

F&C INVESTMENT TRUST PLC

Audited Statement of Results for the year ended 31 December 2024

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Information disclosed in accordance with DTR 4.1.3

17 March 2024

F&C Investment Trust plc ('F&C'/the 'Company') today announces its results for the year ended 31 December 2024.

- F&C's share price was 1,108 pence representing a total return of +16.9%, against its benchmark, the FTSE All-World Index, of +19.3%.
- F&C's Net Asset Value ('NAV') total return of +21.0%, with debt at market value, ahead of the benchmark.
- The Company has delivered a total shareholder return of 212.2% over the ten-year period to the end of 2024, equivalent to 12.1% per annum which compares with a return of 200.2% (equivalent to 11.6% per annum) from our benchmark index.
- The final dividend will be 4.8 pence per share, subject to shareholder approval, and will bring the total dividend for the year to 15.6 pence per share. This will be a 6.1% increase and the 54th consecutive annual increase.

Commenting on the markets, Paul Niven, Fund Manager said:

"Despite a volatile and rapidly changing market backdrop, our consistent approach has served shareholders very well over the long term."

The Chairman, Beatrice Hollond, commented:

"F&C's NAV total return has beaten the benchmark and its global peer group over one, three, five and ten years. Over twenty years, our return is equivalent to 10.4% per annum. The growth in our dividends over the past decade is significantly higher than UK inflation."

The full results statement is attached.

Past performance should not be seen as an indication of future performance. The value of investments and income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

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About F&C:

- Founded in 1868 – the oldest collective investment trust
- A diversified portfolio provides exposure to most of the world's stock markets, with exposure to just under 400 individual companies across the globe
- Its aim is to generate long-term growth in capital and income by investing primarily in an international portfolio of listed equities

Visit our website: fandc.com

Chairman's Statement

Dear Shareholder,

2024 was another strong year for global equity markets with US equities rising by more than 25%. This was the first time since the late 1990s that US investors have enjoyed successive annual gains of greater than 20%. As was the case in 2023, the US outperformed both analysts' expectations and other major equity markets. The so-called 'Magnificent Seven' US mega-cap technology stocks delivered returns well in excess of the broader market. Indeed, this collection of exceptional companies, which include Nvidia, Microsoft and Amazon, delivered a 67% dollar-based gain on the year, pushing the market weight of these companies in the US index to new highs.

US equity market performance was driven by better-than-expected economic data and, as the year progressed, initial fears of recession gave way to robust US growth, while inflation fell to levels which enabled central banks to begin cutting interest rates. While the scale of resultant interest rate cuts was below initial expectations, the combination of strong earnings growth in the US, declining inflation and interest rates, alongside ongoing optimism over the impact of Artificial Intelligence ('AI') propelled equity markets to new record highs. Furthermore, despite uncertainty over policy, the election of Donald Trump as US President for a second term, with promises of corporate tax cuts and deregulation, gave further impetus to investor risk appetite in the final part of the year.

The picture was more mixed outside of the US. While the global economy avoided a recession over the year, there was reasonable dispersion across regions. Sluggish economic data, along with lower inflation in Europe and the UK, led to an easing of interest rate policy by the European Central Bank and the Bank of England.

Our Net Asset Value ('NAV') total return, taking debt at market value, of +21.0% outperformed the return from our benchmark index of +19.3%. Our share price and our NAV total returns exceeded those delivered from our closed ended peers in 2024. Indeed, both our returns exceed that of our open and closed ended peers over one, three, five and ten years. This outperformance, over all these periods is unique in our closed ended sector. As a diversified global investment trust, designed to provide consistency in terms of performance outcome, it is pleasing to report these strong and consistent returns for shareholders. Furthermore, as our NAV total return has also exceeded that of our market benchmark over one, three, five and ten years, we believe that this is a strong proof statement on the effectiveness of our investment approach.

Although our share price and NAV reached new record highs, in common with many of our peers in the investment trust sector we saw a widening in our share price discount to NAV in 2024. Our discount moved from 5.9% at the start of the year, to end the year at 9.2%. This detracted from shareholder returns, resulting in a share price total return of +16.9%, lower than our NAV total return of +21.0%. Our NAV, with debt at market value, rose from 1,022.1p to 1,219.6p per share and our share price rose from 962p to 1,108p. We bought back 5.3% of our issued share capital, a total of 27.3m shares. We remain committed towards our objective of achieving a sustainably low deviation between our share price and NAV, as well as reducing the volatility of the discount.

Performance from our underlying listed strategies was strong over the year, with each component of our portfolio delivering a gain in absolute terms. Performance was particularly strong in North America, Japan and from our Global Focus strategy, which has exposure to quality growth stocks. While we were relatively underweight compared to the benchmark index to some of the Magnificent Seven stocks, overall our listed portfolio modestly outperformed its benchmark index. The decision by our Fund Manager to reduce our allocations to emerging markets and Europe in the first half of 2024 served us well as both regions underperformed the broader benchmark over the year. While our private equity portfolio produced respectable absolute returns over the year, performance lagged that of the listed global equity benchmark.

As our investment portfolio has significant investments in US assets the modest decline in sterling (of -1.8%) against the US dollar was beneficial to returns. In a year where markets rose strongly, our gearing added value over the year.

Following our re-admission to the FTSE100 index in 2022, I am pleased to report that we not only maintained this position, but we actually rose within the index, cementing our position as one of the UK's leading listed companies. As noted in our 2023 Annual Report, we have previously been a FTSE100 constituent, but this current period is the longest that we have remained in the index.

Contributors to total returns in 2024 (%)	
Portfolio return ⁽¹⁾	19.1
Management fees	(0.3)
Interest and other expenses	(0.5)
Share buybacks	0.5
Change of value of debt	0.6
Gearing/other	1.6
NAV total return	21.0
Change in share price discount	(4.1)
Share price total return	16.9
FTSE All-World total return	19.3

Source: Columbia Threadneedle Investments

LONG-TERM RESULTS

We remain resolutely focused on our investment objective of securing growth in both capital and income for shareholders over the long term. Over the ten years to the end of 2024 your Company delivered a total shareholder return of +212.2%, equivalent to +12.1% per annum. Returns have remained remarkably consistent, with limited losses on an annual basis over the past decade.

Over a twenty-year period to 31 December 2024 the Company's NAV return was +627.3%, equivalent to 10.4% per annum. Our capital-only return (i.e. without dividends reinvested) over the past twenty years was +469.7% (9.1% per annum) and our shareholder total return was +751.6% (11.3% per annum). Dividends paid to shareholders have risen by 5.3% per annum over the past decade and by 6.8% over the past twenty years. Such results continue to demonstrate the importance of compounding income and capital gains over the long term, in the process of value creation for shareholders.

FIFTY FOURTH CONSECUTIVE ANNUAL DIVIDEND INCREASE

Our gross and net income generated in 2024 represented a new record high. Gross income rose by 4.9% to £111.8m and our net revenue rose by 3.5% to £84.6m. Special dividends fell slightly to £3.6m (2023: £4.4m). The impact of currency movements reduced our income by £3.4m (2023: -£0.6m). Our Net Revenue Return per share rose by 7.5% on the year to 17.01 pence, from 15.83 pence per share in 2023.

The UK rate of inflation (as measured by CPI) declined during the year, falling from 4% to 2.5%. This represents a significant reduction in inflation from that seen during the inflationary spike post the Covid pandemic and the invasion of Ukraine, but inflation remains above the target of the Bank of England and slightly higher than levels seen in the years before Covid. It remains the ambition of the Board to deliver real rises in dividends for shareholders over the long-term that are sustainable. I am therefore delighted to report another rise in the proposed annual dividend, which will again be fully covered by our revenue earned in the year. Subject to approval at the Annual General Meeting ('AGM'), shareholders will receive a final dividend of 4.8 pence per share on 7 May 2025, bringing the total dividend for 2024 to 15.6 pence: an increase of 6.1% over that of 2023. The increase compares to the 2.5% rise in CPI and means that the growth in our dividends has exceeded UK inflation over one, three, five and ten years. Indeed, the growth in our dividends over the past decade, at 67.7%, is almost double that of UK inflation over the equivalent period (35.4%). Furthermore, our full year 2024 dividend, as well as being our fifty fourth consecutive rise in annual dividends, is our one hundred and fifty seventh annual dividend payment for shareholders.

We continue to benefit from a strong financial position with respect to both our revenue reserves (£116.2m), which represent approximately one year of dividend payments, and our capital reserves which stood at £5.3bn at the year end. As both are potentially distributable, we remain very well placed to continue our track record of increasing annual dividends well into the future.

EFFICIENCY

I am pleased to report that our 2024 Ongoing Charges figure fell to 0.45%, down from 0.49% in 2023. This reduction in charges was driven, in part, by the benefits of scale applying to our fee arrangement with our Manager and by greater efficiency in terms of our expenses, relative to an increased asset base.

The Board remains focused on delivering value for money for shareholders as part of its performance objectives and the Manager is also supportive of providing benefits of scale for their clients. Following constructive discussions with the Manager, I am pleased to advise that, from 1 January 2025, the Company's management fee will be paid at the rate of 0.3% on the first £3.5bn of the market value of the Company (down from £4bn at present) and at 0.25% on the value of the Company between £3.5bn and £6bn. A new tier has been introduced, with a fee of 0.2% on market value above £6bn applying. From 1 January 2026, the level at which the 0.3% fee will start to apply will fall further, to £3bn. These revised fee arrangements will ensure that your Company remains extremely competitively positioned relative to peers and the Board believes that, along with our delivered investment performance, this should position the Company to both attract and retain new shareholders over time.

BORROWINGS

We did not add to our total borrowings of £578.7m over the course of the year. Our cash and cash equivalents including short-dated Government bonds were reduced from £166.5m to £91.1m. There was no Government bond exposure at the year end. Our effective gearing level (with debt at par and considering Government bonds as part of our investment portfolio) fell to 8.6% from 9.9% at the start of the year.

With our substantial long-term borrowings and low fixed rates on our loans that extend to 2061, we remain very well positioned to add value through investment in assets which should be expected to deliver a superior return. Our loans have a blended interest rate of approximately 2.4%, which is far below current prospective rates which we would pay for short and long-dated loans.

REDUCING CARBON INTENSITY

The Board remains committed to transitioning the Company's portfolio to net zero carbon emissions by 2050 (**'Net Zero'**). The Manager's approach to Responsible Investment is set out in the Annual Report and shareholders will note that the portfolio's carbon intensity has increased in the last two years as a result of changes within the portfolio. It is important to be aware that progress towards Net Zero will not be in the form of a straight-line trajectory and that there are several reasons for this. The Company has an investment objective to deliver growth in capital and income over time and the Board considers that this remains the primary objective for the Fund Manager. In the short term, delivering on the investment returns objective might periodically mean increases in the overall carbon intensity of the portfolio but, over time, we intend to reduce it both through investments in renewable energy and other decarbonisation technologies, as well as engaging with companies across our portfolio to ensure their activities are aligned or aligning to Net Zero. As a result of that engagement, companies are assessed as to whether they are aligned, aligning, committed, or not aligned to Net Zero and we also pay close attention to progress on this alignment. More detail is given in the Responsible Investment section of the Annual Report. The Board is also cognisant that there might be short term disruption and challenges in achieving its Net Zero target and it has identified the failure to transition to Net Zero as a principal risk.

BOARD COMPOSITION

Richard Robinson was appointed to the Board on 3 May 2024, replacing Tom Joy who stepped down from the Board on 31 March 2024. Richard has been the Investment Director of the Paul Hamlyn Foundation since 2009 and has considerable investment management experience.

Edward Knapp will have served as a Director for nine years in July this year. He will seek re-election at the forthcoming AGM but will step down from the Board in the second half of this year. We shall miss Edward's outstanding combination of investment, operational and general management experience. His contributions to the Board's discussions on strategy and risk have been particularly valuable. We will commence the process to recruit his successor shortly and an announcement will be made in due course.

F&C LECTURE

In June 2024, we held our biennial lecture. As well as wanting to engage with our existing shareholders, we continue our efforts to attract young investors and the event was branded "F&C Live", with the theme "Smart choices: Navigating an Age of Social Change". We had some thought-provoking speakers who covered areas such as artificial intelligence, demographics, disruptive technology and geopolitics. It was very well received by those who attended and you can view a recording of the event, and interviews with the speakers, on our website at fandc.com.

ANNUAL GENERAL MEETING

This year's AGM will be a "hybrid" meeting, which will enable shareholders who cannot attend in person to view the AGM online and to participate by asking questions and voting if they wish. Full details of how to do so are set out in the letter that accompanies your Form of Proxy or Form of Direction.

Voting will be conducted by way of a poll, and you are requested to lodge your votes ahead of the meeting by completing your Form of Proxy or Form of Direction in accordance with the instructions. Its completion and return will not preclude you from attending the meeting and voting in person. If you are unable to attend the AGM, you are requested to submit any questions you may have with regard to the resolutions proposed at the AGM, or the performance of the Company, in advance of the meeting to F&Cagm@columbiathreadneedle.com. Following the AGM, the Fund Manager's presentation will be available on the Company's website at fandc.com.

OUTLOOK

2024 saw a continuation of many of the market themes from 2023. Performance from the Magnificent Seven sent US equities to record highs and to record levels of market concentration. It is noteworthy that recent equity market gains have been fuelled by such a small number of companies. However, there are expectations for a broadening out of returns across equity markets over the coming year.

The forecast for economic growth remains mixed for 2025. In the US, inflation is now expected to remain above target for longer, with jobs and underlying activity still showing strong readings. This is likely to leave only limited room for the Federal Reserve to cut interest rates from current levels. In Europe and the UK, signs of slowing economic growth means central banks are expected to cut rates over the coming year.

Equity markets, particularly the US, appear to be valued with little room for disappointment. Whilst there is investor enthusiasm for an expansionary policy mix that includes tax cuts and extra fiscal spending from the new US administration, investors continue to be concerned over potential tariffs and the route the new US administration will pursue regarding foreign policy. These could act as headwinds for global growth and investor sentiment in 2025. Furthermore, the current dominance of a small cohort of leading companies may face challenges from a number of areas including increased competition or regulatory challenges.

Our robust corporate structure and long-term perspective on investment opportunities is one of our great strengths. Our long-dated senior notes provide fixed, low-cost borrowings from which we can fund investments. Our dividend, rising for a fifty-fourth consecutive year, is fully covered. We continue to hold significant revenue reserves, which should help us to continue to meet our objective of delivering above inflation increases in the dividend over the coming years. Our Private Equity portfolio, mainly focused on mid-market opportunities, remains well positioned, after a relatively fallow period, to benefit from future growth. Realisations in our portfolio managed by Columbia Threadneedle Investments increased in 2024 and we hope to see that continue into 2025. Our recent Growth and Venture Capital investments remain in the early stages of their investment programmes, but we remain optimistic over longer-term prospects there. There are many reasons for caution and indeed recent events relating to potential lower cost advances in AI illustrate the potential for both market volatility and shocks but, equally, the backdrop for financial markets does appear positive for the coming years. Regardless of potential short-term volatility, we remain resolutely focused on long-term opportunities.

Beatrice Hollond
14 March 2025

Forward-looking statements

This document may contain forward-looking statements with respect to the financial condition, results of operations and business of the Company. Such statements involve risk and uncertainty because they relate to future events and circumstances that could cause actual results to differ materially from those expressed or implied by forward-looking statements. The forward looking statements are based on the Directors' current view and on information known to them at the date of this document. Nothing should be construed as a profit forecast.

Weighting, stock selection and performance over one year in each investment portfolio strategy and underlying geographic exposure versus Index at 31 December 2024					
Investment Portfolio Strategy	Our portfolio strategy weighting %	Underlying geographic exposure⁽¹⁾ %	Benchmark weighting %	Our strategy performance in sterling %	Net index performance in sterling %
North America	41.7	64.5	67.2	27.7	26.3
Europe inc. UK	8.3	20.0	13.7	11.3	4.2
Japan	4.1	5.7	5.7	14.9	9.7
Emerging Markets	4.9	7.7	9.9	7.9	9.4
Developed Pacific		2.1	3.5		(3.9)
Global Strategies ⁽²⁾	30.1			17.6	19.3
Private Equity ⁽³⁾	10.9			9.7	

(1) Represents the geographic exposure of the portfolio, including underlying exposures in private equity and fund holdings.

(2) The Global Strategies allocation consists of Global Income, Global Value, Global Focus and Global Enhanced.

(3) Includes the holdings in Schiehallion and Syncona.

Source: Columbia Threadneedle Investments

PRINCIPAL AND EMERGING RISKS

RISK MONITORING

The Board has continued to work with the Manager in managing the Company's risks. A risk summary is produced by the Manager in consultation with the Board to identify the risks to which the Company is exposed, the controls in place and the actions being taken to mitigate them. The Board, through the Audit Committee, has a robust process for considering the resulting risk control assessment at regular meetings and on an ongoing basis it reviews the significance of the risks and the reasons for any changes.

To a great extent, the Company is reliant on the risk management and internal control processes that are embedded in the Manager's day-to-day operations. The Board is confident through regular review and scrutiny that the Manager has the required systems, tools, governance and processes in place to identify, assess, monitor, manage and mitigate all material risk and control issues that might impact the Company. This includes the ability of the Manager to leverage expert resource as required: for example, the Company benefits from the Manager's global team of experts that focuses continually on cybersecurity. The Manager provides ongoing comprehensive risk management and control across the whole of the Company's portfolio, including management and oversight of the risks arising from the use of both internal resource and third party managers.

The Board carried out a thorough review of the risks that could impact the sustainable success of the Company. The purpose of the exercise was to reassess the principal and emerging risks and identify any new, emerging risks and to take any necessary action to mitigate their potential impact. The Risk Control Assessment was then revised in line with the conclusions that were reached. As a result of this review, some risks have been reclassified as Principal Risks and two new Emerging Risks have been identified.

The Board confirms that it has carried out a robust review and assessment of the Company's principal and emerging risks and the uncertainties that could threaten its future success. This includes near-term risks such as those posed by geopolitical uncertainty and longer-term risks, such as climate change. The consequences for the Company's strategy, business model, liquidity, future prospects, long term viability and its commitment to transition the portfolio to net zero carbon emissions by 2050, form an integral part of this review.

Our risk evaluation forms an inherent part of our strategy determination, which seeks to mitigate risks and to pursue the opportunities that arise. As a result of the Board's assessment, the following risk disclosures reflect what it believes to be the Principal and Emerging Risks that the Company faces at present, the material controls in place to mitigate those risks and whether the status of those risks has changed in the year under review.

PRINCIPAL RISKS

Risk Description	Risk Mitigation/Controls	Status
Unsatisfactory Investment Performance		
Sub-optimal implementation of the investment strategy, for example poor asset allocation, sector and stock selection, concentration risk, excessive diversification, inadequate inhouse private equity capability, currency exposure and use of gearing and derivatives may give rise to under-performance against the Company's benchmark index and companies within its peer group. It may also impact the Company's dividend paying capacity.	Under our business model, a Manager is appointed with the capability and resources to manage the Company's assets through asset allocation, sector and stock selection, risk management and the use of gearing. The Manager can delegate the management of investment portfolios externally to third-party managers. The individual global and regional investment portfolios are managed as a whole to provide diversification, lower volatility and lower risk. The performance of the Company relative to its benchmark, its peers and inflation is a KPI measured by the Board on an ongoing basis. The Company's portfolio is well diversified and its closed-end structure enables it to continue to take a long-term view. Detailed reports, including revenue forecasts, provided by the Fund Manager are reviewed by the Board at each of its meetings.	Long-term performance remains in line with the Company's objective and the Board's expectations. Prudent management of the Company's Revenue Reserve means that its dividend paying capacity remains strong. The key indicators of risk remain within tolerance across the long-term, diversified portfolio. Consequently, the Board considers that this risk has reduced.
Geopolitical Actions		
Geopolitical risks may result in global financial and equity markets instability. Geopolitical actions may result in the imposition of government and/or regulatory controls, causing	The Company has a clearly defined investment strategy. Assets are diversified to reduce concentration risk and investment processes incorporate non-financial and	The Board considers that this risk has increased.

<p>falls in equity markets and resulting in long term bear markets, with inflation damaging real returns, thereby restricting growth opportunities. A significant weakening of the US Dollar against sterling would impact dividend income and absolute performance negatively and reduce the attractiveness of overseas assets to UK investors.</p>	<p>risk considerations in the assessment of investment opportunities. Gearing limits are set by the Board and levels are reported regularly. The Manager has systems, staff and controls in place to enable ongoing monitoring of, and quick reaction to, financial crises. The results of forward looking stress tests, ranging from moderate to extreme scenarios, have provided the basis for the Board to confirm the Company's long term viability.</p>	
Service Delivery Failure		
<p>Service providers are unable to provide expected services. Delivery failure may be due to various factors including systems failure, data breach, material error and fraud. This includes functions delegated by the Manager, for example fund accounting, third party sub-portfolio managers and third party providers appointed directly by the Company, for example the Custodian, Registrar and Depositary.</p>	<p>Legal agreements are in place with the Manager, sub-portfolio managers and other third party service providers. These set out the agreed service levels which are monitored. All third parties provide reports on their internal controls environment which are independently audited. These reports are reviewed by the Board with follow up queries directed to the relevant parties where necessary. The Manager produces a quarterly investment trust controls report, detailing any breaches, errors and/or general updates relevant to the Company. Each year the Board reviews the Manager's Assessment of Value for the Company, which is submitted by the Manager to the FCA in compliance with the Consumer Duty regulation. The Company's Depositary is liable in the event of a loss of assets. The performance of the Manager and the third party service providers are evaluated formally by the Management Engagement Committee on an annual basis.</p>	<p>The Board considers that this risk is unchanged.</p>
Discount		
<p>The absolute level and volatility of the discount/premium to NAV at which the Company's shares trade moves to an extent that it disadvantages shareholders. For example, the discount may widen through lack of demand for the shares in the market as a result of significant underperformance. As a result, the attractiveness of the Company's shares to investors is diminished. A wide discount may also attract activist shareholders.</p>	<p>The Board monitors the discount/premium at which the shares trade on an absolute level and relative to its peer companies and the wider investment trust sector. It operates a share buyback programme, thereby enhancing the NAV per share for ongoing shareholders and with the aim of minimising the absolute level and volatility of the discount at which the Company's shares trade.</p>	<p>Despite a significant increase in the volume of shares bought back during the year, the discount widened. Therefore, the Board considers that this risk has increased.</p>

Cybercrime		
Disruption to the Manager's systems as a result of cybercrime could prevent the accurate monitoring and reporting of the Company's financial position and impact the confidentiality or integrity of company data. Cybercrime could also impact other service providers' ability to provide the agreed services and could result in the theft of Company or client assets.	The Audit Committee receives an annual update from the Manager's Chief Information Security Officer and the organisation is ensuring that it is compliant with the Digital Operational Resilience Act ('DORA'), which came into effect in January 2025. There are multiple layers of controls in place from protecting data, applications, end points, servers and the network through to people and processes and there are a number of proactive policies in place, along with a 24/7 security operation centre to monitor threats. The Manager is fully aware and acts upon new cyber information as and when it becomes available.	Whilst the risk of loss remains high, Board and management vigilance also remains heightened and therefore this risk is categorised as unchanged.
Loss of Key Person		
A key individual or team could depart from the Manager causing disruption to the management of the Company's assets and underperformance. The person posing the greatest key person risk is the Company's Fund Manager, Paul Niven, who is Head of Multi-Asset Solutions (EMEA) at Columbia Threadneedle Investments and who has been managing the Company's assets since 2014.	The Board meets with members of the wider Columbia Threadneedle investment management team to ensure that relationships are fully developed at all levels. Succession planning concerning any potential significant management changes is shared with the Board. The Manager's Multi-Asset Solutions team is more than 20 strong and senior members of the team attend Board meetings regularly. The Board has received assurance from senior management at Columbia Threadneedle Investments that it has the necessary breadth and experience if it was required to manage without Mr Niven and it is confident that the structure that supports him could manage in the event that he was to become incapacitated or leave the firm. Having considered who are the key people that could potentially pose a risk to the Company should they leave Columbia Threadneedle Investments, the Board is confident that they could be replaced appropriately through internal promotion or external recruitment.	The Board meets with members of the Manager's team frequently and therefore considers that this risk has reduced.
Failure to Transition to Net Zero		
The Board has made a commitment to transition the Company's portfolio to net zero carbon emissions by 2050. Responsible investment is a field that is evolving rapidly and it can present both opportunities and threats to the long-term investment performance that we aim to deliver to our shareholders.	The Manager believes in the power of engaged, long-term ownership as a force for positive change. It applies high standards of responsible investment in managing the investments on behalf of our shareholders and takes seriously its stewardship responsibilities, actively engaging with investee companies. The Board meets with Columbia Threadneedle's responsible	Increased geopolitical uncertainty and policy changes in the near term may lead to increases in carbon intensity globally. Therefore, the Board considers that this risk has increased.

	investment team on a regular basis. We recognise the importance of disclosing information on responsible investment that is relevant, reliable and, as far as possible, ensuring that it is presented in a consistent way from year to year in order that our progress can be assessed.	
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Emerging Risks

Risk Description	Risk Mitigation/Controls
Disruptive Technology	
The emergence of new, disruptive technology, including the use of Artificial Intelligence, presents both opportunities and threats. It could have a negative impact on the valuation of investments within the portfolio and/or the consequences of new disruptive technology are not understood fully and therefore investment opportunities are missed.	The Company's Fund Manager is supported by a team of experienced investment professionals who provide research, supplemented by third party firms. Assets are diversified to reduce concentration risk, in line with the agreed investment strategy. We believe that it will take some time for the impact of Artificial Intelligence to flow through which, therefore, gives the Fund Manager time to react and reposition the Company's portfolio accordingly.
Responsible Investment Disclosure	
Rapidly evolving and increasing ESG regulations present the dual risks of the failure to comply with ESG disclosure requirements and that inaccurate tracking and collection of data in a relatively immature field will result in inaccurate reporting to stakeholders.	The Manager's Responsible Investment team specialises in ESG matters and is supported by its Legal team and the Company Secretary. Advice is also received from external legal advisers, the AIC and the Company's auditors on changes to legislation and their impact on the Company's reporting requirements. The disclosures within the Company's annual report are reviewed by the Auditor and require Board approval.

LONG-TERM VIABILITY

The UK Corporate Governance Code and the AIC Code of Corporate Governance require the Board to assess the prospects of the Company over a longer period than the 12 months required by the Going Concern provision.

The Directors carried out scenario testing in order to consider the Company's long-term viability over a period of ten years to 31 December 2034. The tests commenced with a base case scenario that covered a range of assumptions that they considered to be the most relevant, to which sensitivity analysis was then applied in order to assess the impact of more extreme scenarios. A key assumption in each scenario included no change to the Company's dividend policy.

The worst case scenario tested by the Directors was based on what they believed to be severe but realistic assumptions. It addressed the potential impact of falls of 40% in the value of the listed investments and 35% for the private equity investments in 2025; followed by a 20% index fall in 2026 impacting equities, together with fluctuations in income receipts. The fall in value of investments may occur for a variety of reasons. Under this scenario the early funding of the private equity commitments would increase the proportion of that portfolio as a percentage of the total value of the investments as a whole. All loans were assumed to have been repaid at the beginning of 2025. Private equity valuations were assumed to make a modest recovery in later years, while exchange rate movements would fluctuate from year to year.

The results from the worst-case scenario showed that under such highly adverse conditions the net assets would fall to no lower than £1.6 billion and would be at £2.6 billion by 31 December 2034. Dividend payments to shareholders could continue to be paid through the utilisation of Capital Reserves.

Under a scenario based on the movements in income, inflation and valuations over the ten year period that followed the financial crisis of 2008, net assets would rise to £11.0 billion at 31 December 2034. Whilst a scenario that used the movements in income, inflation and valuations in the ten years following the 1970's oil crisis showed that net assets would rise to £20.6 billion by 31 December 2034.

The assumptions used for these tests purposefully did not take into account that under such severe conditions the Board and Manager would have taken further action to mitigate the risks and offset the impact. Furthermore, the tests were a theoretical and illustrative scenario exercise, the assumptions for which are extreme and highly unlikely. Their purpose was to help inform the Directors of the Company's resilience under conditions so severe that they would impact global economies, markets, companies and businesses alike. The tests help to support the Board's assessment of the Company's long-term viability. The results do not represent its views or give an indication of the likely outcome.

Having considered its current position and the principal and emerging risks that the Company faces and having applied stress tests under worst-case scenarios that would severely impact global economies and markets alike, the Board confirms that it has assessed the Company's prospects, to the extent that it is able to do so, over the next ten years.

In concluding that ten years is an appropriate period for this assessment, the Board considers that this approximates to a suitable period over which its longer-term investment performance should be judged and the periods over which it would typically commit to and benefit from its private equity investments.

The Board also took into consideration the long-term duration of the Company's debt, the perceived viability of the Company's principal service providers, the potential effects of expected regulatory changes and the potential threat from competition. The Company's business model, strategy and the embedded characteristics have helped define and maintain its stability over many decades. The Board expects this to continue over many more years to come.

The Directors confirm therefore, that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities in full over the coming ten years to 31 December 2034.

On behalf of the Board
Beatrice Hollond
Chairman
14 March 2025

Statement of Directors' Responsibilities in Respect of the Financial Statements

In accordance with Chapter 4.1.12 of the Disclosure Guidance and Transparency Rules the Directors confirm, that to the best of their knowledge:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces; and
- in the opinion of the Directors the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Beatrice Hollond

Chairman, 14 March 2025

Income Statement for the year ended 31 December

	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
Gains on investments	–	935,609	935,609	–	477,671	477,671
Exchange movements on foreign currency loans, cash balances and derivatives	(779)	5,003	4,224	(561)	(482)	(1,043)
Income	111,806	–	111,806	106,621	–	106,621
Management fees	(4,603)	(13,811)	(18,414)	(4,146)	(12,438)	(16,584)
Other expenses	(5,739)	(79)	(5,818)	(5,727)	(68)	(5,795)
Net return before finance costs and taxation	100,685	926,722	1,027,407	96,187	464,683	560,870
Finance costs	(3,433)	(10,298)	(13,731)	(3,460)	(10,381)	(13,841)
Net return on ordinary activities before taxation	97,252	916,424	1,013,676	92,727	454,302	547,029
Taxation on ordinary activities	(12,695)	(1,222)	(13,917)	(11,067)	(3,118)	(14,185)
Net return attributable to shareholders	84,557	915,202	999,759	81,660	451,184	532,844
Net return per share – basic (pence)	17.01	184.10	201.11	15.83	87.46	103.29

The total column of this statement is the profit and loss account of the Company.
All revenue and capital items in the above statement derive from continuing operations.
The net return attributable to shareholders is also the total comprehensive income.

Statement of Changes in Equity for the year ended 31 December 2024

	Share capital £'000s	Capital redemption reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total shareholders' funds £'000s
Balance brought forward 31 December 2023	140,455	122,307	4,664,438	107,287	5,034,487
Dividends paid	–	–	–	(75,604)	(75,604)
Shares repurchased by the Company and held in treasury	–	–	(280,120)	–	(280,120)
Net return attributable to shareholders	–	–	915,202	84,557	999,759
Balance carried forward 31 December 2024	140,455	122,307	5,299,520	116,240	5,678,522

for the year ended 31 December 2023

	Share capital £'000s	Capital redemption reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total shareholders' funds £'000s
Balance brought forward 31 December 2022	140,455	122,307	4,289,599	97,464	4,649,825
Dividends paid	–	–	–	(71,837)	(71,837)
Shares repurchased by the Company and held in treasury	–	–	(76,345)	–	(76,345)
Net return attributable to shareholders	–	–	451,184	81,660	532,844
Balance carried forward 31 December 2023	140,455	122,307	4,664,438	107,287	5,034,487

Balance Sheet at 31 December

	£'000s	2024 £'000s	£'000s	2023 £'000s
Fixed assets				
Investments		6,164,525		5,451,521
Current assets				
Investments	–		79,357	
Debtors	15,060		11,244	
Cash and cash equivalents	91,147		87,170	
	106,207		177,771	
Creditors: amounts falling due within one year				
Other	(12,909)		(13,836)	
	(12,909)		(13,836)	
Net current assets		93,298		163,935
Total assets less current liabilities		6,257,823		5,615,456
Creditors: amounts falling due after more than one year				
Loans	(578,726)		(580,394)	
Debenture	(575)		(575)	
		(579,301)		(580,969)
Net assets		5,678,522		5,034,487
Capital and reserves				
Share capital		140,455		140,455
Capital redemption reserve		122,307		122,307
Capital reserves		5,299,520		4,664,438
Revenue reserve		116,240		107,287
Total shareholders' funds		5,678,522		5,034,487
Net asset value per share – prior charges at nominal value (pence)		1,176.82		987.56

Statement of Cash Flows for the year ended 31 December

	2024 £'000s	2023 £'000s
Cash flows from operating activities before dividends received and interest paid	(36,166)	(25,774)
Dividends received	108,543	98,937
Interest paid	(13,731)	(13,842)
Cash flows from operating activities	58,646	59,321
Investing activities		
Purchases of investments	(3,604,576)	(4,224,563)
Sales of investments	3,904,506	4,155,297
Other capital charges and credits	(78)	(63)
Cash flows from investing activities	299,852	(69,329)
Cash flows before financing activities	358,498	(10,008)
Financing activities		
Equity dividends paid	(75,604)	(71,837)
Cash flows from share buybacks into treasury	(281,473)	(73,645)
Cash flows from financing activities	(357,077)	(145,482)
Net increase/(decrease) in cash and cash equivalents	1,421	(155,490)
Cash and cash equivalents at the beginning of the year	87,170	243,836
Effect of movement in foreign exchange	2,556	(1,176)
Cash and cash equivalents at the end of the year	91,147	87,170
Represented by:		
Cash at bank	73,488	39,827
Short-term deposits	17,659	47,343
Cash and cash equivalents at the end of the year	91,147	87,170

Notes

1. NET RETURN PER SHARE

	2024 pence	2024 £'000s	2023 pence	2023 £'000s
Total return	201.11	999,759	103.29	532,844
Revenue return	17.01	84,557	15.83	81,660
Capital return	184.10	915,202	87.46	451,184
Weighted average ordinary shares in issue, excluding shares held in treasury – number		497,113,190		515,891,788

2. DIVIDENDS

The Directors have proposed a final dividend in respect of the year ended 31 December 2024 of 4.80p payable on 7 May 2025 to all shareholders recorded on the register at close of business on 11 April 2025. The total dividends paid and payable in respect of the financial year for the purposes of the income retention test for Section 1159 of the Corporation Tax Act 2010 are set out below.

3. FINANCIAL RISK MANAGEMENT

The Company is an investment company, listed on the London Stock Exchange, and conducts its affairs so as to qualify in the UK as an investment trust under the provisions of Section 1158 of the Corporation Tax Act 2010. In so qualifying, the Company is exempted in the UK from corporation tax on capital gains on its portfolio of investments.

The Company's objective is to secure long-term growth in capital and income through a policy of investing primarily in an internationally diversified portfolio of publicly listed equities, as well as unlisted securities and Private Equity, with the use of gearing. In pursuing the objective, the Company is exposed to financial risks which could result in a reduction of either or both of the value of the net assets and the profits available for distribution by way of dividend. These financial risks are principally related to the market (currency movements, interest rate changes and security price movements), liquidity and credit. The Board of Directors, together with the Manager, is responsible for the Company's risk management. The Directors' policies and processes for managing the financial risks are set out in (a), (b) and (c) on the following pages.

The full details of financial risks are contained in Note 25 of the Annual Report.

4. GOING CONCERN

In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. They have also considered the Company's objective, strategy and investment policy, the current cash position of the Company, the availability of borrowings and compliance with covenants and the operational resilience of the Company and its service providers. More information on the Directors' assessment is provided in the Annual Report.

5. ANNUAL GENERAL MEETING

The annual general meeting will be held on Wednesday 30 April 2025 at 12.00 noon.

6. ANNUAL REPORT AND ACCOUNTS

This statement was approved by the Board on 14 March 2025. It is not the Company's statutory accounts. The statutory accounts for the financial year ended 31 December 2024 have been approved and audited and received an audit report which was unqualified and did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report. The statutory accounts for the financial year ended 31 December 2023 received an audit report which was unqualified and did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report.

The Annual Report and Accounts will be posted to shareholders on or around 21 March 2025.

**Columbia Threadneedle Investment Business Limited,
Company Secretary, 14 March 2025**

For further information, please contact:

Jonathan Latter

For and on behalf of

Columbia Threadneedle Investment Business Limited

020 3530 6283

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

Columbia Threadneedle Investment Business Limited

ENDS

A copy of the Annual Report and Accounts has been submitted to the National Storage Mechanism and will shortly be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

The Annual Report and Accounts will also shortly be available on the Company's website at www.fandc.com where up to date information on the Company, including daily NAV and share prices, factsheets and portfolio information can also be found.