

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you to compare it with other products.

Product

Ordinary shares in RIT Capital Partners plc (RIT).

This KID is produced by **J. Rothschild Capital Management Limited (JRCM)**, a wholly-owned subsidiary of RIT and its appointed investment manager. RIT's ISIN is GB0007366395 and its website is www.ritcap.com.

Call 020 7647 6203 for more information. JRCM is authorised and regulated by the Financial Conduct Authority. The version date of this KID is 17 September 2021.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type:

Ordinary shares in RIT, a UK Investment Trust, listed and traded on the London Stock Exchange.

Objectives:

The long-term aims of RIT are outlined in its Report & Accounts and encapsulated in 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."

and 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."

RIT invests across multiple asset classes, geographies, industries and currencies using a combination of an in-house investment team and external managers.

There are no restrictions on the allocation of assets, and the investment portfolio typically includes equities, equity and hedge funds, absolute return funds, credit funds, government securities, private investments (held directly and via funds) and real assets such as gold or property.

The fund uses derivative financial instruments to assist in achieving its objective, including managing exposures to equity markets, currencies and interest rates. RIT maintains structural gearing through a mixture of long-term notes and revolving credit facilities. Gearing and derivatives can have the impact of magnifying any gains or losses from the underlying investments.

Shares in RIT may trade at a premium or a discount to the value of the underlying assets. The shares can be bought and sold via the London Stock Exchange. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

Intended retail investor:

The shares of RIT are intended to be marketed to investors who are interested in long-term capital growth and who have a long-term investment horizon. Investors should understand that the share price of RIT can fall as well as rise and be able to bear the potential loss of capital as you can lose some or all of your investment. Shares in RIT are available to investors with a basic knowledge of financial instruments, who can make an informed decision based on the information available.

What are the risks and what could I get in return?

Risk indicator:



Lower risk

Higher risk



The summary risk indicator above assumes you keep the product for five years. The risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. We have classified this product as '4' out of '7' where '4' = a medium risk class. This rates the potential losses from future performance at a 'medium' level. This classification is based on a statistical analysis of the volatility of RIT's historical share price returns for the five years to 31 December 2020. Historical share price volatility may not be a reliable indicator of future risks. As with any ordinary share, this product does not include any protection from future market performance, so you could lose some or all of your investment. Further information on risk is set out in RIT's Report & Accounts.

Performance scenarios:

Investment of £10,000 in RIT ordinary shares				
Scenarios		1 year	3 years	5 years*
Stress scenario	What you might get back after costs	£995	£5,011	£4,010
	Average return each year	-90.0%	-20.6%	-16.7%
Unfavourable scenario	What you might get back after costs	£8,109	£7,308	£6,983
	Average return each year	-18.9%	-9.9%	-6.9%
Moderate scenario	What you might get back after costs	£10,400	£11,269	£12,184
	Average return each year	4.0%	4.1%	4.0%
Favourable scenario	What you might get back after costs	£13,377	£17,427	£21,321
	Average return each year	33.8%	20.3%	16.3%

* minimum recommended holding period.

This table shows the money you could get back over the next 1, 3 and 5 years (the minimum recommended holding period), assuming that you invest £10,000 up front. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where you are unable to sell your shares.

The figures shown include all of the costs of the product itself, but may not include all of the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if RIT is unavailable to pay out?

Shares of RIT are typically bought and sold on the London Stock Exchange rather than being 'redeemed' by RIT. As a shareholder in RIT, you would not be able to make a claim to the Financial Services Compensation Scheme about RIT or JRCM. If you receive advice to invest in RIT from a third party, for example a financial adviser or stockbroker, you should also consider the literature that you receive from this service provider and contact them directly with any questions.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future. Published NAV performance is net of all costs/fees incurred by the Group and/or within the underlying investments.

Costs over time:

The person selling you or advising you about this product may charge you other costs (which may include broker commission, platform fees and Stamp Duty). If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment of £10,000 in RIT ordinary shares			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years *
Total costs	£471	£1,600	£3,020
Impact on return (RIY) per year	4.71%	4.71%	4.71%

* minimum recommended holding period. The above illustration uses the 'moderate' performance scenario.

Composition of Costs:

The table below shows: the impact of the different types of costs on the investment return you might get at the end of the recommended holding period; and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	-	Not applicable.
	Exit costs	-	Not applicable.
Ongoing costs	Portfolio transaction costs	0.07%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.08%	The impact of the costs we take each year for managing your investments (0.66%), plus interest (0.53%) plus the estimated management fees within the underlying funds we invest in (0.89%, net of rebates).*
Incidental costs	Performance fees	1.47%	The impact of the estimated performance fees within the underlying funds we invest in*, and performance-related compensation for JRCM.
	Carried interest	1.23%	The impact of estimated carried interests within the underlying private equity funds we invest in.*

Further details of the typical fee rates for third party funds are set out in RIT's 2020 Report & Accounts, page 50. Performance fees and carried interest are only paid when performance exceeds certain hurdles.

How long should I hold it and can I take my money out early?

Holding shares in RIT should be considered a long-term investment, that is, it is expected that you will hold the shares for at least five years in order to benefit from RIT's long-term investment approach. RIT imposes no penalty when its shares are sold; if you wish to sell your shares you may do so at the prevailing share price.

How can I complain?

If you wish to complain about JRCM or the KID, please address your complaint in writing to Investor Relations, 27 St James's Place, London, SW1A 1NR or investorrelations@ritcap.co.uk. However, you should note that neither RIT nor JRCM provide you with any personal advice or other service. As a shareholder of RIT, you do not have the right to complain to the Financial Ombudsman Service. If you received advice to invest in RIT from a third party, e.g. a financial adviser or stockbroker, you should contact them directly with any questions or complaints regarding their service to you.

Other relevant information

For further information please see the most recent RIT Report & Accounts on www.ritcap.com.