hottest tech stocks rather than waiting for them to IPO, which is something RCP can offer to the mass market investor. Maggie and the team's great access to the best VC investors allows them to get in to highly desirable funds and positions where the existing investors have their pick of new partners, as we discuss more in the **Portfolio section**, and getting in early can lead to the best returns.

For regulatory reasons, we show the five-year returns below, although half of this period includes the track record of the previous management team. The chart does illustrate the exceptional returns of global equity indices over the past five years, well above historical averages. It also shows the sharp recovery in the share price which has delivered c. 51% since March 2024 when Maggie took over, a better return than the MSCI ACWI.

FIVE-YEAR PERFORMANCE



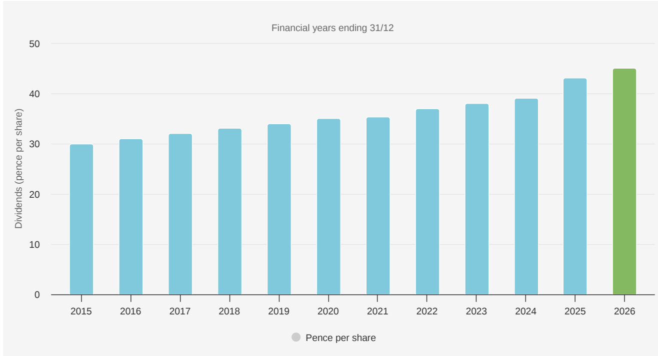
Source: Morningstar

Past performance is not a reliable indicator of future results

Dividend

RCP's dividend policy is under review as the board continues to address the discount and considers a higher dividend from the next, 2027 financial year. Hitherto, the policy has been to pay a progressive dividend, and the payout has been raised for 12 consecutive years, earning the trust a place on the AIC's list of Next Generation Dividend Heroes. While growth has been steady and ahead of inflation over the past two years, the dividend has been too low to be meaningful for those looking for income: for 2026, the board agreed to increase the dividend by 4.7% to 45p per share, which would equate to a prospective yield of 1.8% at 31 July 2026. As such, should the board's review lead to a substantial increase in payments then we think it could open the door to a whole new swathe of investors and have the potential to increase demand for the shares and narrow the discount. It is worth noting that RCP's portfolio generates relatively little natural income and most of the trust's expenses are charged to the revenue account. As such, dividends are already paid from capital and any higher dividend would likely have to be too.

DIVIDENDS



Source: RCP, figure for 2026 is a target
Past performance is not a reliable indicator of future results.

Management

RCP is internally managed and the day-to-day investment functions of the trust are stewarded by J. Rothschild Capital Management's (JRCM) executive committee. Maggie Fanari was a non-executive director of RCP from 2019 until she was appointed as CEO in March 2024, since when she has overhauled the investment approach. Maggie has a track record of investing across different asset classes and geographies at one of the largest and most respected institutional investors in the world, Ontario Teachers' Pension Plan, where she was the senior managing director and global group head of High Conviction Equities. This position gave her great access to many early-stage private companies, especially in the tech space, as an institutional investor with very large sums to invest and a long-term time horizon, and these contacts have been instrumental in giving RCP access to SpaceX and some key AI companies at very early stages in their development and very low prices. Maggie heads an investment team of 15, with some very experienced investors playing key roles. The Investment Committee comprises Maggie as Chair, Frank Ducomble, Head of Markets, Shahid Ikram, Head of Macro Strategy and Micky Breuer-Weil, Managing Director of Investment Policy.

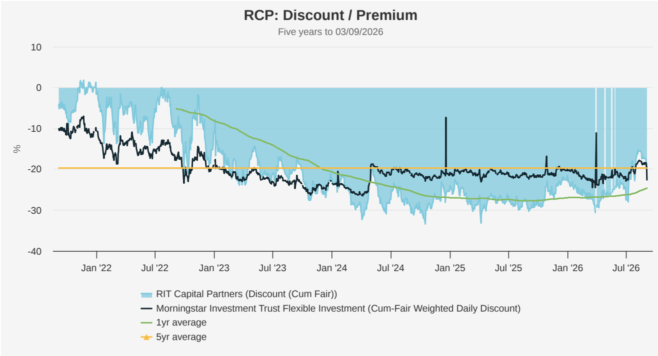
RCP was founded by the late Lord Jacob Rothschild in 1971 and listed on the London Stock Exchange in 1988. His daughter, Dame Hannah Rothschild, represents the family on the board, and they continue to own a significant stake. As of 31/12/2025, the total interest related to and overseen by the family office of Dame Hannah was 22.6% of the share capital. The chair of the board is Philippe Costeletos, who originally joined the board as a non-executive director in July 2017. He has over 30 years' private investment and board governance experience and is the founder of Stemar Capital Partners (SCP), a private investment firm focused on building long-term investment platforms. Philippe was formerly Chair of International at Colony Capital and a senior adviser of the Blackstone Group.

RCP operates an Annual Incentive Scheme (AIS) for employees as well as longer-term share-based awards. The AIS rewards investment outperformance, linked to two KPIs: absolute outperformance against the Consumer Price Index (CPI) plus 3.0% per annum; and relative outperformance in excess of ACWI (50% £) per annum; as well as wider achievements linked to the group's operations and business principles. The incentive plan is designed to attract, motivate and retain the high-quality individuals and aims to align management with shareholders' interests. Total AIS is capped at 0.75% of NAV. There is also a long-term incentive plan (LTIP) designed to reinforce alignment with shareholders' interest and measured over periods of up to three years. These plans include share awards, and as of 31/12/2025, employees of the manager held £20m in shares, or roughly 0.6%.

Discount

Recent months have seen a striking narrowing of the discount, although it remains attractively wide at c. 20%. The completion of a tender offer in July may have relieved some selling pressure by giving shareholders a way to exit at a 15% discount to NAV, and therefore a considerably higher price than that previously available in the market. We would note also that there has been much improved sentiment towards unlisted assets which play an important role in RCP's portfolio. Finally, we think the market has been reassessing the value in the investment company sector as a whole and hunting out the anomalous discounts. The technical pressures which kept investors on the sidelines seem to have abated, and with helpful regulatory changes on fee disclosure and encouraging institutions to invest in private assets, the picture is looking more helpful. While the discount has narrowed substantially, we still think 20% stands out as offering value, with a highly differentiated growth portfolio which offers diversification to index-like strategies looking attractive on its own terms. With returns having been good for the past three years, we think investors are likely to be reassessing the proposition. Additionally, we think any overhauled dividend policy may provide the trigger for a quick rerating given the importance placed on dividends by the UK retail investor.

DISCOUNT



Source: Morningstar

Past performance is not a reliable indicator of future results.

Charges

RCP's latest ongoing charges figure (OCF) is 0.73%, calculated as of 31/12/2025. This represents costs which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition/disposal of investments, financing costs and gains/losses arising on investments. The OCF excludes costs relating to compensation schemes which are directly linked to investment performance.

The OCF excludes the fees paid to external managers, which the board estimates to have been c. 0.82% of average NAV for the 2025 financial year. Paying additional management fees is an essential part of any investment in a fund of funds structure, and we note that RCP offers investors access to numerous specialist managers which are unavailable to the average investor elsewhere and often best in class. Fees can be quite high in private assets funds, and the board guides that long-only equity funds charge 0.5% to 1.0% management fees, with possible performance fees. Hedge funds typically have 1% to 2% management fees and 10% to 20% performance fees. Private funds generally incur 1% to 2.5% annual fees (often based on commitments in early years and decline over time) and 20% to 30% carried interest, often linked to performance hurdles. Any performance fees and carried interest paid are not included in reported cost figures, but would be incorporated in the funds' valuations.

In our view, while transparency on fees is desirable, the most important thing is to note that all these fees are already incorporated into RCP's NAV, and by extension the share price, and don't represent extra charges paid by shareholders, so the NAV and share price total returns quoted above include their impact, and the management team is assessed by the board on their post-fee NAV performance. We would view the payment of management fees to external managers to be an inherent cost of the strategy in the same way trading costs are incurred by long-only equity managers.

ESG

The board states that a commitment to sustainability and ESG is a core objective for the trust. This is based on a dual approach: (i) incorporation of principles of responsible investment into the investment processes for the delivery of sustainable financial returns from the portfolio; and (ii) in respect of internal operations as managers, JRCM aim to be good corporate citizens, engaging regularly with stakeholders and minimising their environmental impact. JRCM is a signatory to the UN's Principles for Responsible Investment, and ESG factors form a key part of the manager's due diligence done before selecting investments. They continue to look for ways to strengthen the integration of sustainability concerns into their investment process, which already includes consideration of key ESG risks. The manager prepares a quarterly report for the board which summarises ESG considerations with new investments and the output of its monitoring of existing investments.

The responsible investment framework and policy provide a detailed overview of how JRCM considers ESG factors when selecting investments. Additionally, given that RCP is internally managed by JRCM, the framework and policy give details about how ESG impacts the management company's internal operations, taking into account the environmental impact, an assessment of societal obligations, and the overall corporate governance and culture. The board has undertaken to continue to develop and refine its approach, over time.

Given the nature of the underlying portfolio, Morningstar is unable to provide an ESG sustainability rating for the trust.

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