Allianz Global Investors

The Brunner Investment Trust PLC

A GLOBAL EQUITY INVESTMENT TRUST

Annual Report, 30 November 2024

aic DIVIDEND HERO

Investment Week INVESTMENT COMPANY OF THE YEAR AWARDS 2024 WINNER GLOBAL

aic Shareholder Communication Awards 2024 COMMENDED

The Brunner Investment Trust PLC

A GLOBAL EQUITY INVESTMENT TRUST

Capital growth and dividends

The Brunner Investment Trust PLC (Brunner) aims to provide growth in capital value and dividends for investors over the long term through investing in a portfolio of global and UK equities.

The Key Performance Indicators (KPIs) on page 16 show how effective the company has been in delivering its strategy.

'All-weather' portfolio

The company provides a balanced solution for investors looking for a global and UK portfolio of equities and a quarterly dividend. The company's investment policy is set out in the Strategic Report on page 11.

Independence

Brunner has an independent board of directors and no employees. Like many other investment companies, it outsources investment management and administration to an investment management company – Allianz Global Investors – and other third parties to provide shareholders with an efficient, competitive, cost-effective way to gain wide equity investment exposure through a single investment vehicle.

Risk and gearing

A statement explaining how the assets have been invested to spread risk and how gearing is managed is included under Investment Policy on page 12.

Benchmark

For the year under review the benchmark against which the portfolio is measured was a composite of 70% FTSE World Ex UK Index and 30% FTSE All-Share Index.

Association of Investment Companies

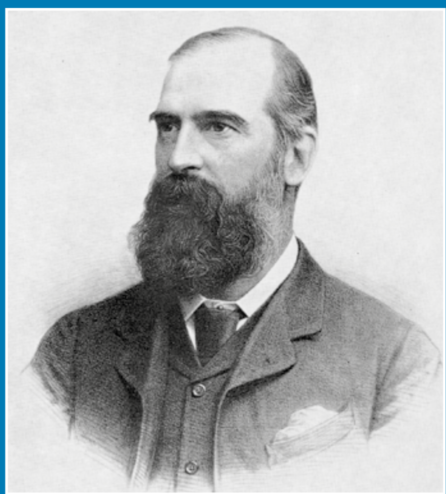
Brunner is a member of the Association of Investment Companies (AIC) and the company's shares are recognised by the AIC as suitable for retail investors. AIC Category: Global.

A family investment from the beginning...

Like many long-established investment trusts, Brunner's name reflects its history rather than its investment strategy. Johannes Brunner was born in Canton Zürich and migrated to Lancashire in 1832. His son, Sir John Brunner, Bart, was one of the most successful industrialists of the nineteenth century, and in politics an influential radical Liberal MP until well into the twentieth century. In 1873 he and the scientist Ludwig Mond founded Brunner, Mond and Co, the largest of the four companies which came together to form ICI in 1926. The following year the Brunner family chose to sell its ICI shares and establish a broad, long-term investment vehicle – so in 1927, The Brunner Investment Trust was formed.

John Brunner was a passionate campaigner, including for welfare reforms and free trade, and used his wealth for philanthropic purposes. Jim Sharp, a director of the company, is connected to the Brunner family by marriage and continues the link between board and family. Brunner family share ownership information is included on pages 62 and 64.

Brunner, Mond & Co. factory, worker cottages and Co-operative Society



Sir John Brunner

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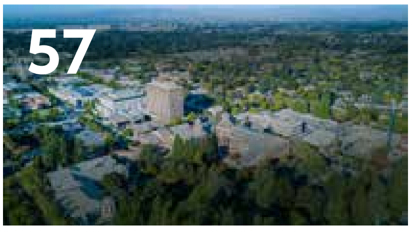

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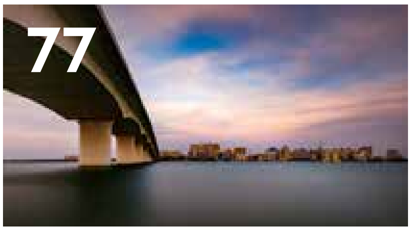

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The fountain photograph on the cover of this report is inspired by the Arms of the Brunner family. The family originated from Switzerland and 'Brunnen' is German for fountain.

Financial highlights

For the year ended 30 November 2024

Dakeng, Taichung, Taiwan.
Taiwanese semiconductor giant TSMC was the largest contributor to performance in the year.

Net Asset Value total return Debt at fair value[2]

+17.9%

2023
+8.7%

Net Asset Value total return Debt at par[2]

+18.2%

2023
+8.2%

Benchmark total return index[4]

+23.6%

2023
+5.5%

Net assets per ordinary share[1] Debt at fair value[2]

1,459.6p

2023 1,258.6p
+16.0%

Net assets per ordinary share[1] Debt at Par

1,438.8p

2023 1,237.2p
+16.3%

Share price total return[2 5]

+39.3%

2024 1,460.0p
2023 1,065.0p

Earnings per ordinary share

27.4p

2023 26.4p
+3.8%

Dividend per ordinary share[3]

23.75p

2023 22.7p
+4.6%

Revenue reserves per ordinary share for the year

33.0p

2023
29.6p

Discount – average in the year[2]

4.6%

2023
11.5%

Consumer price index

+2.6%

2024 135.1
2023 131.7

All figures are UK GAAP unless they are stated to be Alternative Performance Measures. (Glossary page 111).

[1] All references to Net Asset Value (NAV) in our commentary and the Strategic Report are to NAV with debt at fair value since this is the measure that the board considers best reflects the value to shareholders. However, NAV with debt at par value is reported above and in the Performance – review of the year on page 9. [2] Alternative Performance Measures (APM). See Glossary on page 111. [3] The dividend per ordinary share includes the proposed final dividend of 6.05p. [4] The benchmark index of 70% FTSE World Ex UK Index and 30% FTSE All-Share Index. [5] Share price total return is based on the movement in share price including dividends reinvested.

1973
Britain joins the European Community

1973
Yom Kippur war

1974
Bear market

1976
Britain borrows money from the IMF

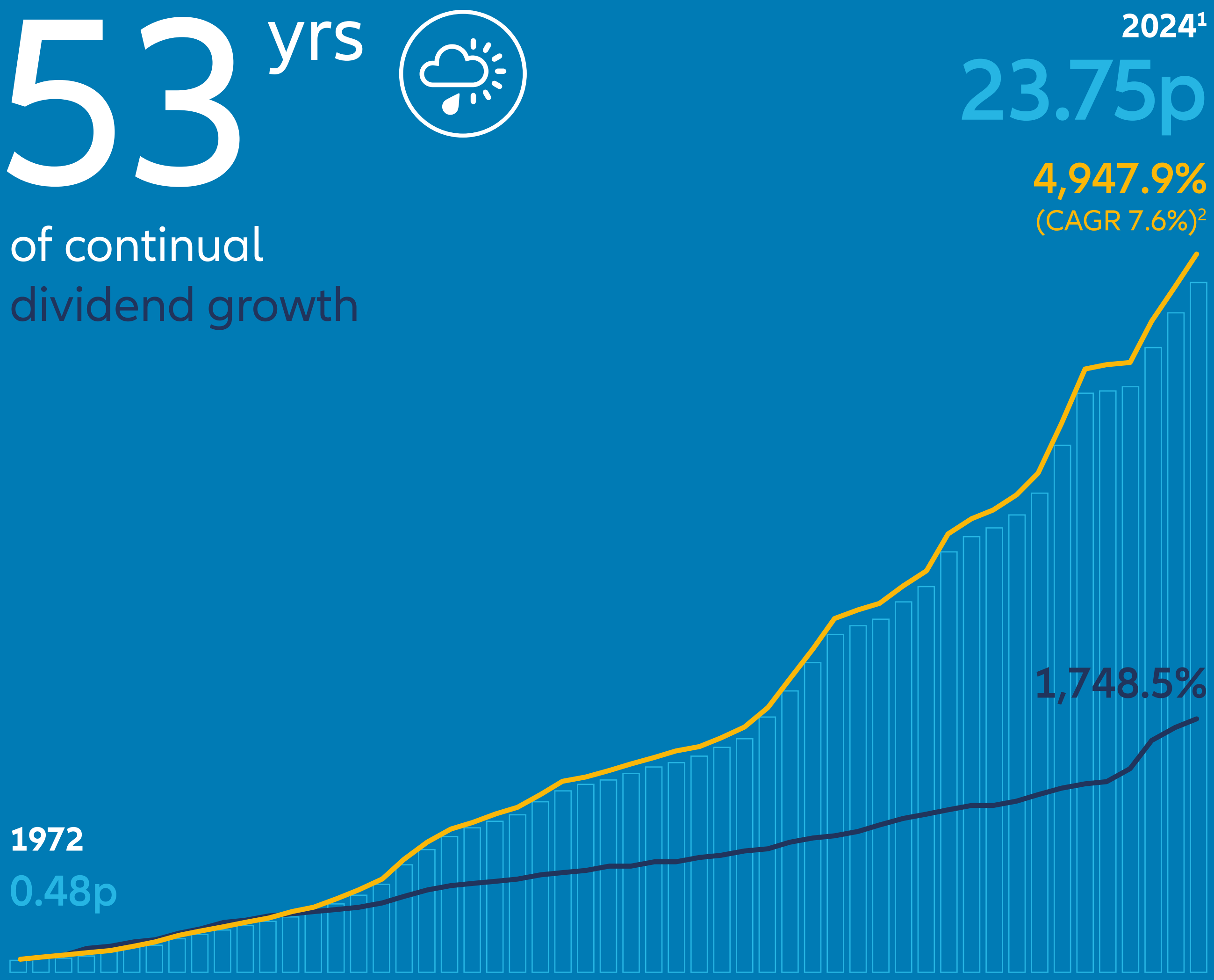
1979
'Winter of Discontent'

1982
Economic recession leads to high unemployment in the UK

1984
12-month UK miners' strike

1986
'Big Bang' enhances London's status as a financial capital

53 yrs of continual dividend growth



- Inflation growth of 1,748.5% over the period. RPI 1972-1986. CPI 1987-2024.
- Total dividend: from 0.48p to 23.75p over the period [1] Final dividend for approval at the 2025 AGM.
- Brunner dividend growth of 4,947.9% over the period. [2] Compound Annual Growth Rate (CAGR) of 7.6%.

1987
'Black Monday'

2000
Beginning of the end of the dot-com boom

2001
9/11

2003
The Second Gulf War

2008
Financial crisis

2016
Brexit vote

2020
COVID-19 pandemic

2022
Invasion of Ukraine

Chair's Statement

Dear Shareholder,

I wanted to start by sharing the excitement of your board and managers that, in the past year, our trust won the 'Investment Company of the Year – Global' award from Investment Week and was promoted to the FTSE 250 Index.

Welcome

A warm welcome to shareholders old and new – those that have been with us on a longer journey over many years and through various market cycles and those joining more recently. Brunner pleasingly saw a marked increase in demand in the second half of the financial year, so as well as thanking those longer-term shareholders who may have topped-up or more materially increased their holdings, we also have the pleasure of welcoming many new holders. I hope that whichever of these categories you fall into that you are pleased with your investment in the trust and will have many fruitful years with Brunner as a part of your own investment portfolio. We will cover it more formally, but I would like to note that the increased demand for Brunner shares resulted in the share price discount to Net Asset Value (NAV) narrowing considerably, followed by a period where it went to a premium – trading above NAV. That scenario allowed us to issue new shares for the first time, something that will benefit existing as well as new shareholders as we will describe later.

As noted, the year culminated with the long-term performance and success of the strategy being recognised with a win in the Investment Week 'Investment Company of the Year Awards' – a badge now proudly displayed on the cover of this report. This recognises the efforts of a large team – from the board through the investment manager, our many advisers and suppliers and all those looking after the promotion and distribution of our shares. The award not only examines the performance record over a three year period but also looks at many other factors such as the investment approach, how we look at risk, and how we make use of the investment trust structure.

Global backdrop

2024 provided no shortage of world events and geopolitical shocks, continuing the trend of the past many years. In a year that saw a heating up of the space race, Paris host the latest Olympic Games and significant surges forward in the development of AI, we also witnessed political upheaval and regime changes in a year dominated by elections across the globe, the ongoing Russian offensive in Ukraine and further globally-unsettling conflict engulfing the Middle East.

Whilst these many events inevitably drove some market volatility, overall global markets managed to continue trending upwards and provided good gains again this year, though somewhat more selectively compared to other years when disaggregating geographies and sectors. The US in particular has surged further forward and cemented its 'leadership' position in equity market terms – the Portfolio Managers' Report starting on page 26 looks at this in more detail and we would like to commend shareholders to read that

> "The increased demand for Brunner shares resulted in the share price discount to Net Asset Value narrowing considerably, followed by a period where it went to a premium – trading above NAV.

"

We are pleased to see further efforts by regulators and the industry in general to ensure fair treatment of investors in terms of ESG and sustainability in relation to investments.

detailed analysis of the drivers and make up of that stock market dominance, as well as the examination of if that scenario can continue.

Performance

Against this volatile backdrop, Brunner was unfortunately unable to extend its previous five year record of outperformance, this year trailing its benchmark over the year to 30 November 2024. Brunner's NAV per ordinary share total return (calculated on a net dividends reinvested basis with debt at fair value) was +17.9%, versus +23.6% for the composite benchmark (70% FTSE World Ex. UK / 30% FTSE All-Share). By virtue of the strongly narrowing discount, the share price return recorded was some measure ahead however at +39.3%.

Although the NAV return generated by the portfolio was behind benchmark, this should be viewed in the context of continued narrow dominance in terms of companies and sectors driving overall market performance. Without any need to paraphrase, I include the following quote from the Portfolio Managers' Report which neatly sums up the main reasons for falling behind the benchmark this year, but also describes the counterbalance that the associated positioning remains appropriate in their view and aligned with Brunner's long term strategy.

'Most of the underperformance is best explained at the stock level within the Financials and Technology sectors. Both of these important sectors roared ahead. Our holdings participated but did not keep up. To a large extent, this reflects our balanced approach, but also our bias to prudency. For example, within the diverse Financials sector our skew is to higher quality, recurring fee-based business models. This year saw the outperformance of lower quality, more asset intensive businesses like traditional banks and insurers. We had exposure here, but not enough to keep up with the market. Where we have exposure, it is generally at the less levered and less risky end of the spectrum. This means that we always run the risk of underperforming in a cyclical rally, as happened this year, but we should be better protected on the downside in the event of a cyclical downturn.'

Ultimately, our 'All-Weather' approach does not mean chasing some kind of absolute return or constant outperformance of the benchmark – rather it means the pursuit of consistent performance, delivered with a strong focus on risk management, finding companies with dominant market positions that the portfolio managers believe should provide steady long-term returns for shareholders.

We believe that, over time, we continue to demonstrate the substance of our 'all weather global equity portfolio' claim, providing solid returns through a variety of market and macroeconomic conditions.

Environmental, Social and Governance (ESG)

As noted in previous reporting, whilst the strategy of the trust does not aim to meet any specific sustainability criteria, the board remains of the view that it is in shareholders' interests to be aware of and consider environmental, social and governance factors when selecting and retaining investments. Active stewardship is a key task of any responsible asset owner.

We give a full and clear account of ESG considerations within this report (see page 23). We also have a page on our website that describes the investment manager's ESG processes in more detail. Over the year the board has maintained a focus on understanding the investment manager's approach to ESG and how it has been integrated within the investment process. We take account of our performance in this area against our objectives using both the investment manager's internal analysis and external measures and benchmarks.

We are pleased to see further efforts by regulators and the industry in general to ensure fair treatment of investors in terms of ESG and sustainability in relation to investments. The latest of these moves is the SDR (Sustainability Disclosure Requirements) regulation which is now in place and aims to harmonise sustainability naming conventions as well as requiring investment managers to meet certain criteria in the management of a portfolio should they want to claim any sustainability credentials in their fund names or marketing materials. In addition, the regulation aims to ensure that nothing either explicitly or implicitly creates the impression of sustainability

> “Share issuance will only be carried out when the trust is trading at an established premium to Net Asset Value – thereby being naturally accretive to existing shareholders.

if it does not genuinely exist (known as greenwashing).

Earnings per share

Over the past year our portfolio companies have been able to continue paying dividends at levels that meant the portfolio's generation of income and earnings grew once more through 2024, with earnings per share for the year rising by 3.8%, from 26.4p to 27.4p. This has put Brunner in the strong position once again to be able to cover our increased dividend payment to shareholders and still put a sizeable amount into revenue reserves to help with any future dividend drought, such as that witnessed during the pandemic.

Dividend

The proposed final dividend of 6.05p, if approved by shareholders, will be paid on 4 April 2025 to shareholders on the register on 21 February 2025, with an ex-dividend date of 20 February 2025. For those shareholders in the Dividend Reinvestment Plan (DRIP), the last date for this will be 7 March 2025. In line with board's dividend policy, which is outlined on page 16, the total dividend for 2024, including the proposed final dividend, will be 23.75p. This represents an increase of 4.6% over the 2023 dividend which was 22.7p and means Brunner has now reached 53 years of consecutive dividend increases, remaining in place near the top of the AIC's 'Dividend Heroes' list.

Revenue reserves will remain strong at 32.6p after the payment of the proposed final dividend.

Marketing and discount

We have spoken previously about our belief in the power of demand generation through effective promotional activity being a stronger lever than purely financial measures such as share buy backs for narrowing the trust's discount.

As illustration of this, without having to buy back any stock, but by highlighting Brunner's steady philosophy and approach, combined with our notable long-term performance and lower volatility versus some peers, has seen us progress from a double-digit discount at the start of the financial year to a premium at the end of the year. In the latter half of the year a definite momentum appeared in the trading of the company's shares, which combined with our entry into the FTSE 250 to spark even further investor interest. This in turn led to Brunner issuing shares for the first time. The board very carefully considered the issuance of new ordinary shares when the shares began to trade at a premium and issued when it became clear that it would be destabilising to existing shareholders not to go ahead.

Share issuance will only be carried out when the trust is trading at an established premium to Net Asset Value – thereby being naturally accretive to existing shareholders. In addition, the organic growing of the otherwise fixed pool of capital is beneficial to investors both in terms of additional investable capital being available to the managers but also allowing fixed costs to be spread over a wider share base, thereby marginally reducing their impact.

Cost disclosure

2024 was the year that the investment trust industry consolidated behind a rallying cry of 'disclose but don't double count'. There were certainly nuances to the debate, but credit must go to the campaigners who tirelessly brought the campaign up from its genesis to the eventual curtailment of the perpetuation of misleading information requirements and the commitment of the UK Government to make the FCA re-think the application of disclosure requirements for investor protection, to the particular model that investment trusts fall into.

We supported our manager's initial conservative stance, wanting to make sure we were not barred from being traded by retail investors on the investment 'platforms', and we have encouraged our manager to take advantage of the interim rulings to harmonise the Key Information Document to include the same ongoing charge figure as we disclose in this report in accordance with the Association of Investment Companies (AIC) methodology, rather than the previous European-derived PRIIPS (packaged retail and insurance-based investment products) methodology which was felt to be misleading for investment trusts. Furthermore there is now a narrative statement within that document, as well as on our monthly factsheets, the essence of which is to remind prospective investors and shareholders that the 'charges' disclosed are already accounted for within the NAV and therefore also the price paid – investors do not have to pay any further charges to their investment trust or its manager after purchasing shares, though of course the platform or stockbroker used to execute the trade will likely levy some kind of charge.

There will be further changes in terms of cost disclosure over the coming year. There is an ongoing FCA consultation on its proposed CCI (Consumer Composite Investments) regime, which will replace PRIIPS. There is concern in the investment trust industry that current proposals could be as unfavourable as PRIIPS, though we are not at the final point yet and lobbying continues from the AIC and many other market participants. From Brunner's

We are very happy to report that in 2024 we received a 'Highly Commended' award for last year's Annual Report in the Association of Investment Companies' Shareholder Communications Awards.

perspective, please be assured that we will continue to do all we can to ensure investors have access to the appropriate information, whatever the requirements of any prevailing regulation may be.

Outlook

Brunner's new financial year has already begun with a mix of optimism and turmoil. Markets have been anything but calm or predictable and, in the world at large, we have seen the momentous toppling of the Assad regime in Syria, continuation of the conflict in Gaza up to a brokered ceasefire in January, a South Korean martial law crisis and the shock resignation of Justin Trudeau in Canada. Extreme weather events continued around the world including major storms at home in the UK and the recent wildfires devastating L.A.

Many western nations are becoming uneasy at the deepening military and trade links between Russia, China, Iran and North Korea (dubbed the 'Axis of Upheaval' amongst a collection of similar monikers). Whether this (as yet informal) alliance will exacerbate any of the current world conflicts or stand-offs remains to be seen, but what is certain is that it has refocused most nations on defence and assured spending in that area is both bolstered, but also more accepted by a public at large.

Trump's second term has already seen both mixed signals and reactions. We will have to wait to see how much will change under his premiership. In investment terms we will also have to see whether the anticipative moves already made by markets will prove to be correct, or whether more volatility will ensue. The latter could be highly likely given the news flow sensitivity of markets, and what we have seen before of the Trump 'playbook'.

Although we have come a long way in the taming of inflation across the globe and central banks have generally been able to start moderating interest rates, we must acknowledge that this is not a 'done deal' yet. Certainly, markets remain jittery over any contra-indications.

All of these factors can pose risks on the global stage – to society as well as to economies and financial systems. We remain stoic that the key benefit we offer our shareholders is maintaining a strategy focused solely on constructing a well-diversified portfolio of companies which overall should provide steady performance under the myriad of global 'conditions' – the reason behind our 'All-Weather' tagline. Amidst all the 'macro' signals we remain a 'bottom-up' trust, seeking diverse opportunities from individual companies – cognisant of the effect that external factors could have on that portfolio of companies, but not trying to predict outcomes or have investment decisions guided in a wholesale fashion by those factors.

To end on a high note in what has been a positive year for the recognition of the trust by investors, the world remains at a high cadence in terms of advancement. AI springs immediately to mind here, but the world in general is seeing technological advancement across so many fields. As prudent investors we have to recognise the risks that carries (particularly market over-exuberance), however there can be no doubt that opportunities to invest in great companies continue to abound.

Communication

The board and portfolio managers believe that as the trust is owned by its shareholders, they must do all they can to honestly and clearly describe what the trust is trying to offer and accurately critique whether this is being delivered. To this end enormous effort goes into the preparation of all our literature and this report and accounts.

So, we are very happy to report that in 2024 we received a 'Highly Commended' award for last year's Annual Report in the AIC's Shareholder Communications Awards. The judges noted that they felt that the 2023 report was a 'delight to read' – we hope shareholders and other readers feel the same about this year's report.

Annual General Meeting

At our 2024 Annual General Meeting (AGM) in March, it was a pleasure to once again host an event well attended by shareholders, with an interesting range of questions and discussion. We look forward to welcoming shareholders once again this year to the AGM which is to be held at Trinity House, Trinity Square, Tower Hill, London, EC3N 4DH, at 12.00 noon on Wednesday 2 April 2025. Attending shareholders will receive a presentation from the portfolio managers before the formal business takes place. We would be delighted to meet with all those shareholders who are able to attend.

Shareholders can send any questions to be answered at the AGM by the board and portfolio managers care of the company secretary at investment-trusts@allianzgi.com or in writing to the registered office (further details are available on page 106) and we will publish questions and answers on the website after the meeting. We encourage all shareholders to exercise their votes in advance of the meeting by completing and returning the form of proxy.

Carolan Dobson
Chair
12 February 2025

Performance – review of the year

Revenue

Year ended 30 November	2024	2023	% change
Income available for ordinary dividend	£11,685,745	£11,251,047	+3.9
Earnings per ordinary share	27.4p	26.4p	+3.8
Dividends per ordinary share	23.75p	22.7p	+4.6
Consumer price index	135.1	131.7	+2.6

Assets

As at 30 November	2024	2023	Capital return % change	Total return[1] % change
Net Asset Value per ordinary share with debt at fair value	1,459.6p	1,258.6p	+16.0	+17.9
Net Asset Value per ordinary share with debt at par	1,438.8p	1,237.2p	+16.3	+18.2
Share price	1,460.0p	1,065.0p	+37.1	+39.3
Total net assets with debt at fair value[2]	£627,111,895	£537,307,615	+16.7	-
Total net assets with debt at par	£618,182,360	£528,209,759	+17.0	-
Ongoing charges[3]	0.63%	0.64%	-	-

Net Asset Value with debt at fair value[4] relative to benchmark[5]

	Capital return	Total return[1]
Change in Net Asset Value	16.0%	17.9%
Change in benchmark	20.5%	23.6%
Percentage point performance against benchmark	**-4.5**	**-5.7**

A Glossary of Alternative Performance Measures (APMs) can be found on page 111.

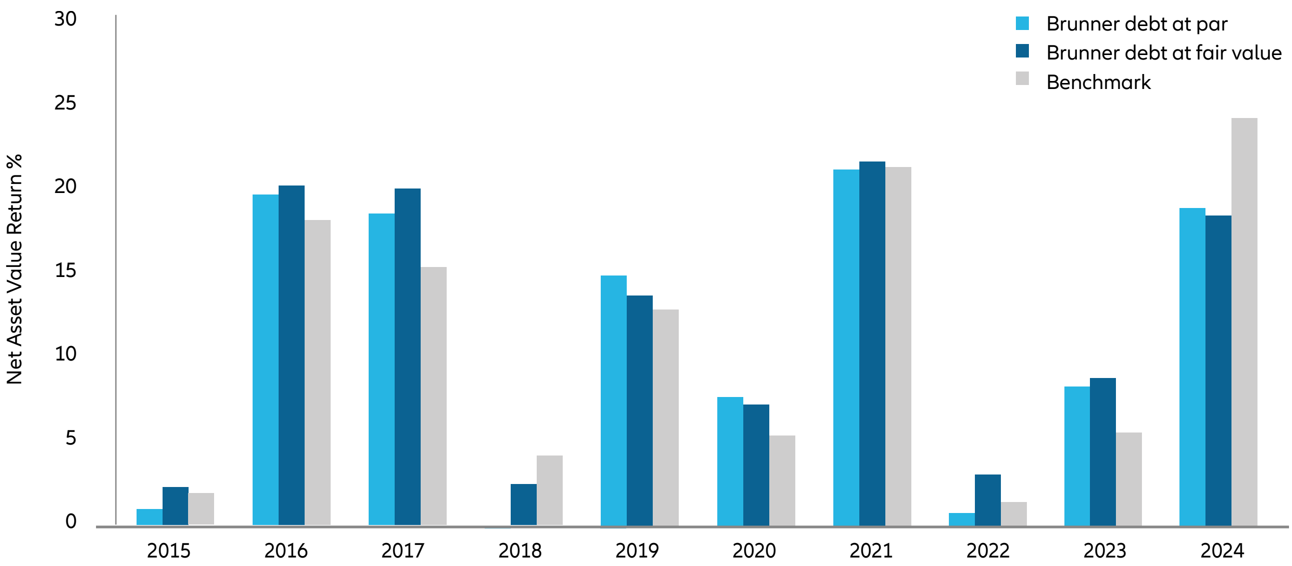
1 Total return is based on the capital Net Asset Value, including dividends reinvested. (APM).
2 Total net assets with debt at fair value. (APM).
3 The ongoing charges percentage is calculated in accordance with the explanation given on page 111. (APM).
4 The board prefers to measure performance using Net Asset Value with debt at fair value in line with industry practice, as demonstrated in the Chair's statement on page 5. (APM).
5 For the financial year under review the benchmark was 70% FTSE World Ex UK Index and 30% FTSE All-Share Index.

Historical record

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue										
Total income (£000s)	8,735	9,996	11,000	10,968	11,505	9,195	11,487	12,623	14,426	15,233
Earnings per share	14.09p	16.40p	18.40p	19.67p	21.66p	15.96p	20.35p	22.66p	26.35p	27.37p
Dividend per share	15.30p	15.80p	16.50p	18.15p	19.98p	20.06p	20.15p	21.50p	22.70p	23.75p
Capital										
Total net assets (£ms)[1]	273.6	318.3	368.0	360.3	403.8	422.1	502.4	497.1	528.2	618.2
Total net assets (£ms)[2]	262.5	307.7	359.2	361.1	400.2	416.5	497.5	503.2	537.3	627.1
Net Asset Value per ordinary share[1]	636.2p	742.8p	862.0p	843.9p	945.8p	988.7p	1,176.9p	1,164.4p	1,237.2p	1,438.8p
Net Asset Value per ordinary share[2]	610.3p	718.0p	841.4p	845.8p	937.4p	975.5p	1,165.4p	1,178.7p	1,258.6p	1,459.6p
Share price	540.5p	591.8p	785.0p	745.0p	862.0p	842.0p	1,050.0p	1,020.0p	1,065.0p	1,460.0p
Year end discount %[2]	11	18	7	12	8	14	10	14	15	0

[1] Debt at par. [2] Debt at fair value.

Net Asset Value total return with debt at fair value and debt at par



Re-based to 100. Source: AllianzGI/Thomson Reuters DataStream. Benchmark: 70% FTSE World Ex UK Index and 30% FTSE All-Share Index. Alternative Performance Measure (APM). See Glossary on page 111.

Strategic Report

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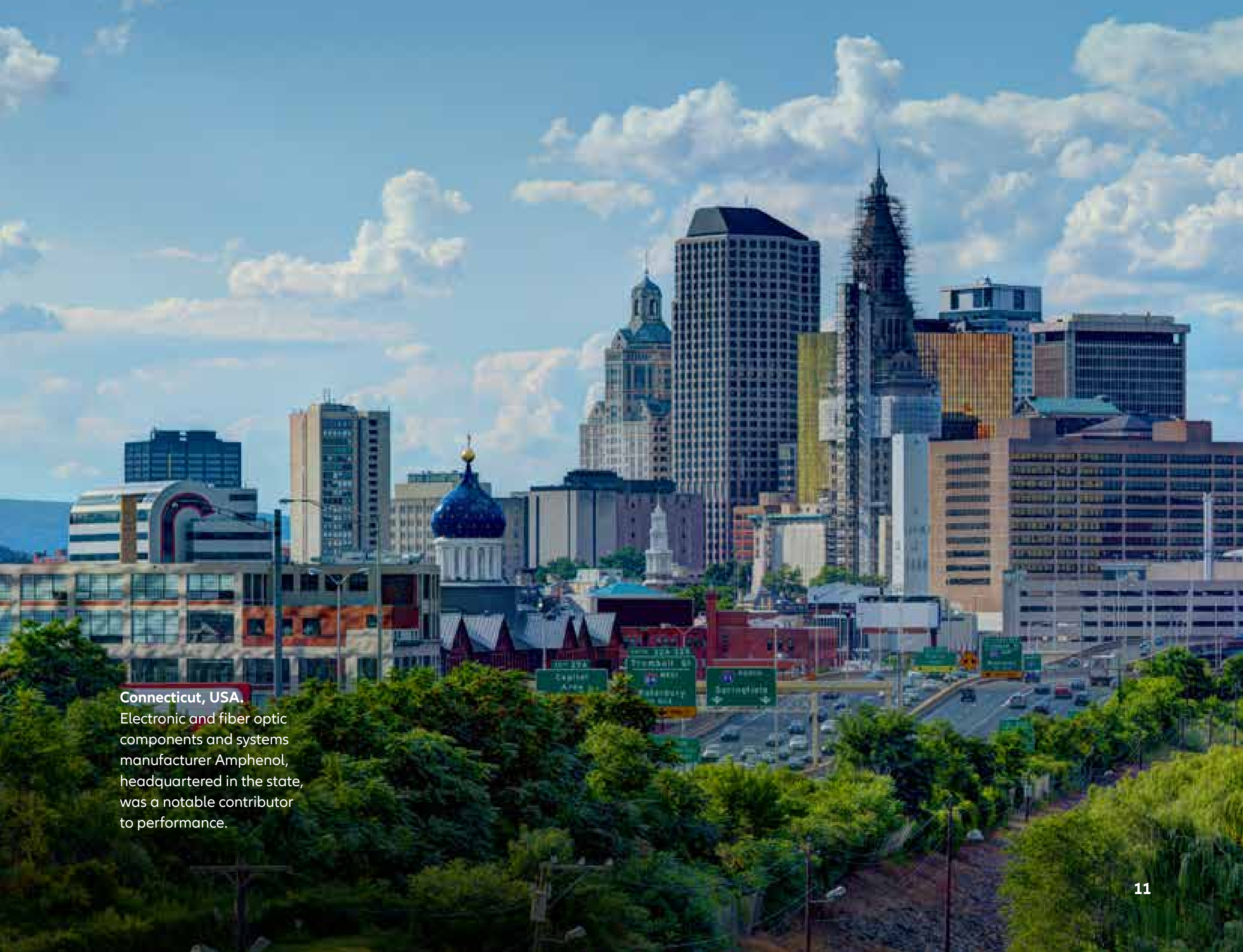


Connecticut, USA.
Electronic and fiber optic components and systems manufacturer Amphenol, headquartered in the state, was a notable contributor to performance.

Introduction

Purpose

Our purpose is to provide the company's shareholders with growth in capital value and dividends over the long term through investing in a portfolio of global and UK equities. The company aims to achieve a return higher than that of our benchmark, after costs, and to achieve steady dividend growth in real terms.

Strategy review

We hold an annual strategy meeting outside the normal timetable of board meetings. At the most recent meeting the topics covered included:

- Investment strategy and how AI can be used
- Market conditions and sources of return
- Marketing strategy and the focus for 2025.

Business model

The Brunner Investment Trust PLC carries on business as an investment company and follows the investment policy described below.

By pursuing our investment objective we aim to appeal to a broad range of investors and to ensure that the company's shares are attractive to new investors and investor groups, particularly individuals with smaller portfolios held either directly or in self-invested pension plans for whom we can provide a balanced solution for equity investment. It is also our objective to provide good value for shareholders and ensure that the costs of running the company are reasonable and competitive. Information on Revenue and Invested Funds in the year is summarised on page 61.

Brunner has an independent board of non-executive directors and no employees or premises of its own. Like other investment companies, it outsources investment management, accounting, company secretarial and other administration services to an investment management company – Allianz Global Investors UK Ltd – and to other parties, including HSBC Bank plc as depositary and custodian, and MUFG, formerly Link Group as registrar. This enables Brunner to provide shareholders with a competitive, cost-effective way to gain wide investment exposure through a single investment vehicle.

The company has a main market listing on the London Stock Exchange. In addition to annual and half-yearly financial reports, the company announces Net Asset Values per share daily and provides further information monthly to the market, in order for investors and market professionals to compare its performance with its peer group. The investment manager also issues a monthly update on investment performance which is posted on the company's website and is available by email.

Manager's investment style

The essence of the investment style which we ask the investment manager to follow is to select the best stocks in a 'bottom up' approach, before any sector or country consideration. The portfolio is concentrated into 55 stocks at 30 November 2024 (60 stocks in 2023). Within that concentration modest gearing – employing the company's borrowings to invest – is within guidelines set by the board.

Investment Policy

Investment objective

The Brunner Investment Trust PLC aims to provide growth in capital value and dividends for investors over the long term through investing in a portfolio of global and UK equities.

The benchmark against which performance is measured is 70% FTSE World Ex UK Index and 30% FTSE All-Share Index.

Risk diversification

The company aims to achieve a spread of investments across geographies and sectors. The maximum holding in any single stock is limited to 10% of gross assets at the time of investment and the portfolio will consist of at least 50 stocks. The company will not invest more than 15% of its gross assets in other UK listed investment companies.

Gearing

The company seeks to enhance returns over the long term through appropriate gearing. The board monitors the gearing, which is employed within the guidelines set from time to time by the board. Gearing in any case will not exceed 20% of net assets at the time of borrowing.

*In the investment policy above, **gross assets** means the company's assets before deduction of all debt and other obligations, **net assets** means the company's assets after deduction of all debt and other obligations based on the fair value of the long-term debt and preference shares.*

Section 172 report

Engagement with key stakeholders

The company's shareholders are its primary stakeholders. Other stakeholders include service providers and the companies in which it invests. The board's strategy is facilitated by the manager reporting interaction on its behalf with a wide range of stakeholders through meetings, seminars, presentations and publications and through contacts made through our suppliers and intermediaries.

Engagement with the company's stakeholders enables the company to fulfil its strategies and to promote the success of the company for the benefit of the shareholders as a whole. In the year we were pleased to hold the Annual General Meeting (AGM) as an in-person event which was well attended and we hope to see and meet with more shareholders in 2025. Set out below are some examples of the ways in which Brunner has interacted with key stakeholders to demonstrate how the board and its agents have considered stakeholders in pursuit of the success of the company and the promotion of that success for the long-term:

Stakeholders and how they are taken into account	Activity in the year	Outcome
Shareholders are identified as the primary stakeholders as the investors in the company. The company's objective is to provide growth in capital value and dividends for investors over the long term and the company's strategy is to provide shareholders with the desired returns by diversifying to take into account risk appetite.	Participation in investor conferences and webinars, together with videos and podcasts on the website informs shareholders of the investment management activity and performance of the company. The further use of new presentation styles to engage investors such as audio (podcasts), video and the Turtl platform to distribute information to shareholders and the wider investment community, including in shorter, more digestible formats. Jim Sharp's relationship to the Brunner family shareholders provides further insight for the board into the views of investors to be used for the advantage of all.	The investment team with co-leads Julian Bishop and Christian Schneider continues to engage constructively with shareholders, journalists and industry commentators. The investment team has multiple skill sets (including Income, Growth, Global and UK) and has an increasing recognition in the investment trust arena. Both the company's market rating (reflected in the discount and premium) and the liquidity of the company's shares have continued to improve steadily over the year as shown in the KPI reporting on page 17. The discount, one of the company's KPIs, notably fell in 2024 and for a period the shares traded at a premium. The movement of the discount over the year is shown on page 17. Since the year end the company's shares have traded at a low discount.

Stakeholders and how they are taken into account	Activity in the year	Outcome
Readers of communications including our shareholders and other investors, looking for information about the company on the website and in online media coverage.	The user experience on the website continued to be developed during the year. The manager has worked with other publications, such as Citywire, to provide more information about the trust online, keeping it fresh with new video content, interviews and podcasts.	Continual enhancements and improvements to the website including both helpful background and educational material. We strive to keep information as relevant and current as possible.
Public Relations and media – the company continues to work with public relations advisers to ensure information about the company, its strategies and performance can reach a wide audience to update shareholders and potential investors through press articles and online media coverage.	There is an Integrated PR programme. Investment managers Julian Bishop, Christian Schneider and James Ashworth provide interviews, presentations and record podcasts to inform and educate. We work with a third party, Lansons Communications, and the campaign work is aligned with AllianzGI's marketing activity.	PR activity (generating exposure in consumer finance titles and the national press) is crucial in providing information for self-directed investors through the platform market. Reports to the board show there is a direct correlation between press articles appearing and spikes of interest and purchases of the company's shares. Following feedback that people want bite-sized, shorter presentations, the majority of content for engagement is in short form, with longer form content accessible for those that want to delve deeper.
Service providers – the company's stakeholders need to be assured of good governance and controls in the company. As well as the management company, the board has appointed a depositary, a custodian and a registrar to provide specialist services.	In addition to regular contact and assurance testing that sound and effective controls are in place from all of these service providers, there is a rolling programme of due diligence visits to suppliers of third party services by the AllianzGI's investment trust team to ensure that the company is getting good quality services with robust and fit for purpose internal controls. AllianzGI's investment trust team and supporting operations also receive detailed due diligence assessments by direct suppliers, for example, looking at NAVs and the pricing process and on general controls, by HSBC, the company's depositary and custodian. A visit took place in 2024, with HSBC's annual assessment of the AllianzGI UK Ltd entity as the AIFM, and no issues were raised.	Assurances from direct service providers on their internal controls are given formally to the company twice yearly but day-to-day contact with the investment trust team ensures that issues are quickly identified and acted upon and that remedial action can take place.

Stakeholders and how they are taken into account	Activity in the year	Outcome
Potential new investors are an important stakeholder group and getting key information to the investment market so that investors both current and prospective can make informed investment choices is a significant activity. Research platforms and distribution partnerships are employed to reach a wider audience of investors.	The marketing team also works on events and campaigns with other research and marketing companies, including Edison and Kepler. Resources were allocated by the board during the year for publishing research and event participation. 'Direct to consumer', for self-directed investment, is primarily driven by platforms. Platforms essentially give convenient access to the majority of the investment universe for investors. The board has encouraged activity to increase recognition by those operating the platforms through influencers (including through PR, video recordings with Asset TV and the company's digital marketing strategy). 'Influencing' activity involves sponsored content, advertising and client events, targeting the platforms themselves alongside the key research platforms. In the past two years the board has consistently described the trust as an 'all-weather' global equity portfolio, setting out clearly what Brunner offers its investors.	**Outcome**: Analysis is in the form of detailed investor group feedback and in considering the metrics of key activity over the year: in particular the board can see the effectiveness of communicating with investors by monitoring daily traffic on the website and investment through 'spikes' of investment on platforms after publications and events throughout the year. Interest in Brunner is also tracked through search engine optimisation (SEO). The board continues to believe that the best approach for Brunner is to follow a steady path and to be an 'all-weather' global equity portfolio for investors, aiming for long-term stability of capital return and provision of a steadily rising dividend to shareholders.

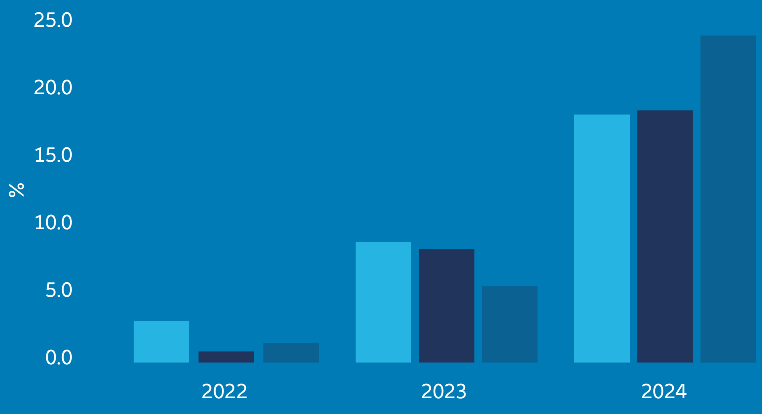
Key Performance Indicators

The board uses the following Key Performance Indicators (KPIs) to monitor and evaluate the performance of the company in executing its strategy.

Performance against the benchmark index

Net Asset Value total return with debt at fair value and debt at par

	Debt at fair value	Debt at par	Benchmark	Percentage point relative return	Percentage point relative return
2024	+17.9%	+18.2%	+23.6%	-5.7	-5.4
2023	+8.7%	+8.2%	+5.5%	+3.2	+2.7
2022	+3.0%	+0.8%	+1.4%	+1.6	-0.6



Source: AllianzGI/Thomson Reuters DataStream. Benchmark: 70% FTSE World Ex UK Index and 30% FTSE All-Share Index. Alternative Performance Measure (APM). See Glossary on page 111.

This is the most important KPI by which performance is judged. The principal objective is to achieve a return higher than that of the benchmark index over the long term, after absorbing costs. For this indicator, we measure the performance against the benchmark using NAV with debt at fair value, in line with industry practice. We have also disclosed here the performance against the benchmark using NAV with debt at par value for information purposes. Capital returns are shown on page 9 and in the Chair's Statement.

Dividends

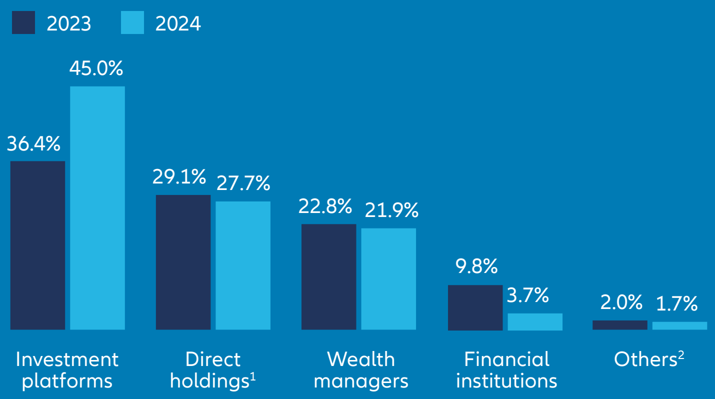
Annual dividend

Includes the proposed final dividend.

The board aims to pay an increased dividend each year, taking into account inflation and the ability to achieve this subject to general earnings growth and dividends received in the portfolio. Dividends paid in the past ten years are set out in the Historical Record table on page 10, and in the graphic on page 4, which show that dividends have risen in every year since 1972 and have increased by 4.6% this year.

Share ownership

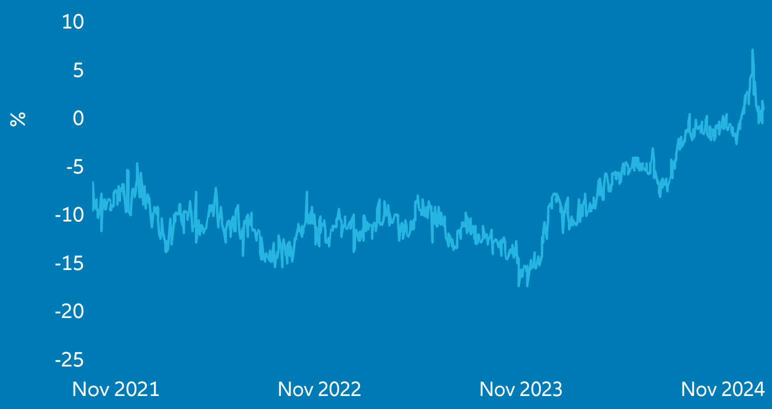
Percentage of issued capital held by wealth managers and investment platforms



The marketing programme targets professional and retail investors and aims to create ongoing and sustained demand for Brunner shares. A successful marketing strategy stands to benefit all of the company's shareholders by increasing liquidity. We look at the growth of share holdings of clients of wealth managers and of investment platforms to see the impact of retail demand for the company's shares.

[1] including Brunner family members
[2] including beneficial owners not known

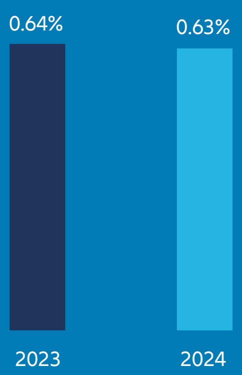
Discount



The company's shares currently trade at a discount to the Net Asset Value per share and during the year had traded at a premium from time to time, averaging at a discount of 4.7%. The share price depends on a number of factors, including sentiment towards the company and towards investments in equities in general. The board monitors the discount with the aim in normal markets of being not out of step with comparable trusts in the sector.

The board gives authority in certain circumstances to buy back shares and either cancel the shares or hold them in treasury, which would be likely to result in a temporary narrowing of the discount. In other circumstances, if the shares trade at a premium the board instructs the issuance of new shares to manage the premium and help provide liquidity to the market.

Ongoing charges



Ongoing charges are operating expenses incurred in the running of the company, whether charged to revenue or capital but excluding financing costs. The ongoing charge is calculated in accordance with the AIC's recommended methodology (See Glossary on page 111). This figure does not include costs incurred from trading activities, as these are capitalised within the investment valuation (Note 8 on page 93) which amount to a further 0.05% of net assets (2023: 0.05%). Ongoing charges are published by the AIC.

Risk report

As reported to shareholders in the half-yearly report in 2024, the economic backdrop continues to stress test the business models of all companies.

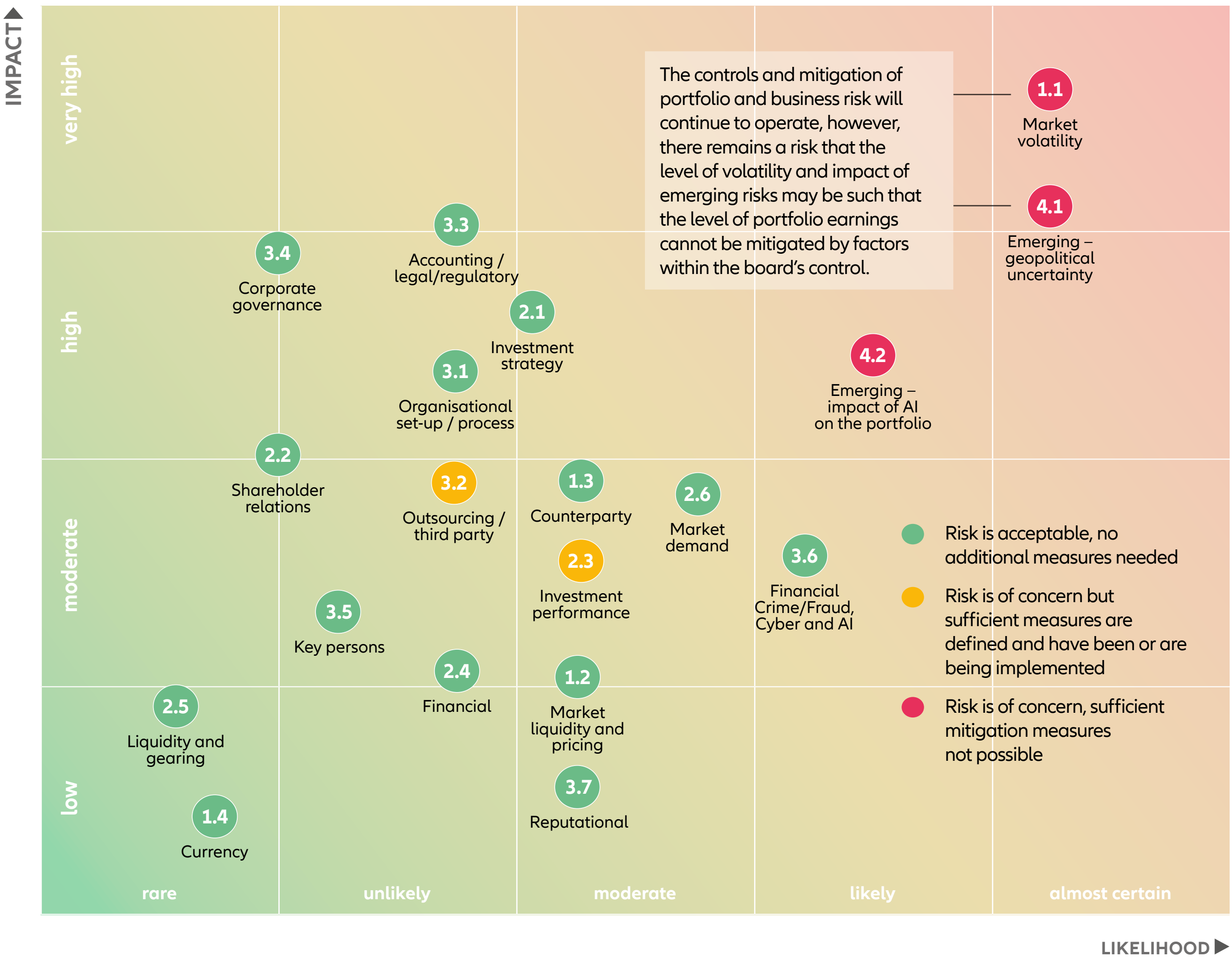
The board has maintained its close contact with the manager and other third party service providers to understand their responses to the macroeconomic and geopolitical situation and in particular actions taken to mitigate the effects of these risks on the company and its business. The likelihood of both 'Market volatility' and the 'Emerging' risks from the impact of AI on our portfolio and continued geopolitical and macroeconomic change remain 'almost certain' this year as they were last year, as shown in the heat map below.

Risk management policy

The board operates a risk management policy to ensure that the level of risk taken in pursuit of the board's objectives and in implementing its strategy are understood. The principal risks identified by the board are set out in the tables on pages 19 to 21, together with the actions taken to mitigate these risks. The process by which the directors monitor risk is described in the Audit Committee Report on page 73, and includes a review of a more detailed version of these tables, in the form of a risk matrix, at least twice yearly.

Risk appetite

The directors assess the likelihood of occurrence and perceived impact of each risk after mitigating actions and consider the extent to which the resulting residual risk is acceptable, which is defined as the board's risk appetite. The results of this exercise are shown in the heat map below:



Investment and portfolio Risks

Principal risks identified	Controls and mitigation
1.1 Market volatility Significant market movements may adversely impact the investments held by the company increasing the risk of loss or challenges to the investment strategy, reduction of dividends across the market affecting the portfolio yield and the ability to pay in line with dividend policy. Macroeconomic factors could also cause significant market falls, unexpected volatility, threat to income or increase in gearing.	The board meets with the portfolio managers and considers asset allocation, stock selection and levels of gearing on a regular basis and has set investment restrictions and guidelines that are monitored and reported on by AllianzGI. The board monitors yields and can modify investment parameters and consider a change to dividend policy. Macroeconomic factors and their causes may mean mitigation may not be possible for significant market movements caused by factors outside the board's control.
1.2 Market liquidity and pricing Failure of investments.	The board receives reports from the manager on the stress testing of the portfolio at least twice each year and contact is made with the Chair and board if necessary between board meetings.
1.3 Counterparty risk Non-delivery of stock by a counterparty.	The manager operates on a delivery versus payment system, reducing the risk of counterparty default.
1.4 Currency Exposure to significant exchange rate volatility could affect the performance of the investment portfolio.	Currency movements are monitored closely and are reported to the board.

Business and strategic risks

Principal risks identified	Controls and mitigation
2.1 Investment strategy An inappropriate investment strategy e.g., asset allocation or the level of gearing may lead to underperformance against the company's benchmark index and peer group companies, resulting in the company's shares trading on a wider discount.	The board manages these risks by diversification of investments through its investment restrictions and guidelines which are monitored and on which the board receives reports at every meeting. The board monitors the implementation and results of the investment process with the investment managers, who attend all board meetings, and reviews data which shows risk factors and how they affect the portfolio. The manager employs the company's gearing tactically within a strategic range set by the board. The board also meets annually specifically to discuss strategy, including investment strategy.
2.2 Shareholder relations The investment objectives, or views on decisions such as gearing, discount management, dividend policy, of existing shareholders may not coincide with those of the board leading investors to sell their shares.	Reports on shareholder sentiment are received from the manager and brokers and reviewed by the board. Shareholders are actively encouraged to make their views known.
2.3 Investment performance Persistent poor performance against the benchmark or other trusts in our peer group leads to decline in attractiveness of the company to investors.	The investment manager attends all board meetings to discuss performance with the directors. The board manages these risks by giving investment guidelines which are monitored at each meeting. The board reviews the investment performance of the company against the benchmark and peer group.

2.4 Financial Range of risks including incorrect calculation of NAV, inaccurate revenue forecasts, incorrectly calculated management fees, issues with title to investment holdings.	A rolling income forecast (including special dividends), balance sheet and expenses are reviewed at every board meeting. Reporting from the custodian covering internal controls in place over custody of investments and over appointment and monitoring of sub-custodians is produced and reviewed at least annually. The board's investment restrictions are input in trading systems to impose a pre-trade check.
2.5 Liquidity and gearing Insufficient income generated by the portfolio and due to stock market falls, gearing increases to levels unacceptable to shareholders and the market which in extreme circumstances results in a breach of loan covenants.	The board meets with the portfolio managers and considers asset allocation, stock selection and levels of gearing on a regular basis. Investment restrictions and guidelines are monitored and reported on by AllianzGI. Regular compliance information is prepared on covenant requirements.
2.6 Market demand The level of discount of the share price to the NAV moves to unacceptable levels, threatening confidence in the company's shares.	The board regularly reviews the level of premium and discount and existing shares can be bought back by the company when the board considers this expedient.

Operational risks

Principal risks identified	Controls and mitigation
3.1 Organisation set up and process Failure in the operational set up of the company, through people, processes, systems or external events could result in financial loss to the company or its inability to operate.	The manager and the other key service providers report on business continuity plans and the resilience of their response to extreme situations. Third party internal controls reports are also received from these service providers.
3.2 Outsourcing and third party Risk of inadequate procedures for the identification, evaluation and management of risks at outsourced providers including AllianzGI and its outsourced administration provider, State Street Bank & Trust Company, HSBC Bank plc (Depositary and Custodian) and MUFG Corporate Markets, formerly Link Group, (Registrar).	AllianzGI carries out regular monitoring of outsourced administration functions, which includes compliance visits and risk reviews where necessary. Results of these reviews are monitored by the board. Additional assurances on business resilience and cyber security are obtained by the board. Agreed Service Level Agreements (SLAs) and Key Performance Indicators (KPIs) are in place and the board receives reports against these.
3.3 Regulatory Failure to be aware of or comply with legal, accounting and regulatory requirements which could result in censure, financial penalty or loss of investment company status.	The board maintains close relations with its advisers and makes preparations for mitigation of these risks as and when they are known or can be anticipated.
3.4 Corporate governance Weak adherence to best practice in corporate governance can result in shareholder discontent and potential reputational damage to the company.	The board is highly experienced and knowledgeable about corporate governance best practice and includes directors who are board members of other UK plcs and other investment companies. The board takes regular advice on best practice.
3.5 Key person Departure of the portfolio manager, certain professional individuals, and/or board members, may impact the management of the portfolio, the achievement of the company's investment objective and/or disruption to its operations.	Manager and board succession plans are in place. Cover is available for core members of the relevant teams of the manager, and work can be carried out by other team members should the need arise.

3.6 Financial crime, fraud, cyber security and AI That the company and the manager's firm, its employees, or clients are subject to financial crime or breach elements of the Bribery Act. Risk of increased cyber attacks. Risk from traditional and generative Artificial Intelligence (AI) in respect of malicious AI, its rapid growth and the lack of regulation.	AllianzGI has anti-fraud, anti-bribery policies and robust procedures in place. The board is alert to the risks of financial crime and threat of cyber attacks and reviews how third party service providers handle these threats. These reports confirm that all systems are secure and are updated in response to any new threats as they arise. The board asks for and receives assurance from key suppliers on information security and AI developments and threats.
3.7 Reputational Association with poor governance in portfolio companies and operational issues in service providers which can affect the reputation of the company.	The portfolio management team is in constant interaction with AllianzGI's Environmental, Social and Governance (ESG) and Stewardship function and actively engages with investee companies on ESG issues and makes investments incorporating ESG factors in the decision process. Service providers are monitored and the manager provides oversight.

Emerging risks

Principal risks identified	Controls and mitigation
4.1 Emerging – geopolitical uncertainty Geopolitical uncertainties including changing membership of international alliances and agencies, the conflict in Israel-Gaza and the ongoing invasion of Ukraine by Russia, any of which could cause significant market falls, threat to income or increase in gearing.	The board carries out horizon scanning by keeping informed through its manager and advisers on the political, economic and legal landscape, and reviews updates received on regulatory changes that affect the company.
4.2 Emerging – impact of AI on the investment portfolio The rapidly changing landscape for the tech sector and impact of disruptive use of AI on other sectors which could cause significant shifts in valuations of companies in the portfolio.	The board carries out horizon scanning by keeping informed through its manager and advisers on the political, economic and legal landscape, and reviews updates received on regulatory changes that affect the company. The manager reports on its consideration of AI developments and threats in its oversight of investments.

Going Concern

The directors have considered the company's investment objective and capital structure both in general terms and in the context of the current macroeconomic background. Having noted that the portfolio, which is constructed by the portfolio manager on a bottom up basis, consists mainly of securities which are readily realisable, the directors have also continued to consider the risks and consequences of such external factors on the operational aspects of the company and have concluded that the company has the ability to continue in operation and meet its objectives in the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the financial statements.

The company held some short term debt as a current liability as at 30 November 2024, in the form of a Revolving Credit Facility (RCF), which matures within one year. The board is currently evaluating whether to seek a renewal, to refinance the RCF, or to repay the facility at the maturity date in June 2025. While the company is in a net current liability position as at 30 November 2024, if an obligation arose investments could be sold to raise cash.

Viability Statement

Brunner is an investment company and has operated as an investment vehicle since 1927 with the aim of offering a return to investors over the long term. The directors have formally assessed the prospects of the company for a period of longer than a year. The directors believe that five years is the suitable outlook period for this review as there is a realistic prospect that the company will continue to be viable whilst seeking to achieve its aim to provide growth in capital value and dividends over the long term. This reflects the longevity of the company and the expectation that investors will want to hold on to their shares for some time. The board also notes that as a high conviction investor, the portfolio manager has a five year view on stocks in the portfolio.

The board has assessed the long-term viability of the company against the principal risks faced by the company, outlined in the reporting under Risk Management Policy on page 18. Many of these matters are subject to ongoing review and the final assessment, to enable this statement to be made, has been formally reviewed by the board.

The factors considered at each board meeting are:

- The company's investment strategy and the long-term performance of the company, together with the board's view that it can continue to provide attractive returns to investors;
- As an investment company Brunner is able to put aside revenue reserves in years of good income to cover a smooth payment of growing dividends in years when there are challenges to portfolio revenues;
- The financial position of the company, including the impact of foreseeable market movements on future earnings and cash flows. The board monitors the financial position in detail at each board meeting and at least twice each year it stress-tests the portfolio against significant market falls;
- In the current environment the board is reviewing earnings prospects, gearing and debt covenants on a continuous basis with the managers; and
- The liquidity of the portfolio, and the company's ability to pay dividends and to meet the budgeted expenses, including interest payments, of running the company.

Based on the results of this assessment, the directors have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the five year period of their review.

The future

As we show in our page on the history of the trust on the inside cover of this document, the longevity of the trust and its importance to our investors continues to be a focus. The future attractiveness of Brunner as an investment proposition with relevance to a wide variety of investors is something we debate and evaluate continuously. We have to consider the investment environment and wider economic considerations, such as increasing inflationary pressures, and take soundings on the prospects for our markets, the returns on assets, economic growth and numerous other factors. Taking all this into account the board continues to believe that there is a place for Brunner in the range of options available to the investor and that the company remains viable for the five year period here under review.

The strategy for the future

The development of the company is dependent on the success of the company's investment strategy against the economic environment and market developments. I give my view in the Chair's Statement on page 5 and the portfolio managers discuss their view of the outlook for the company's portfolio in their review starting on page 26.

On behalf of the board

Carolan Dobson
Chair
12 February 2025

Environmental, Social and Governance (ESG) Issues

The board considers that it is in shareholders' interests to be aware of and consider environmental, social and governance factors when selecting and retaining investments. Details of the company's policy on ESG are set below.

Environmental, Social and Governance research and stewardship

Active stewardship is an integral component of our investment manager's investment approach. This can help to unlock potential in companies, as well as protect companies from downside risks.

AllianzGI's approach to ESG analysis

Brunner's portfolio managers follow AllianzGI's proprietary ESG methodology which is designed to enhance risk management and engagement by adding another dimension to existing investment processes across all asset classes. The main objective of integrating ESG analysis is to develop an assessment of the financially material ESG risks and opportunities within a broader investment case. AllianzGI's approach also fosters active engagement with company management. Active proxy voting is an important part of the ESG process. Our manager has a firm-wide exclusion of controversial weapons and companies relying to some extent on coal extraction. Sustainability research and stewardship analysts may further support the ESG process by providing a framework of company, sector and thematic research.

How it works in practice

AllianzGI employs 45 sustainability professionals. The process of integrating ESG analysis involves AllianzGI's investment teams reviewing both ESG scores and financially material qualitative information for each holding or company of interest. The investment teams then make an assessment of the ESG risk or opportunity that supports the broader investment case. AllianzGI's investment professionals have access to both quantitative tools and qualitative ESG research.

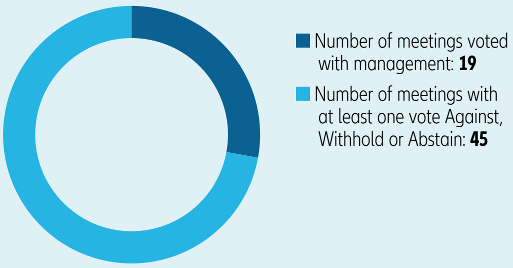
AllianzGI's investment professionals generate in-depth research of companies they own or believe to be of interest and often closely follow these issuers over long periods of time. Therefore, they can engage actively with the companies that need it most. AllianzGI's Sustainability Research & Stewardship analysts further support the process by providing company, sector and/or thematic research. All ESG research and engagement notes are documented on AllianzGI's internal Global Collaboration Platform. This creates a high degree of transparency and provides portfolio managers with an easy way to monitor ESG risk in their portfolios.

Proxy voting 1 December 2023 to 30 November 2024

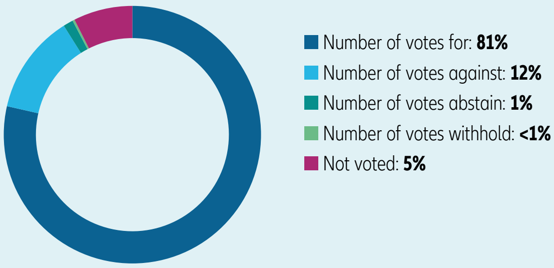
Active proxy voting engagement for clients is seen as a core element of fiduciary responsibilities and the manager provides total voting coverage. This active, global approach to the exercise of voting rights is aimed at improving governance standards.

In the year there were 65 shareholder meetings for companies in the portfolio and the manager voted on the company's behalf at 63 of these. The company voted on 97% of all resolutions. Source: AllianzGI.

Company meeting voting record



Vote distribution



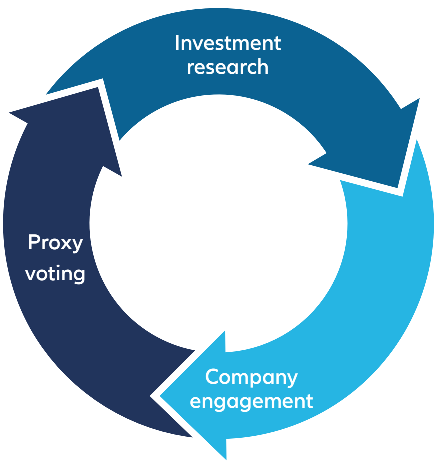
Sustainability

The portfolio managers talk about the importance of sustainability in the assessment of the quality of portfolio companies in their Investment Philosophy explanation on page 41.

Company engagement

The investment manager conducts regular meetings with companies which:

– enriches investment analysis and decision making;
– helps assess company leadership and culture and build trust;
– facilitates active involvement from portfolio managers and sector analysts in company engagements;
– focuses on material issues in a case-by-case approach; and
– provides an organic link to Proxy Voting decisions.



Engagement success is part of delivering investment performance

More information can be found at:
https://uk.allianzgi.com/en-gb/our-firm/sustainable-investing

ESG reporting

The board receives information on ESG scores for the portfolio and this is published in the company's monthly factsheets. This is also included on page 44.

A summary of the many engagements with portfolio companies on E,S and G matters is set out on page 43.

Brunner's ESG policy and web links

A summary of the board's policy on ESG can be found with the company's details on the Association of Investment Companies' website, where there is also more information on ESG for investors:

https://www.theaic.co.uk/esg-and-investment-companies

Investment Manager's Review

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55 Distribution of invested funds

Madrid, Spain is home to Aena, the owner and operator of almost every airport in the country.

Portfolio Managers' report

Julian Bishop

Christian Schneider

The US vs Rest of World (RoW)

American exceptionalism was the theme of this financial year. Over the 12 months to the end of November 2024 the US S&P 500 Index returned 34% in dollars, compared to just 10% for the MSCI Europe; the largest outperformance in at least a quarter of a century. Remarkably, almost one third of the US outperformance was registered in the few weeks following the election, which President Trump won by a surprisingly convincing margin. Famed pollster Nate Silver's predictions of an outcome 'closer than a coin toss' proved quaint, and allayed fears of a contested election and civil unrest. There was no insurrection at the Capitol this time.

Given Trump's economically stimulative first term, the US stock market and the dollar roared ahead. Trump's America First platform and proposals for large, sweeping tariffs concurrently unnerved markets elsewhere, further increasing the large divergence in performance between the S&P and the rest of the world.

The stellar performance of the US stock market has been well documented. The technology sector has been key to this exceptionalism; America dominates this lucrative space. Success has been concentrated amongst a small number of huge companies. Remarkably, just eight, all American companies out of more than three thousand accounted for half the MSCI All Country World Index's total return in 2024.

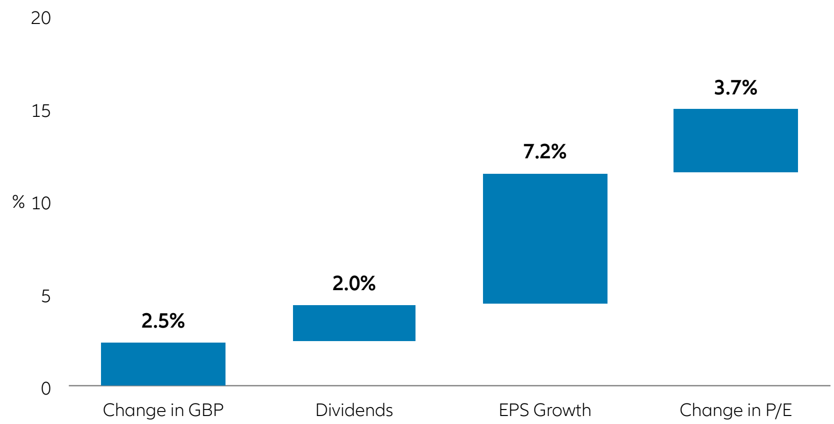
After another strong gain in 2024, the US now accounts for around two thirds of most the global equity indices. The S&P 500 itself has become a very concentrated index. The top 5 stocks alone – Apple, Nvidia, Microsoft, Alphabet and Amazon – now account for almost 30% of the S&P 500's value and almost 47% of the tech heavy Nasdaq Composite. Ironically, many trusts and funds offer greater diversification than the index these days. Indeed, it is noteworthy that the Nasdaq tracker would easily fall foul of UCITS regulations designed to protect investors from insufficient diversification.

It can be instructive to examine the components of equity market returns. Over the long term, equity returns are dominated by what we might call the fundamental return; a combination of cash returns such as dividends plus growth in profits. In the short term, the valuation multiple – how much investors are willing to pay per unit of profit, which is often measured by the price-to-earnings (or P/E) multiple – can vary sufficiently to determine the performance of a stock. However, over the longer term it is the fundamental return that is likely to matter most to financial outcomes. With apologies to Hungarian investor André Kostalany, a stock and its fundamentals are like a man walking his dog. The man (the fundamentals) walks in a straight line, whilst the dog (the stock price) darts off, chasing rabbits. Ultimately, they arrive at the same place at the same time.

Looking at the US market in 2024 with this analogy in mind is telling. As noted, the S&P 500 returned 34% in dollars over the past twelve months. However, profit growth for the whole index was just 8% over the same period and the dividend yield was just 1%. Most of the return therefore came from the valuation multiple increasing: the dog running off into the woods. Clearly this is not something that can be relied upon to

"The stellar performance of the US stock market has been well documented. The technology sector has been key to this exceptionalism; America dominates this lucrative space.

S&P 500 (USA): contributors to the 10 year total return



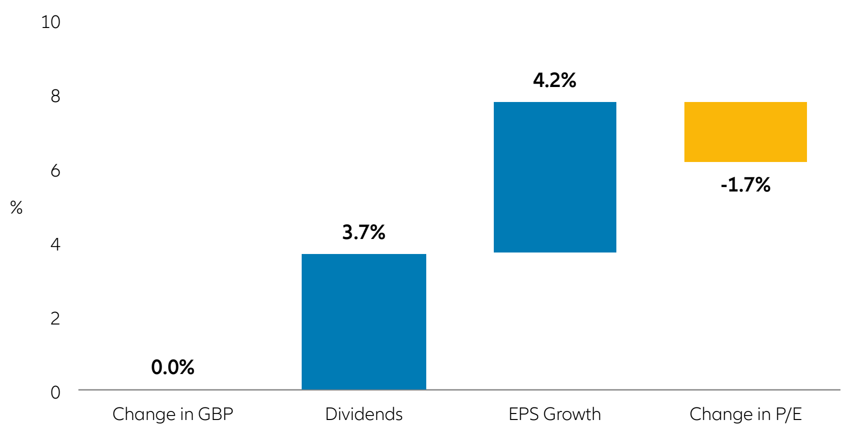
Source: AllianzGI, as at 31 December 2024.

reoccur, particularly when we consider that the forward multiple on the S&P 500 is now at levels last seen during the dotcom bubble at the end of the last millennium.

We can extend this analysis over a longer time frame. Over the ten years to the end of 2024, the fundamental return on US equities (the dividend plus the earnings growth) has been about 9.2% pa, but this return has been boosted 3.7% by valuations expanding – the dog running ahead of its master – as the trailing P/E multiple increased from 17x to 25x. Moreover, earnings were boosted in 2018 by Trump's first term corporation tax cut and UK based investors have enjoyed the benefit of the dollar appreciating in value against Sterling 2.5% per annum. In all, the impressive return on US equities for UK based investors has been meaningfully improved by three factors – a tax cut, a currency boost and a valuation re-rating – that are likely to be one off in nature.

Over the same period, UK equities have seen valuations fall. 10 years ago the valuation gap between the UK and US markets was fairly small. Today it is yawningly wide. The outcome of this means we begin 2025 with the S&P 500 sporting a forecast P/E multiple of 22x, almost double that of the FTSE 100; the widest spread in history we could find. The dividend yield on the FTSE 100 is now almost quadruple that of the S&P 500 once we take into consideration American withholding taxes. Whilst we believe it is virtually indisputable the S&P 500 houses a better collection of businesses than those listed in the UK, these starting points meaningfully handicap the outlook for the US market vs the UK market going forward. Even if earnings in the US continue to outgrow those in the UK, as we would expect them to do, the superior dividend in the UK provides considerable compensation. In the past ten years the fundamental return in the UK (which is more skewed to dividends that EPS growth) hasn't actually been that far behind the US; 7.9% vs 9.2%. The realised return has been held back by the P/E multiple declining and the lack of the currency impact. Should the animal spirits in the US fade or should the UK market recover from its malaise, then it is entirely possible that the UK (and Europe, where the history and arguments are similar) provides a superior investment return to the US in the coming years. For that reason, we continue to believe that our unusual benchmark (70% global,

FTSE All-Share (UK): contributors to the 10 year total return



Source: AllianzGI, as at 31 December 2024.

"All our investment decisions look to balance quality, growth and value. Whilst America may score best on the first two of these factors, it lags by a growing margin on the third.

30% UK) provides a useful source of diversification.

As highlighted, we say this despite our belief that American companies are generally of superior quality. This is a provable point. Returns on Invested Capital, or how much profit firms generate per dollar of capital they have invested, are in aggregate higher in the US than they are for their European counterparts. The history of earnings growth in the US has also demonstrably been far superior. Revenue forecasts from investment bank analysts suggest this will continue. But dividends, and valuations, are also important components of investment returns over the long run. All our investment decisions look to balance quality, growth and value. Whilst America may score best on the first two of these factors, it lags by a growing margin on the third.

On American success

It is worth considering why America trades at such a premium. Primarily there is the record of extraordinary performance by newly founded businesses. Over the past 30 years, six companies worldwide have reached a $1 trillion valuation and all have been American. Whilst fourteen US companies founded in the past 30 years have reached $100bn in value, no European companies have done the same. Many of these new companies rely primarily on intangible assets (such as computer software and algorithms) rather than tangible ones (such as factories). These intangible assets are highly scalable, enabling rapid growth with modest incremental investment. The combination of high returns on invested capital and growth has resulted in massive value creation and high multiples to boot. The presence of these has a halo effect over the entire market's collective memory. Equity participation in the US has been, for most, a one-way street. Higher valuations therefore reflect more than just the compositional impact of a large tech sector alone. American banks trade at around twice the valuation multiple of their European counterparts. Retailer Walmart trades at a P/E multiple of 35x vs 14x for Tesco, its most obvious European counterpart.

The success of American technology companies is a subject of much discussion. Whilst California's Silicon Valley is the most famous cluster, two of the magnificent 7 – Microsoft and Amazon – are based further up the West Coast in Seattle, a metropolitan area with a population similar to Birmingham. Over the past half century Silicon Valley has built a unique ecosystem – encompassing entrepreneurial expertise, world-leading universities, a culture of supporting and encouraging start-ups, and a large, well-developed venture capital and funding system. There is a deep pool of highly skilled, highly rewarded labour which is attracted from all over the world under the H1-B visa system.

Moreover, there is an extremely shareholder friendly governance framework. Cynics might say this is a result of corporate capture of the government. Remarkably, in the 2016 election the richest top 1% of the richest top 1% (i.e., the top 0.01%) made 40% of all political donations. It would be extraordinarily naive to believe these contributions were made with no quid pro quo. The victory of Trump in 2024 completes the picture of a government that is run in the interests of the rich and, by extension, the shareholder. Whilst in Europe the ESG movement means businesses and investors continue to expand their social remit to other stakeholders, in the US the shareholder reigns supreme.

Indeed, many businesses across the pond are backtracking on their diversity, equality and inclusions commitments including, recently, Walmart, the largest retailer and private sector employer in the world. Vivek Ramaswamy, Elon Musk's partner in the newly proposed 'Department of Government Efficiency', literally wrote the book ('Woke, Inc') railing against ESG initiatives, painting them as an undemocratic politicisation of business whose sole aim, in his view, should simply be to make money. Markets, amoral and dispassionate as they are designed to be, are applauding. The comparison with China is also stark. The Chinese capitalist elite has never captured the state. Fuzzy property rights and inconsistent application of the law means that the state can and does regularly check the power of business in pursuit of a perceived greater good. Shareholder outcomes under this framework have been notably less good than they have been in the US, despite far faster GDP growth.

Silicon Valley, California, USA has been the traditional home of the country's technology giants.

Financial realities

We believe it is incorrect, however, to say that a Trump government is entirely business friendly. Most mainstream economists caution that his proposals for tariffs will damage growth for all and simply be passed on to consumers in the form of higher prices. Given the inflation experienced under Biden is often cited as a reason for the Democrats' convincing electoral defeat, we expect to see his proposals watered down with time. We also note that Trump's ability to stimulate the economy this term via tax cuts is hamstrung by a weak fiscal position. The US budget deficit is already large, particularly given we are not in recession, which is typically the time governments need to dip into their coffers as tax revenues fall and unemployment benefit spending goes up. Coupled with a large current account deficit, the US may eventually prove vulnerable to capital flight. Only the 'exorbitant privilege' of being the world's reserve currency is keeping the bond vigilantes at bay and preventing America's 'Truss' moment. But this is not a right. If America continues to spend beyond its means that will undermine confidence in Treasuries and America will struggle to finance its considerable debts at reasonable rates.

It is wrong to describe US government bonds such as Treasuries as risk free assets. Whilst the US government is certain to pay the coupons on bonds and repay the principle at maturity, the value of those payments in real terms can be undermined by either inflation or weakness in the currency. We note that real American interest rates are increasing (i.e., the gap between inflation linked Treasury yields and inflation expectations) indicating that some bond investors already want extra reward for the risks they detect.

Concerns about the solidity of fiat currencies (i.e., those not backed by physical assets) are used to support arguments for owning Bitcoin, which are by design finite in number. In our view, Bitcoin is a useful barometer of possible froth in markets.

It is hard to define or prove when a financial bubble comes into being. If you add a grain of sand to another and keep on doing so, at what point does it become a pile? As we have previously noted, growing, asset-light businesses can do extraordinary things that defy expectations. Future cash flows are unknown. Proving that businesses of this type are over-valued is therefore actually very difficult. We cannot definitively prove that Tesla is not worth $1.2trillion dollars despite its scant profits and shrinking sales volumes. If the carrots Musk likes to dangle in front of his acolytes (autonomous driving, humanoid robots) come good it is possible it is. Enthusiasm for something like Bitcoin, which does not, cannot and will never provide interest or dividends or cash flows of any sort, is therefore a useful acid test of common sense. We note that if you were to own all Bitcoin in existence (theoretical current value c$2 trillion) you would receive dividends of zero. $2 trillion could also buy 75% of the entire FTSE 100, which would generate dividend income of around $75bn per year.

In the spirit of open mindedness, we can see how Bitcoin may be a useful way to launder money or avoid taxes; Swiss banking secrecy laws aren't what they were, after all. For those who think Bitcoin will proffer a useful currency should modern civilisation collapse, we've consulted the literature on this; books such as Cormac McCarthy's The Road and Emily St Mandel's Station Eleven suggest you should instead invest in a shopping trolley, a rifle and a large quantity of tinned foods. We're afraid the Brunner Investment Trust cannot offer this service.

Profitability and competition

At the heart of the current debate for global investors is the appropriate premium for American stocks. With higher returns, higher growth and a more shareholder friendly business environment we believe it is plain some premium is warranted.

One manifestation of the superiority of American businesses and the American system being loaded in favour of the shareholder is the fact that in the US profits as a % of GDP are at record highs. 'Bowley's Law' observes that economic interests tend to split 70:30 labour to capital over time. In the past years that's changed, with more economic rent accruing to the latter. This helps explains why stock markets in the US have roared ahead whilst real wages have stagnated – the result being widening inequality. We have often said that stock market value accrues in niches. Often those niches are de facto monopolies, duopolies or oligopolies where businesses have established positions that reduces the intensity of competition that hampers profitability for most. Indeed, many of Brunner's core holdings fit that description. Barriers to entry, sustainable competitive advantages and attractive industry structures are all indicative of a business's quality and something we actively look for when selecting our holdings. Capitalism is constructed so that competition should erode super normal profits but more and more of the stock market in America comprises businesses that have developed enviable resistance to new entrants. With that comes high profitability and when combined with growth the result has been very positive financial outcomes. A key risk to this is regulation. Lina Kahn, the Head of the FTC, is pursuing multiple cases against what she regards as anti-competitive tactics at companies like Google, an alleged monopolist, albeit one that reached that status on merit and without, arguably, hurting the consumer. US antitrust authorities are currently publicly investigating companies representing more than 40% of the value of the S&P 500. One of the posited reasons the US market performed so strongly immediately after the re-election of Trump is that his administration will be more tolerant of the status quo – another example of regulatory capture – and that he will replace Kahn with someone more tolerant of businesses with 'dominant' positions.

Network effects – three case studies from three continents

There are several key sources of barriers to entry that support high levels of corporate profitability and we spend a lot of time thinking about them. A key one is 'network effects'; something that can be seen in several of our holdings. Take Visa, the payment processing company, which exists in a virtual duopoly alongside Mastercard. There are over four billion Visa cards in circulation accepted at more than 150 million retail points of sale worldwide and issued by tens of thousands of financial institutions. We believe it is very unlikely Visa's two-sided network of cards and merchants can be replicated hence we expect Visa to sustain its high levels of profitability for many years. Moreover, as Visa takes a small percentage fee of most transactions it processes, it also provides the inflation protection we covet too. If prices go up, so do its revenues. In our opinion, this represents a true currency debasement hedge, unlike Bitcoin.

Another example of a network is Brambles. This Australia based company operates networks of millions of wooden pallets that are shared and reused by manufacturers, distributors and retailers to transport goods. Its core business is called CHEP (Commonwealth Handling Equipment Pool) and dates back to the infrastructure developed to handle defence supplies during WW2. Today their network enables a producer in Idaho to ship its wares to market in California without having to retrieve the pallet; it is collected by the CHEP network and then supplied to users in the local market. In this industry, scale is key as it minimises the cost of operating the network. The business therefore naturally veers towards a monopoly providing Brambles with a robust, profitable business in which we are glad to invest.

Network effects also explain the strength of Auto Trader Group plc, a recent addition to the Brunner portfolio. Virtually all consumers in the UK looking to buy a second-hand car will visit the Auto Trader website or app. Because of this, virtually every second-hand car dealer in the UK chooses to pay to list its inventory on Auto Trader. Because there is an exhaustive list of inventory, the consumer has no need to look elsewhere. Once such a marketplace is established it is highly robust. The net result, perhaps surprisingly, is that Auto Trader is one of the most profitable businesses in the world with operating margins close to 70%. Perhaps even more astonishing is that the value of the company's 'property, plant and equipment' reported on its balance sheet is just £15m. The physical cost of creating Auto Trader was virtually nothing. Intangible assets, not physically reproducible, are often the key to the best businesses.

We work hard to invest thoughtfully in a way that marries prudence and opportunism, optimises for quality, value and growth, always focusing on the outlook for free cash flows over the long term. This is the only thing that gives an equity, or any security, its value. The rise in 'assets' like bitcoin are in our view demonstrative of a suggestible market showing signs of speculative froth. Part of our job is to protect our shareholders from the 'madness of crowds'; hence we think our approach is particularly pertinent at the present time. We sincerely hope that the shopping trolley and rifle will not be needed anytime soon.

Market review

In Pounds Sterling, The FTSE All World ex UK increased 27% in the financial year. The UK FTSE All-Share lagged but still provided a respectable 16% return. Together, Brunner's 70/30 composite benchmark returned 24%. These are exceptional returns by any standards and, as alluded to above, substantially driven by increases in valuations. Brunner shareholders should not expect this to repeat.

Global markets were led by the US. The S&P 500 increased 34%; a remarkable outcome. As previously noted, aggregate profit growth for the companies that make up the S&P was just 8% which means that the market got considerably more expensive over the period. At the start of the financial year the S&P was trading at 19x estimates of the next twelve months profit. By the end it was trading at 22.5x; levels not seen since the dotcom bubble. For comparison, the UK FTSE All-Share trades at just 12x.

Headline multiples of this type garner a lot of attention. However, they are a very rudimentary assessment of value and multiples have had surprisingly little predictive power for many decades. What the 'right' multiple is depends on many assumptions such as growth, returns on invested capital, risk, interest rates and debt levels. These all vary and future predictions are subject to considerable conjecture. This is what makes a market. Differences in expectations for these factors help explain why one company may be worth 25x when one isn't worth 10x. Despite being lumped together, equities are a very broad asset class indeed.

One of the reasons the US market trades at a premium to most others is that it is widely regarded as being higher quality and higher growth than those elsewhere.

"At the start of the financial year the S&P was trading at 19x estimates of the next twelve months profit. By the end it was trading at 22.5x; levels not seen since the dotcom bubble.

Almost every second-hand car dealer in the UK pays to list its inventory with Auto Trader Group plc, a recent addition to the portfolio.

Historically this is a more or less factual statement, and sensible forecasts imply this superiority will continue. It is worth more for good reason, in our view. However, as we note in our opening report, higher valuations handicap future returns. There are therefore good reasons to think future equity returns in the US may be less spectacular in comparison to other markets.

Europe ex UK was the laggard, returning just 8% over the period. Whilst weak growth and political instability across the region are cited as culprits, this ignores the reality of most global listed businesses which have little to do with where they are listed. Germany's stock market actually fared quite well, driven by larger insurers such as Munich Re and Allianz, and software company SAP. French stock markets, on the other hand, have far more exposure to luxury goods companies such as LVMH which suffered as China, a key end market, slowed.

Looking at global sectors it was actually Financials, not Technology, that led the pack in FY2024 with a 37% return. In many markets traditional insurers and banks rebounded from low levels; stubbornly high interest rates and strong credit conditions are fertile soil for both, and meaningful cash returns to shareholders from European banks have finally resumed after a decade of absence in the wake of the 2008 financial crisis. Information Technology was close behind, providing a 36% return. The largest stocks in this sector are overwhelmingly listed in the US, helping explain the country's recent performance and valuation. Associated sectors such as Communication Services and Consumer Discretionary (which house stocks like Alphabet and Meta, and Amazon and Tesla, respectively) also fared well, providing a 33% and 23% return.

Industrials was the other standout performer at 28%. Much of the excitement here also revolved around the technology theme. Artificial intelligence data centres, for example, are hugely energy intensive and the complementary equipment needed has boosted demand across the industrial landscape.

Laggards include Consumer Staples (12%), Healthcare (12%), Materials (6%) and Energy (11%). In normal times these would be considered healthy returns. In 2024 they were simply insufficient to keep up with a market fixated on technology and surprised by the cyclical strength in financials.

Portfolio review

We look to balance quality, value and growth factors within the portfolio with a focus at all times on the quantity, trajectory and riskiness of cash flows over the long term. This is a timeless way of investing, designed to withstand the vicissitudes of the market.

In 2024, growth momentum was by far the most important factor driving the market. Other factors like quality and value, particularly, were relegated in relevance. As such, our balanced approach wasn't helpful for relative performance. Whilst NAV growth was very strong in absolute terms, it lagged the market, delivering 17.9% vs 23.6% for our 70/30 composite global/UK benchmark. As highlighted earlier, the US market has been driven by the performance of a small handful of increasingly expensive stocks and is now more concentrated than many funds and trusts. Whilst Brunner's shareholders are, of course, free to invest in index funds they should do so in the knowledge that their diversification may in that case decrease. Nokia's weight in the Finnish benchmark peaked at 72% in 2004; the idea that the benchmark is necessarily lower risk than a diversified trust is nonsensical in this context.

When we look at the sector attribution for our relative performance in FY2024, we can quickly see that our weightings were on balance positive. We were under-weight in lagging sectors like Basic Materials and Consumer Staples and over-weight outperforming Financials. This was somewhat offset by an over-weight to the underperforming Healthcare sector. As a reminder, these weightings are an outcome of our bottom-up, stock specific work. The same is true for our geographical weightings, where there was nothing of particular importance to highlight.

Most of the underperformance is best explained at the stock level within the Financials and Technology sectors. Both of these important sectors roared ahead. Our holdings participated but did not keep up. To a large extent, this reflects our balanced approach, but also our bias to prudency. For example, within

"Looking at global sectors it was Financials that led the pack in FY2024 with a 37% return... Information Technology was close behind, providing a 36% return.

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Elsewhere, our top contributors were a mixed bunch. Given we aim for Brunner to be a well-diversified, timeless investment, we always find this pleasing.

the diverse Financials sector our skew is to higher quality, recurring fee-based business models. This year saw the outperformance of lower quality, more asset intensive businesses like traditional banks and insurers. We had exposure here, but not enough to keep up with the market. Where we have exposure, it is generally at the less levered and less risky end of the spectrum. This means that we always run the risk of underperforming in a cyclical rally, as happened this year, but we should be better protected on the downside in the event of a cyclical downturn. We also had one holding, Close Brothers, which had serious company specific issues related to its motor finance business. On the plus side, we sold the holding before the full extent of the company’s problems became fully apparent, necessitating the cancellation of their dividend. Ownership was a mistake we endeavour to learn from.

Within the Technology sector, our reluctance to hold Nvidia cost the trust well over 2% of relative performance. We have pored over Nvidia at length. The company makes the silicon chips used in AI applications. Whilst we believe the company is deserving of much admiration, we are uncomfortable with the sustainability of demand for their products. Many of the ultimate users of Nvidia silicon are loss making AI start ups, repeatedly ‘training’ models, with no clear ‘killer apps’ or credible paths to profitability. In Carlota Perez’s seminal study of technological revolutions, she highlights that it is often not those who provide the hardware that powers the revolution that are the winners, rather those who use the technology in a value creative way. For example. Facebook and Netflix benefitted more from the internet than hardware manufacturer Cisco Systems, despite the latter being the most valuable company in the world in 2000.

Technology hardware tends to be very competitive and deflationary. There is a saying in the industry: despite any piece of hardware’s apparent complexity, at the end of the day ‘everything is a toaster’; easily reverse engineered, and ultimately commoditised.

For many reasons, we think Nvidia is better than that and we don’t rule out owning it in the future. However, at present we prefer to participate in the nascent AI industry via what we believe are more prudent and diversified avenues. Our biggest contributor to performance in the year was **TSMC**; Taiwan Semi. TSMC is a ‘foundry’ that manufactures chips on behalf of companies such as Nvidia. These are exceptionally complex devices, cramming billions of transistors into an area little more than a square inch. TSMC are the only company capable of commercially manufacturing at the highest resolution. They will therefore prosper irrespective of whether Nvidia or an emergent competitor design the chips. They also make chips for numerous other end markets, reducing the absolute risk of investing in this fast-changing area.

Two of our other top 10 contributors to performance in the year also benefitted from growth in AI. Both **Amphenol** and **Schneider Electric** make components and systems that are used in the construction and connection to the grid of energy hungry AI data centres.

Elsewhere, our top contributors were a mixed bunch. Given we aim for Brunner to be a well-diversified, timeless investment, we always find this pleasing. Top contributors include **GE Aerospace**, a company that makes the jet engines powering three quarters of all commercial flights worldwide; a testament to their extraordinary engineering prowess. Also within the travel space, **Intercontinental Hotels Group** performed well. Results here have continued to impress as hotel rates continue to increase and owners add new hotels to the IHG franchise system. Both companies enjoy largely recurring revenues guaranteed under long term contracts in a growth industry with considerable barriers to entry; all are hallmarks we look for in our investment cases.

Despite being London listed, IHG’s main market is the US; the company has little to do with the UK economy. The same is true for **Baltic Classifieds Group**, which is also listed in London. This was another top ten contributor to performance during the year. The company operates the equivalent to Rightmove, Auto Trader and eBay in Latvia, Lithuania and Estonia. Businesses like this which have dominant scale enjoy exceptional economics and rank amongst the most profitable businesses in existence. Having seen BCG replicate the model of the UK equivalents, we are pleased to have participated in their well-deserved success.

We also had success in UK with building products company **Tyman** and homebuilder **Redrow**. Both were subject to takeover bids during the year, perhaps reflecting the exceptional value corporate buyers are seeing in the UK market at present.

Aside from not owning Nvidia, not owning Meta (parent of Facebook) also hurt during the year. Elsewhere, detractors were varied. **Microchip**, a supplier of basic semiconductors suffered a serious downturn as customers worked down inventory they had accumulated after COVID. We reduced the position but should have done so earlier. Our small position **Nestle** also had a tough year, with growth slowing after a series of large inflation driven price increases in prior years and costs pressuring margins,

Over 90 per cent of the world's most advanced chips are currently manufactured by top performer Taiwan Semiconductor Manufacturing Company.

PHOTO © TSMC

Top contributor GE Aerospace, makes the jet engines powering three quarters of all commercial flights worldwide.

in addition to investors' reference for higher growth firms than defensive consumer staples.

Other detractors include positions in large companies like **Thermo Fisher Scientific** (healthcare equipment and services) and **Totalenergies** (resources) and **UnitedHealth** (health insurance). In normal times the moves in these stocks wouldn't warrant much of a mention, but in 2024 they simply failed to keep up with the narrow, tech driven market.

Investment activity

Whilst our intention is to only buy stocks we will be happy to own for a long time (ideally, forever) we reserve the right to change our mind. The three primary reasons for doing so are:

1. A change to the original investment case
2. Valuation
3. Making room for something new

The first reason reflects that investment necessarily requires judgement about future events and that we may well be incorrect in our initial assumptions. As Keynes said 'when the facts change, I change my mind – what do you do, sir?'. Everything we have read about prediction, such as Dan Gardner's and Philip Tetlock's 'Super-Forecasting', suggests that altering positions as evidence changes is imperative. We see little merit in standing still for the sake of it. We aim to have 'strong opinions, loosely held'.

Portfolio turnover in 2024 was around 18%, implying an average holding period of around five and a half years. We added seven new names to the portfolio during the year. Six of those were in the first half. They were:

1. **Bank of Ireland**
2. **General Electric** (now trading a GE Aerospace)
3. **Inchcape PLC**
4. **Roper Technologies**
5. **Alphabet**
6. **American Financial Group**

For details of these, please see our Half Yearly Financial Report, 31 May 2024.

In the second half we added one new name: **Auto Trader Group PLC**, the eponymous classified vehicles listings website. Virtually every second-hand car dealer in the UK lists its inventory on Auto Trader, where its dominant share of consumer attention means it provides their primary source of customer traffic. Growth comes from pricing power, adding new functionality for dealers and forays into the new car market. The company has no debt and the asset light nature of the business means all accounting profit is converted into cash, which is returned to shareholders via dividends and buybacks. We are excited to own another high, growing and reliable cash flow generator to the portfolio.

Full sales during the first half included **St James Place** (UK wealth manager), **Close Brothers** (UK specialist lender), **ANZ Group** (Australian bank), **Rentokil** (pest control) and **Intuit** (software). Please see our half year report for detail. In the second half we also sold our small residual positions in **Estee Lauder** and

> Portfolio turnover in 2024 was around 18%, implying an average holding period of around five and a half years.

New holdings	Complete sales
Bank of Ireland	St James Place
GE Aerospace	Close Brothers
Inchcape PLC	ANZ Group
Roper Technologies	Rentokil
Alphabet	Intuit
American Financial Group	Estee Lauder
Auto Trader Group PLC	Novo Nordisk

Ozempic and Wegovy manufacturer Novo Nordisk has been a successful investment, but we opted to sell into strength.

PHOTO © NOVO NORDISK

> Thinking about cash flows over a longer period is vital. Without Novo Nordisk being able to substantially improve upon its current range of drugs, it is extremely unlikely the company's valuation can be rationally justified.

Novo Nordisk, which we had been selling down for some time.

Estee Lauder has been a disappointing holding in the last couple of years as sales in China, the key growth driver, reversed. Conversely, Danish pharmaceutical company Novo has been a terrific holding, but we opted to sell into strength. The company has become very reliant on a single active ingredient called semaglutide used both in Ozempic and Wegovy, its best-selling drugs for diabetes and weight loss respectively. Semaglutide is patented by Novo but loses protection in 2031 in the US, at which point the drugs will lose exclusivity and be subject to generic competition. History shows us that this is likely to decimate the profitability of the original. In our interpretation, this made the company too reliant for comfort on the approval of new drugs with superior efficacy to the current generation. History also shows us that the discovery and approval of such drugs is often little more than a coin toss; precisely the sort of investment case we seek to avoid. Whilst 2031 is beyond the horizon of many market participants (the average US investor holds each stock for less than 6 months) and certainly beyond the three year profit forecasts of most of the financial models upon which many investors rely, we think this is a great example of why thinking about cash flows over a longer period is vital. Without Novo being able to substantially improve upon its current range of drugs, it is extremely unlikely the company's valuation can be rationally justified.

Market outlook

We would generally prefer not to make prognostications about the direction of either economies or markets in the short term. As US economist JK Galbraith wisely noted, 'The only function of economic forecasting is to make astrology look respectable'. Rather, we focus on delivering a portfolio of diverse, robust equity investments which sensibly balance quality, value and growth. If those investments generate lots of cash and if their cash-flow streams grow then outcomes in the longer term should be good.

Having said that, we have alluded in our commentary to some of the extremes seen in markets at present. Most obviously this includes the transatlantic gap in valuations and the extreme excitement around artificial intelligence. We do not want to over-emphasise the transatlantic gap in valuation as it exists for good reason; American companies grow faster and create more value. But, as we highlight, cash returns are also important to long term equity outcomes and lower multiples boost the percentage cash yields, ceteris paribus.

Much focus has been on the Magnificent 7 which now account for well over one third of the US market's value. Comparisons with the dotcom bubble are regularly made. We think these are largely misguided. With a couple of notable exceptions, we think the valuations for these companies are broadly reasonable. These are growing, very profitable companies with many quality attributes; they deserve to be valued highly. It is actually elsewhere in the American market where we see froth. Relatively low growth companies trading at multiples we struggle to understand, or lower quality companies that are riding the AI wave. These are the areas we are most keen to avoid.

How the AI market evolves is likely to be pivotal in 2025. Expectations are enormously high. If you follow the money, most AI model builders – Anthropic, etc. – are burning cash. The use case and method of monetisation is not yet clear. Hundreds of billions of dollars are being spent on the industry's enabling infrastructure. Even in a world where we become inured to large numbers, that is a vast amount of money. Without useful, profitable applications, spend will collapse under financial gravity. Capital expenditure of this type is generally cyclical. At some point a downcycle is therefore likely, which will send shockwaves through the sector when it comes. However, if artificial intelligence proves as useful as its proponents promise we have no doubt it will have a lasting impact on economies and markets. Bill Gates was prophetic when he said that we always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten. We look forward to seeing the new businesses that inventive, imaginative entrepreneurs build using AI technology. We're just not sure we've seen them yet.

The Holiday Inn Miami Beach-Oceanfront is just one of more than 6,500 hotels in top performer Intercontinental Hotels Group's portfolio.

PHOTO © IHG

Investment philosophy and stock selection process

Long-term focus

Our focus is on understanding how a business evolves and creates value over the long term. It is only over longer periods that the fundamental attributes of a businesses or industry reveal themselves. It is also over longer periods that the power of compounding takes place. A small cohort of high return, growth businesses are able to deliver exceptional outcomes for shareholders over time. Patience is a prerequisite for participation.

Factually, most equities are long duration assets, whose present value is derived from cash flows expected well into the future. We therefore believe it is sensible to align our analytical timeframe with that reality. Our attention is skewed to factors such as returns on invested capital, sustainable competitive advantages, barriers to entry, long term growth rates, capital allocation policies and leverage. Ultimately, considerations such as these will determine the quantity, trajectory and riskiness of the cash flows that the trust will receive from its holdings. We believe the stock market remains excessively focused on the short term. Through detailed research and analysis focused on what truly matters, we seek to deliver superior investment returns.

A balanced, diversified portfolio

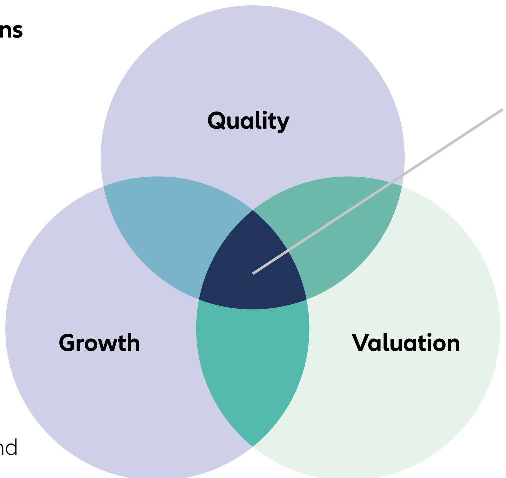
Drawing on the full resource of AllianzGI's global platform, we look across all industries and geographies to select the most attractive investment ideas for the trust's portfolio. We believe in building a balanced portfolio that is diversified across a wide range of idiosyncratic opportunities and risks. In this way the portfolio can be relied upon to deliver a steady and consistent capital and income return.

Research intensive, focus on cash flow

AllianzGI's research platform combines a large global team of equity and credit portfolio managers and analysts, environmental, social and governance specialists and our own Grassroots* market research organisation. Collectively, these provide Brunner's fund managers with thoughtful, high quality analysis of a wide range of businesses and industries, augmented by insights into structural and cyclical trends. Our research emphasises the analysis of sustainable company cash flows, which we believe provides the truest measure of corporate performance. (*GrassrootsSM is a division of AllianzGI)

Quality: stable above average returns

- Long term competitive advantage
- Strong balance sheets
- High barriers to entry
- Management quality
- Stable/improving ROCE/RoE
- Sound on ESG issues



We seek to identify this universe through fundamental research

Secular growth

- Addressable market growth
- Sustainable growth – technology, brand
- Long term, through-cycle approach
- Avoid structural decline

Value, not just 'cheap'

- Reverse Discounted Cash Flow
- Enterprise Value vs. Cash returns
- Price/Book vs. Return on Equity
- Dividends – an output not input

Stock selection – focus on quality, growth and valuation

Our stock selection process blends assessments of business quality, long-term growth potential and valuation, resulting in a holistic view of a company, the risk factors and, ultimately, the drivers of shareholder value.

Quality is about understanding the intrinsic attributes of a business model. High quality companies are those with high returns on invested capital supported by long-term competitive advantages, shareholder friendly management teams, sound ESG and strong balance sheets.

Such companies tend to be highly profitable, generating substantial cash flow that can be used to fund further, value-creative growth or returned to shareholders as dividends or buybacks. Business quality can vary enormously across and within industries. Fortunately, as global investors with a large investible universe, we can afford to be highly selective.

To assess long-term **growth** potential, it is important to understand the secular forces that are shaping the economy and society, such as demographics, electrification and digitalisation. This provides the context in which to assess broader industry drivers as well as a company's position within the industry. Particular emphasis is placed on differentiating between structural and cyclical growth. Whilst we will invest in cyclical companies, a much greater value is placed on the structural element. The combination of a high-quality business model and long-term growth is a particularly powerful driver of shareholder value. Most of the world's truly great equities have enjoyed these twin attributes.

Company **valuation** seeks to determine whether there is sufficient upside to warrant investing. We look for companies where the quality and/or long-term growth potential is not fully appreciated. We want to anticipate rather than react and are careful not to overpay, for example by identifying companies with structural growth masked by a cyclical downturn or those where we believe business quality is improving. We employ a wide range of valuation tools, such as reverse DCFs (which allow us to determine currently discounted assumptions), free cash flow yields and relative multiples. At all times we are intellectually honest, recognising that the valuation of unknown future cash flows is inherently uncertain. We prefer to be directionally correct, rather than precisely wrong.

ESG considerations straddle these three factors. Good governance influences quality, for example. Environmental factors will present opportunities for growth and threats to terminal value. AllianzGI's sustainability research team is fully integrated into the broader investment research platform, allowing us to develop a deep understanding of these risks and opportunities. As long-term investors, these considerations are critical to our investment process.

Our ultimate goal is to provide a balanced portfolio, which optimises for aggregate quality, growth and value.

Selling stocks

Despite taking a long-term approach, we are still active managers. In general, there are three situations where stocks will be sold from the portfolio:

- Where there has been a material change to the investment case. Whilst we work hard to minimise mistakes, we recognise that we can make errors of judgement. Businesses can evolve in an adverse direction, despite our best efforts to avoid investments in those that do.
- Where the valuation has reached uncomfortably high levels and imply expectations that clearly exceed what we believe to be reasonable.
- Where a sale is required to raise cash for a superior investment opportunity elsewhere.

Portfolio construction

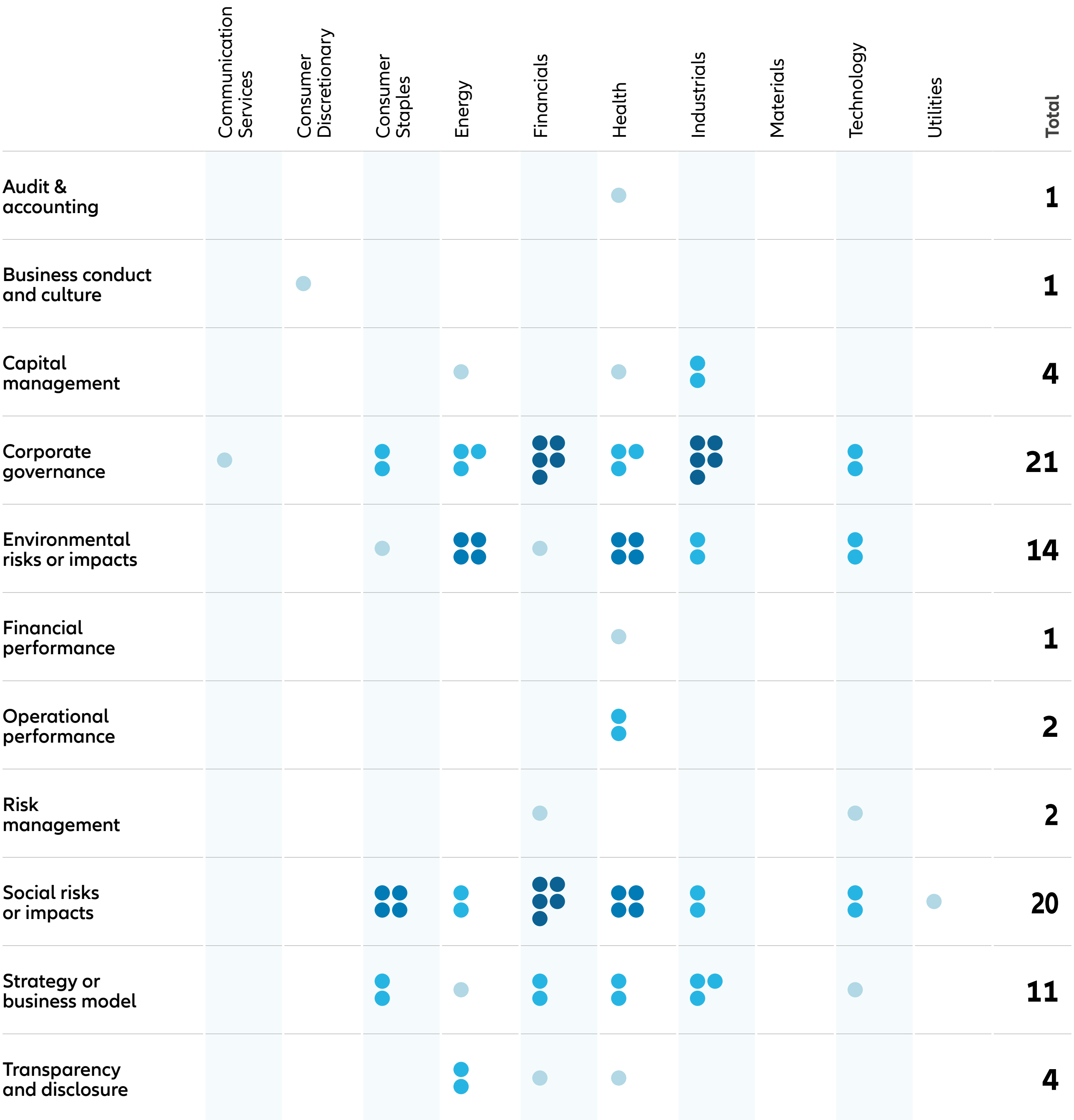
The portfolio consists of a minimum of 50 holdings that are selected on their individual merits whilst taking into consideration the exposure to individual industries, geographies, themes, factors and other idiosyncratic risk factors, ensuring that the overall portfolio remains well balanced and diversified.

The size of each individual holding reflects the level of conviction. Typically, this reflects our balanced judgement regarding the quality, growth and value of each investment, with additional considerations related to the likely range of outcomes (a proxy for risk) and liquidity.

At the portfolio level, the objective is to ensure that stock specific risk – the risk which results from our stock selection decisions – is the primary driver of the portfolio's returns. Residual risks such as currency, style, geography or macroeconomic are monitored and managed to ensure that they are not driving the overall portfolio's returns. Ultimately, the aim is to optimise the portfolio to achieve the dual objective of consistent benchmark outperformance combined with an attractive and growing income.

Company engagement activities

Our investment process does not end with purchases of shares. We believe that we have an important duty to engage with the boards and executive management teams of the companies in the portfolio. This is not purely about holding management to account, but also about influencing company strategy and promoting effective governance, to help improve long term performance. In particular, we focus on the sustainability of the business model and factors such as the environmental impact of the business, social policies and capital management. The table shows the number of our engagements with businesses last year, and breaks this down into different categories and by sector.

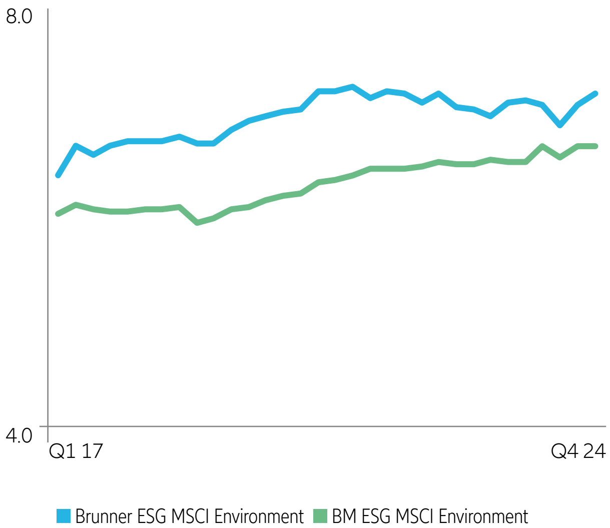


Several issues may be covered in each meeting.

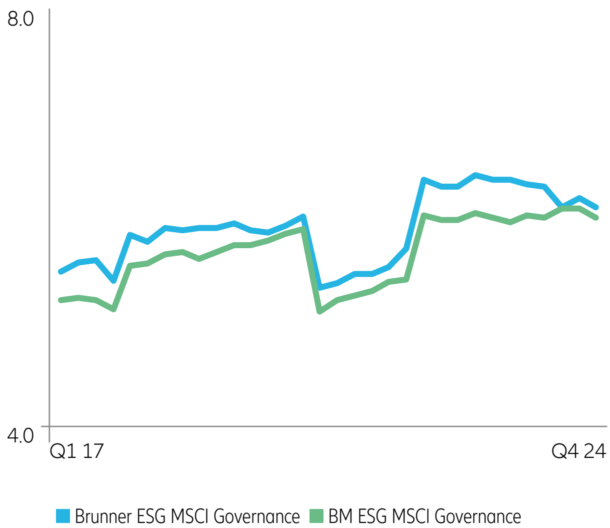
Environmental, Social and Governance performance

AllianzGI does considerable proprietary work in ESG analysis and at the moment also uses research provided by MSCI to help identify Environmental, Social and Governance factors that can impact the businesses of the companies in the portfolio. The charts below show that the Brunner portfolio's ESG ratings compare well against the benchmark's ESG ratings over the three year period under review. They show the rating of the Brunner portfolio on Environment, Social and Governance risks and combined ESG risk measurements compared to the rating of the Benchmark (70% FTSE World Ex UK Index and 30% FTSE All-Share Index) scored on a scale of 1-10 (where 10 is high) on a quarterly basis over the three years from 1 January 2017 to 31 December 2024.

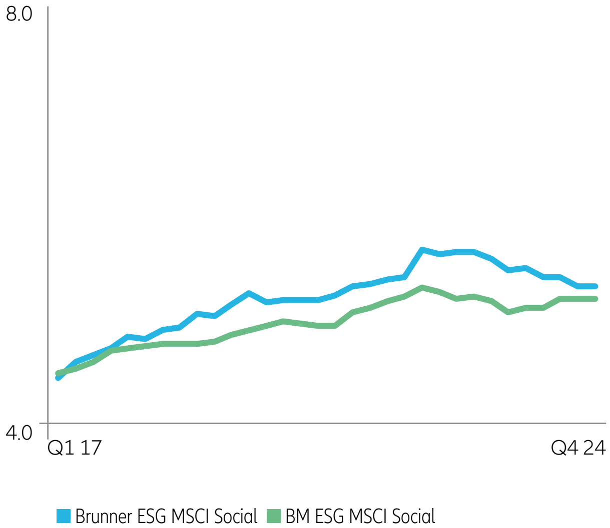
Environmental performance v benchmark



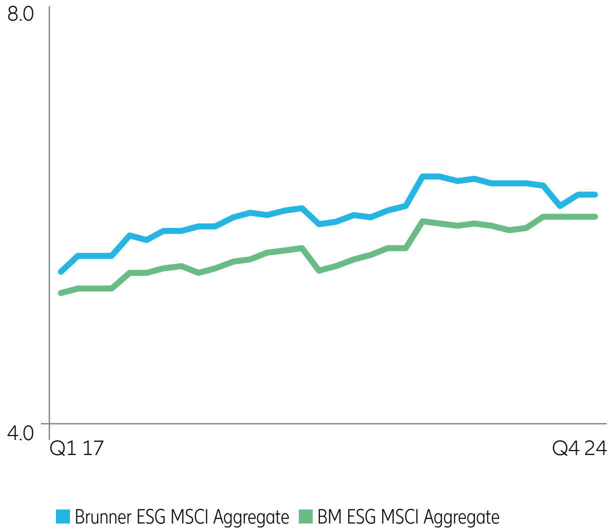
Governance performance v benchmark



Social performance v benchmark



ESG performance v benchmark



Source: MSCI/AllianzGI.

Top twenty holdings

Microsoft

Sector: Software & Computer Services
Headquarters: North America
Value of holding: £41,347,211
Percentage of portfolio: 6.4%

Microsoft is one of the world's leading technology companies, with a unique position in enterprise software. Under the leadership of CEO Satya Nadella, the company has shifted away from a traditional 'on-premise' model to focus on its Azure cloud computing platform. The company's Office 365 suite has over four hundred million users and its Windows operating system continues to dominate the PC market. The company is an early leader in artificial intelligence applications.

UnitedHealth

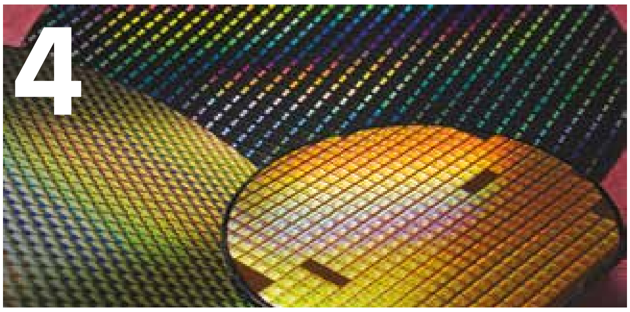
Sector: Health Care Providers
Headquarters: North America
Value of holding: £26,921,235
Percentage of portfolio: 4.2%

UnitedHealth is a leading health insurer, offering a variety of plans and services to employers, individuals and government programmes such as Medicare in the US. The business operates two complementary divisions – UnitedHealthcare, which manages health benefits, and Optum, which delivers cost-efficient care aided by technology and data. Together, the company plays a key role in operating and managing costs throughout the healthcare system.

Visa

Sector: Industrial Support Services
Headquarters: North America
Value of holding: £26,789,910
Percentage of portfolio: 4.2%

Visa operates the world's largest consumer payment system. The company's extraordinary network consists of 4.6bn cards in circulation, issued by over 14,000 financial institutions which can be used at over 150 million merchant locations in more than 200 countries. In 2024 the company processed an average of 639m transactions per day with a total value of $16 trillion.



Taiwan Semiconductor

Sector: Technology Hardware & Equipment
Headquarters: North America
Value of holding: £22,618,867
Percentage of portfolio: 3.5%

Taiwan Semiconductor Manufacturing Company (TSMC) is the world's leading semiconductor 'foundry' with an exclusive focus on manufacturing products for clients such as Apple, Nvidia and Broadcom including a virtual monopoly making the most complex, 'leading edge' chips (e.g., the iPhone's A18 chip, which squeezes 15bn transistors into 3cm2). In 2023 the company made 11,895 products for 528 customers across a wide range of end markets, from AI to automotive.

Intercontinental Hotels

Sector: Travel & Leisure
Headquarters: United Kingdom
Value of holding: £21,290,172
Percentage of portfolio: 3.3%

Intercontinental Hotels Group is one of the world's largest hotel companies with 6,500 hotels and a further 2,200 in its pipeline. The business model is asset light; a franchise or management fee is charged to hotel property owners who licence its systems and brands – including Holiday Inn, Intercontinental and Six Senses – under long-term contracts. Low capital requirements means it generates lots of free cash which is returned to shareholders via generous dividends and buybacks.

Alphabet

Sector: Software & Computer Services
Headquarters: North America
Value of holding: £20,115,714
Percentage of portfolio: 3.1%

Alphabet is the parent company of Google, YouTube, Google Cloud and 'Other Bets' such as Waymo (autonomous driving) and Deepmind (AI). Whilst recent results have been terrific, the company trades at a very reasonable valuation, reflecting uncertainty about the future of the search industry in an era of AI. Our belief is that Google's distribution, low cost to serve and ability to weave AI generated answers into search queries makes it unlikely that the company will be unseated as leader.

Auto Trader Group

Sector: Software & Computer Services
Headquarters: United Kingdom
Value of holding: £16,544,635
Percentage of portfolio: 2.6%

Auto Trader Group operates the UK's primary second hand car digital marketplace. Over 75% of all minutes spent by UK consumers on automotive marketplace websites were spent on Auto Trader. Growth comes from increased revenue per retailer as the company adds new features and increases listing prices. The company's financials are exceptional; operating margins of around 70% are amongst the highest of any listed company worldwide.

American Financial Group

Sector: Non-Life Insurance
Headquarters: North America
Value of holding: £16,457,071
Percentage of portfolio: 2.6%

American Financial Group (AFG) is a leading US specialty insurer with a strong and consistent track record of good underwriting and investment performance. The company provides insurance across a range of niche risk areas, including crops, marine, and surety. Established in 1872, AFG has been run by the Lindner family for more than 50 years. The family own 15% of the company, aligning incentives with outside shareholders and ensuring the business is run for the long-term.

Partners Group

Sector: Investment Banking & Brokerage
Headquarters: Switzerland
Value of holding: £15,510,265
Percentage of portfolio: 2.4%

Partners Group is a leading private markets firm based in Switzerland, and one of the most valuable publicly listed alternative asset managers in the world. The company provides tailored solutions to over 800 institutional clients seeking investment expertise in private equity, infrastructure, real estate and credit. Partners Group has grown assets under management at more than 16% a year since 2006, and today manages $152 billion.

Charles Schwab

Sector: Investment Banking & Brokerage
Headquarters: North America
Value of holding: £15,298,332
Percentage of portfolio: 2.4%

Charles Schwab is the largest discount brokerage in the US, serving both individual investors and registered investment advisors. Charles Schwab's vast size and extensive use of scalable technology results in low costs per customer, allowing it to offer lower fees than most competitors whilst still making a healthy profit. 36.5 million customers trust Schwab with more than $10 trillion of assets. Assets have grown at a rate of 11% a year since 2003.

Arthur J. Gallagher & Co.

Sector: Non-Life Insurance
Headquarters: North America
Value of holding: £15,091,701
Percentage of portfolio: 2.3%

Founded in 1927, Gallagher is today one of the world's leading insurance brokerage, risk management, and HR & benefits consulting companies. Gallagher has a particular strength in advising medium-sized clients, where competitors typically lack Gallagher's scale, industry expertise, and data and analytics capabilities. Organic growth combined with frequent acquisitions of smaller competitors has resulted in average revenue growth of 11% a year for the past 20 years.

Thermo Fisher Scientific

Sector: Medical Equipment & Services
Headquarters: North America
Value of holding: £15,086,581
Percentage of portfolio: 2.3%

Thermo Fisher Scientific is the world leader in serving the science industry, with annual revenue over $40 billion. With a mission to enable customers 'to make the world healthier, cleaner and safer', they provide a wide range of products and services that enable life sciences research. These range from relatively basic laboratory supplies to electron microscopes, CRISPR gene editing machines, clinical research services and the production of complex pharmaceutical ingredients.

Shell

Sector: Oil, Gas & Coal
Headquarters: United Kingdom
Value of holding: £14,962,008
Percentage of portfolio: 2.3%

Leading integrated energy company Shell has strength in natural gas, which is used in conjunction with renewable sources to provide uninterrupted power when wind and solar generation is low. Liquefied natural gas (LNG) has also proved useful replacing Russian gas and is being used to substitute coal, a more polluting fuel. The company is increasing investment in low-carbon energy solutions such as EV charging and hydrogen and is committed to being net zero by 2050.

General Electric

Sector: Aerospace & Defence
Headquarters: North America
Value of holding: £14,150,594
Percentage of portfolio: 2.2%

After divesting all other business lines, GE now trades as GE Aerospace, a pure play jet propulsion business. The company provides the engines that power three out of every four commercial flights worldwide; a testament to the company's leadership. The company's large and growing installed base of engines provides a reliable, very profitable recurring revenue stream coming from the sale of parts and maintenance services.

AMETEK

Sector: Electronic & Electrical Equipment
Headquarters: North America
Value of holding: £13,863,951
Percentage of portfolio: 2.2%

Ametek is a global manufacturer of electronic instruments and electromechanical devices serving a diverse range of niche markets and applications. Broad end market exposure reduces dependence of any single market, technology or customer and the focus on niches allows the company to differentiate via technology and innovation. Many of their businesses are aligned with secular growth trends including health care, energy, aerospace and industrial automation.

Aena

Sector: Industrial Transportation
Headquarters: Spain
Value of holding: £12,891,115
Percentage of portfolio: 2.0%

Aena owns and operates virtually every airport in Spain, a country with a large tourism industry and substantial domestic flight requirements. The company has free rein to charge duty free retailers, restaurants and other commercial tenants free market rents. As the number of passengers and the spend per passenger grows, so will rents, leading to growing EBITDA. Unlike many infrastructure companies, Aena owns all the airports freehold and carries less debt, permitting a high and growing dividend yield.

Bank of Ireland Group

Sector: Banks
Headquarters: United Kingdom
Value of holding: £12,520,413
Percentage of portfolio: 1.9%

Like many European banks, Bank of Ireland has spent much of the time since the financial crisis rebuilding and strengthening its balance sheet. Significant improvements to lending standards and a less competitive Irish banking landscape has seen returns improve, leverage fall and large cash returns begin in earnest. Credit conditions permitting, we expect these to continue, providing shareholders with dividends and buybacks that dwarf those on offer in most other sectors.

Unilever

Sector: Personal Care, Drug & Grocery
Headquarters: United Kingdom
Value of holding: £12,337,500
Percentage of portfolio: 1.9%

Unilever is one of the world's largest consumer goods companies, selling more than 400 brands including Dove, Wall's and Knorr in over 190 countries. It is particularly well known for its strong market position in emerging markets such as India, Nigeria and Indonesia and for its early commitment to reduce the adverse environmental and social impact of its business. Under a new CEO, the company has begun significantly investing in innovation and premiumisation.

DNB Bank

Sector: Banks
Headquarters: Norway
Value of holding: £12,305,014
Percentage of portfolio: 1.9%

DNB is Norway's leading bank with high market share and profitability in a rational, consolidated and prudently regulated market. Norway is a stable, wealthy jurisdiction where banks are required to have high levels of capital, protecting them against adverse developments. DNB ranks as one of the world's safest banks with a credit rating of AAA (MSCI) and exceptional performance in the EU's most recent stress tests. The company pays a very generous dividend.

Accenture

Sector: Industrial Support Services
Headquarters: United Kingdom
Value of holding: £12,116,536
Percentage of portfolio: 1.9%

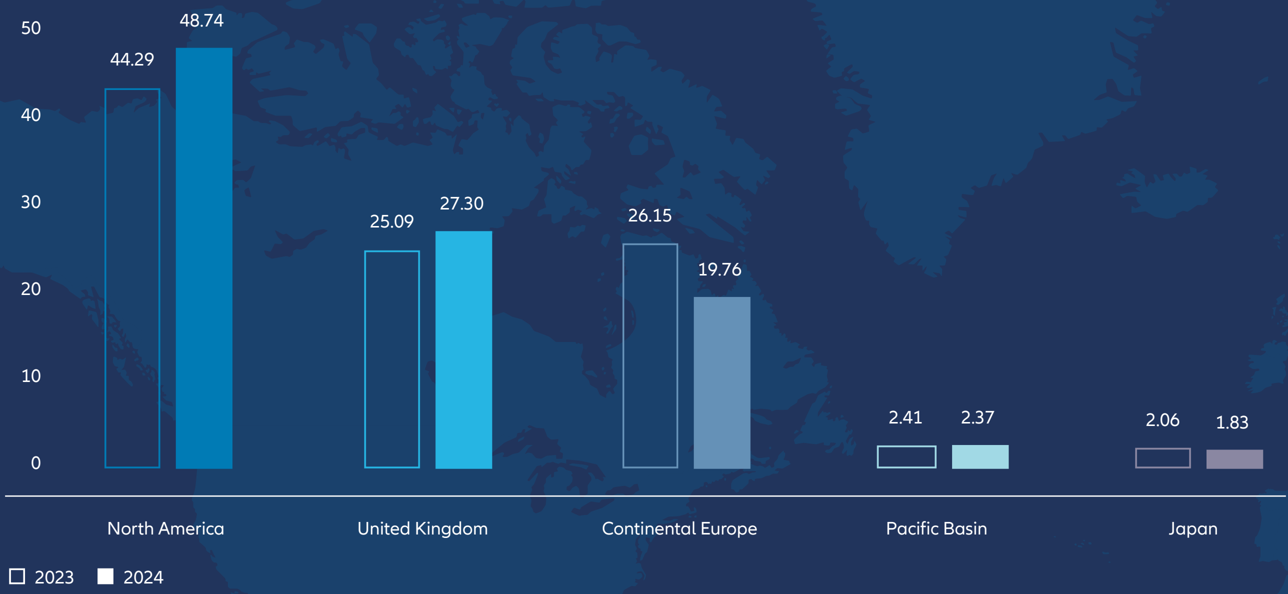
Accenture is a leading global professional services company that offers consulting, technology and operations services. Almost 800,000 employees in 49 countries serve more than 9,000 diverse corporate clients worldwide, including three quarters of the Fortune Global 500. The company works with partners such as Microsoft, SAP and Google to provide a comprehensive suite of services and solutions to corporations eager to ensure they employ the best technology possible.

Total value of top twenty holdings: **£358,218,825** Percentage of portfolio: **55.6%**

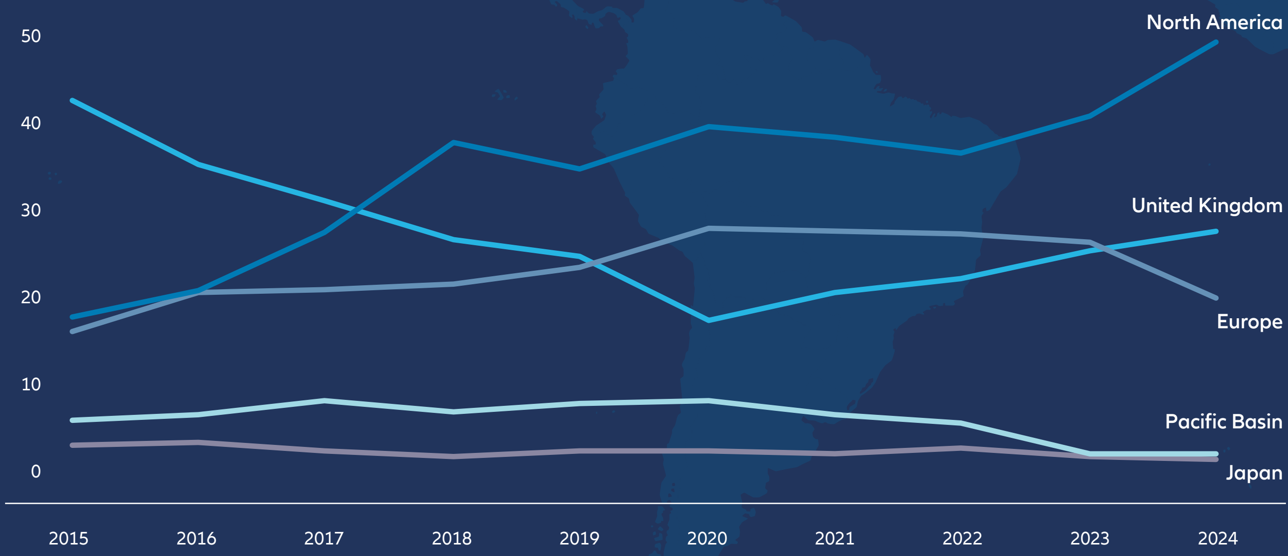
Portfolio analysis

Data as at 30 November each year

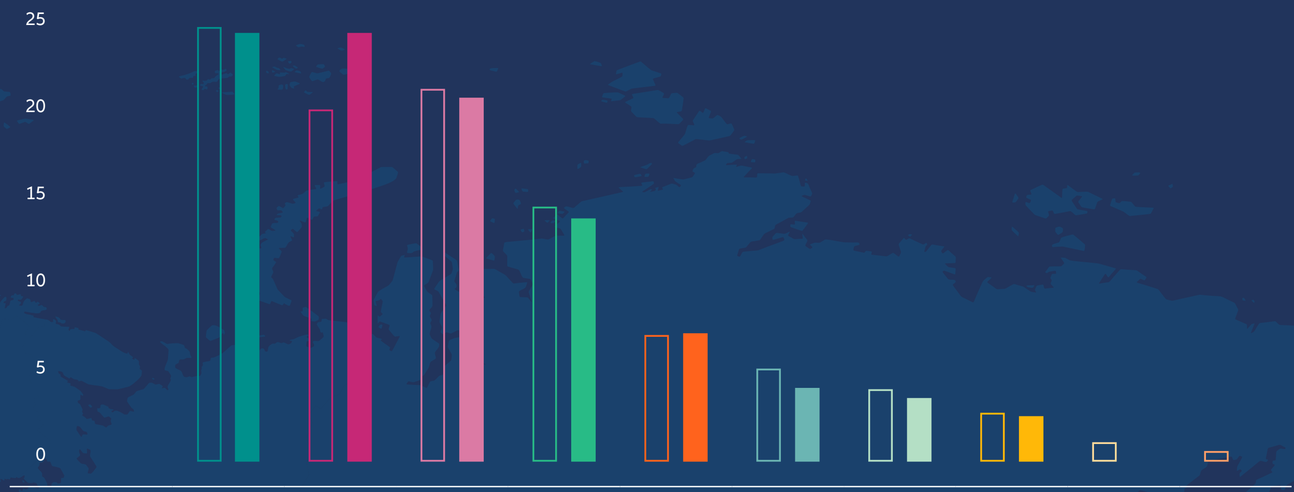
Geographical distribution (%)



Historical geographical distribution (%)



Sector distribution (%)



	Industrials	Technology	Financials	Health Care	Consumer Goods	Energy	Consumer Staples	Utilities	Basic Materials	Real Estate
2024	24.30	24.27	20.49	13.70	7.33	4.02	3.44	2.45	0.00	0.00
2023	24.51	19.89	21.09	14.30	7.23	5.06	3.91	2.63	0.93	0.45

Sector breakdown by country (%)

2024	Industrials	Technology	Financials	Health Care	Consumer Goods	Energy	Consumer Staples	Utilities	Basic Materials	Real Estate
North America	10.08	14.67	10.18	10.30	0.00	0.00	0.00	0.00	0.00	0.00
United Kingdom	3.93	2.57	4.24	1.90	6.76	2.32	2.42	1.42	0.00	0.00
Other	10.29	7.03	6.07	1.50	0.57	1.70	1.02	1.03	0.00	0.00

Listed equity holdings

at 30 November 2024

Name	Sector	Value (£)	% of invested funds
North America			
Microsoft	Software & Computer Services	41,347,211	6.41
UnitedHealth	Health Care Providers	26,921,235	4.18
Visa	Industrial Support Services	26,789,910	4.16
Taiwan Semiconductor	Technology Hardware & Equipment	22,618,867	3.51
● Alphabet	Software & Computer Services	20,115,714	3.12
● American Financial Group	Non-Life Insurance	16,457,071	2.55
Charles Schwab	Investment Banking & Brokerage	15,298,332	2.37
Arthur J. Gallagher & Co.	Non-Life Insurance	15,091,701	2.34
Thermo Fisher Scientific	Medical Equipment & Services	15,086,581	2.34
● General Electric	Aerospace & Defence	14,150,594	2.19
AMETEK	Electronic & Electrical Equipment	13,863,951	2.15
● Roper Technologies	Software & Computer Services	12,077,737	1.87
Cooper	Medical Equipment & Services	10,353,203	1.61
S&P Global	Finance & Credit Services	10,284,050	1.60
Corpay	Industrial Support Services	10,210,030	1.58
Align Technology	Medical Equipment & Services	9,389,651	1.46
CME Group	Investment Banking & Brokerage	8,542,243	1.32
Microchip Technology	Technology Hardware & Equipment	8,139,019	1.26
Amphenol	Technology Hardware & Equipment	6,958,547	1.08
Adobe	Software & Computer Services	6,010,459	0.93
AbbVie	Pharmaceuticals & Biotechnology	4,574,137	0.71
		314,280,243	**48.74**

Top twenty holding.

● Added during the year.

Name	Sector	Value (£)	% of invested funds
United Kingdom			
Intercontinental Hotels	Travel & Leisure	21,290,172	3.30
Auto Trader Group	Software & Computer Services	16,544,635	2.57
Shell	Oil, Gas & Coal	14,962,008	2.32
Bank Of Ireland Group	Banks	12,520,413	1.94
Unilever	Personal Care, Drug & Grocery	12,337,500	1.91
Accenture	Industrial Support Services	12,116,536	1.88
Baltic Classifieds	Software & Computer Services	11,228,750	1.74
SSE	Electricity	9,149,443	1.42
IG Group	Investment Banking & Brokerage	8,138,750	1.26
Barratt Redrow	Household Goods & Home Construction	7,909,274	1.23
Haleon	Pharmaceuticals & Biotechnology	7,745,551	1.20
SThree	Industrial Support Services	7,204,813	1.12
Inchcape	Retailers	7,189,244	1.12
RELX	Media	7,132,421	1.11
Admiral Group	Non-Life Insurance	6,696,350	1.04
DCC	Industrial Support Services	6,011,250	0.93
GSK	Pharmaceuticals & Biotechnology	4,527,505	0.70
Diageo	Beverages	3,292,800	0.51
		175,997,415	**27.30**

Top twenty holding.

Added during the year.

Name	Sector	Value (£)	% of invested funds
Continental Europe			
Partners Group	Investment Banking & Brokerage *(Switzerland)*	15,510,265	2.41
Aena	Industrial Transportation *(Spain)*	12,891,115	2.00
DNB Bank	Banks *(Norway)*	12,305,014	1.91
ASML Holding	Technology Hardware & Equipment *(Netherlands)*	11,507,773	1.78
Assa Abloy	Construction & Materials *(Sweden)*	11,307,092	1.75
TotalEnergies	Oil, Gas & Coal *(France)*	10,960,784	1.70
Schneider Electric	Electronic & Electrical Equipment *(France)*	10,522,170	1.63
Roche Holdings	Pharmaceuticals & Biotechnology *(Switzerland)*	9,673,219	1.50
Atlas Copco	Industrial Engineering *(Sweden)*	8,882,510	1.38
Munich Re	Non-Life Insurance *(Germany)*	6,991,093	1.08
Iberdrola	Electricity *(Spain)*	6,670,760	1.03
Nestle	Food Producers *(Switzerland)*	6,482,605	1.02
Jumbo	Leisure Goods *(Greece)*	3,681,034	0.57
		127,385,434	**19.76**
Pacific Basin			
Brambles	General Industrials *(Australia)*	10,940,110	1.70
AIA	Life Insurance *(Hong Kong)*	4,320,498	0.67
		15,260,608	**2.37**
Japan			
Itochu	General Industrials	11,813,306	1.83
		11,813,306	**1.83**
Total Invested Funds		**644,737,006**	**100.00**

Top twenty holding.

Added during the year.

Distribution of invested funds

at 30 November 2024

	United Kingdom %	North America %	Other countries %	2024 total %	Composite benchmark sector weighting*	2023 total %
Industrials						
Aerospace & Defence	-	2.19	-	2.19	2.46	-
Construction & Materials	-	-	1.75	1.75	0.97	2.68
Electronic & Electrical Equipment	-	2.15	1.63	3.78	1.32	4.78
General Industrials	-	-	3.53	3.53	1.89	3.02
Industrial Engineering	-	-	1.38	1.38	1.05	1.88
Industrial Support Services	3.93	5.74	-	9.67	3.60	10.29
Industrial Transportation	-	-	2.00	2.00	1.69	1.86
	3.93	**10.08**	**10.29**	**24.30**	**12.98**	**24.51**
Technology						
Software & Computer Services	4.31	12.33	-	16.64	10.22	10.74
Technology Hardware & Equipment	-	5.85	1.78	7.63	10.89	9.15
	4.31	**18.18**	**1.78**	**24.27**	**21.11**	**19.89**
Financials						
Banks	1.94	-	1.91	3.85	7.69	3.41
Finance & Credit Services	-	1.60	-	1.60	1.13	1.29
Investment Banking & Brokerage	1.26	3.69	2.41	7.36	4.14	9.02
Life Insurance	-	-	0.67	0.67	1.17	0.91
Mortgage REITs	-	-	-	-	0.01	-
Non-Life Insurance	1.04	4.89	1.08	7.01	1.94	6.46
	4.24	**10.18**	**6.07**	**20.49**	**16.08**	**21.09**
Health Care						
Health Care Providers	-	4.18	-	4.18	1.02	4.42
Medical Equipment & Services	-	5.41	-	5.41	2.20	4.65
Pharmaceuticals & Biotechnology	1.90	0.71	1.50	4.11	7.01	5.23
	1.90	**10.30**	**1.50**	**13.70**	**10.23**	**14.30**
Consumer Goods						
Automobiles & Parts	-	-	-	-	1.75	-
Consumer Services	-	-	-	-	0.93	-
Household Goods & Home Construction	1.23	-	-	1.23	0.53	1.25
Leisure Goods	-	-	0.57	0.57	0.50	0.86
Media	1.11	-	-	1.11	2.22	1.57
Personal Goods	-	-	-	-	0.75	1.38
Retailers	1.12	-	-	1.12	4.60	-
Travel & Leisure	3.30	-	-	3.30	1.90	2.17
	6.76	**-**	**0.57**	**7.33**	**13.18**	**7.23**

	United Kingdom %	North America %	Other countries %	2024 total %	Composite benchmark sector weighting*	2023 total %
Energy						
Oil, Gas & Coal	2.32	-	1.70	4.02	5.36	5.06
Alternative Energy	-	-	-	-	0.08	-
	2.32	**-**	**1.70**	**4.02**	**5.44**	**5.06**
Consumer Staples						
Beverages	0.51	-	-	0.51	1.58	0.70
Food Producers	-	-	1.02	1.02	1.05	1.42
Personal Care, Drug & Grocery	1.91	-	-	1.91	3.63	1.79
Tobacco	-	-	-	-	1.35	-
	2.42	**-**	**1.02**	**3.44**	**7.61**	**3.91**
Utilities						
Electricity	1.42	-	1.03	2.45	1.58	2.63
Gas, Water & Multi-Utilities	-	-	-	-	1.36	-
Waste & Disposal Services	-	-	-	-	0.19	-
	1.42	**-**	**1.03**	**2.45**	**3.13**	**2.63**
Basic Materials						
Chemicals	-	-	-	-	1.03	-
Industrial Materials	-	-	-	-	0.09	-
Industrial Metals & Mining	-	-	-	-	2.32	0.93
Precious Metals & Mining	-	-	-	-	0.30	-
	-	**-**	**-**	**-**	**3.74**	**0.93**
Real Estate						
Real Estate Investment & Services	-	-	-	-	0.45	0.45
Real Estate Investment Trusts	-	-	-	-	1.94	-
	-	**-**	**-**	**-**	**2.39**	**0.45**
Telecommunications						
Telecommunications Equipment	-	-	-	-	0.70	-
Telecom Service Providers	-	-	-	-	1.55	-
	-	**-**	**-**	**-**	**2.25**	**-**
Not classified	-	-	-	-	1.86	-
Total	**27.30**	**48.74**	**23.96**	**100.00**	**100.00**	**100.00**

* The classifications and prior year comparatives have been updated, where required, to reflect recent changes in The Industry Classification Benchmark (ICB) standard.

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Mountain View, California, USA
is home to Alphabet, the parent company of Google, a new addition to the portfolio.

Directors, Manager and advisers

Carolan Dobson BSc Chartered FCSI*

Board Chair. Chair of the Management Engagement Committee and the Nomination Committee

Joined the board in December 2013 and has been Chair since the AGM in March 2016. She is Chair of BlackRock Latin American Investment Trust plc and a director of M&G Securities Limited and Investment Trustee and Adviser Limited. Carolan was previously head of UK equities at Abbey Asset Managers, Head of Investment Trusts at Murray Johnstone and was the portfolio manager of two investment trusts.

Experience:
Carolan is an experienced fund manager and has held key roles in the investment management industry and in advisory roles and she chairs both investment trusts and other organisations.

Reasons for the recommendation for re-election:
Carolan's wise and effective leadership of the board and wide knowledge and experience of the industry.

Amanda Aldridge BSc FCA

Chair of the Audit Committee

Joined the board in December 2019. Amanda is a non-executive director and audit committee chair of Care REIT, Staffline Group PLC and Helical plc. She also chairs the audit and risk committee of The Low Carbon Contracts Company and The Electricity Settlements Company. She was formerly a partner at KPMG LLP and during her career she was Head of the Retail Sector practice before becoming Head of Contract Governance in the Risk-Consulting Division. Amanda is a Fellow of the Institute of Chartered Accountants in England and Wales.

Experience:
Amanda brings senior experience in accounting practice, with specialisms including risk, and has non-executive director and audit committee chair experience on other public company boards.

Reasons for the recommendation for re-election:
Amanda has evident skills and experience both from her background as a chartered accountant and as an audit committee chair.

Elizabeth Field MA

Joined the board in December 2022. Elizabeth recently retired as a partner at Stephenson Harwood. Elizabeth was a corporate lawyer for 35 years with extensive experience of advising public and private companies on a wide range of corporate transactions across a variety of sectors, specifically including investment trusts.

Experience:
Elizabeth is a lawyer and has experience of providing legal and corporate governance advice to investment trusts, asset managers and investment trust sponsors.

Reasons for the recommendation for re-election:
Elizabeth's legal knowledge and negotiating skills are valuable to the board and she has wide knowledge of the industry.

* Independent on appointment as Chair.

Andrew Hutton MA, CFA

Senior Independent Director, Chair of the Remuneration Committee.

Joined the board in April 2020. He is owner and director of A.J.Hutton Ltd, an investment advisory practice established in 2007. Andrew started his career in 1979 at J.P. Morgan where, over 18 years, he held investment and business management positions in London, New York, Singapore and Australia. He was subsequently head of investment management at Coutts Group and co-CEO of RBS Asset Management. Andrew has served as Senior Independent Director of Baillie Gifford UK Growth Fund and Chairman of JPMorgan Global Emerging Markets Income Trust.

Experience:
Andrew is an asset management professional with senior management and money management experience.

Reasons for the recommendation for re-election:
Andrew brings to the board a deep understanding of portfolio management.

Jim Sharp MA

Joined the board in January 2014. He began his career in corporate finance with J.Henry Schroder & Co. Limited from 1992 to 2002 where he was a director. He is Chair of The Cotswold Company and Monica Vinader.

Experience:
Jim has a background in financial services and in addition to experience in running businesses and insight into marketing and promotion he brings a connection to the largest group of shareholders.

Reasons for the recommendation for re-election:
Jim's broad commercial and operational experience and knowledge and understanding of marketing and promotion are valuable and his connection to a key stakeholder helps the board's understanding of the requirements of shareholders.

Committee memberships
All directors are non-executive and independent of the manager.

All directors are members of the Management Engagement Committee and the Nomination Committee.

All directors, with the exception of the Chair, Carolan Dobson, and Jim Sharp, are members of the Audit Committee.

All directors, with the exception of Jim Sharp, are members of the Remuneration Committee.

Further details can be found on page 67.

The Manager or Alternative Investment Fund Manager (AIFM)

Allianz Global Investors UK Limited (AllianzGI UK) is incorporated in the UK and its registered office is at 199 Bishopsgate, London EC2M 3TY. It is authorised by the Financial Conduct Authority (FCA).

Allianz Global Investors GmbH (AllianzGI) is an active asset manager operating across nineteen markets with specialised in-house research teams around the globe, managing assets for individuals, families and institutions worldwide.

As at 30 September 2024, AllianzGI had €560 billion of assets under management worldwide.

Through its predecessors, AllianzGI has a heritage of investment trust management expertise in the UK reaching back to the nineteenth century and as at 31 December 2024 had £3.3 billion assets under management in a range of investment trusts.

Website: allianzgi.co.uk

Head of Investment Trusts

Stephanie Carbonneil
Email: stephanie.carbonneil@allianzgi.com

Investment Manager

Julian Bishop and Christian Schneider, Co-Lead managers, representing Allianz Global Investors UK Limited, 199 Bishopsgate, London EC2M 3TY (the manager).

Company Secretary and Registered Office

Kirsten Salt ACG
199 Bishopsgate, London EC2M 3TY
Telephone: 020 3246 7513
Email: kirsten.salt@allianzgi.com

Registered number

00226323

Bankers and Custodian

HSBC Bank plc

Depositary

HSBC Securities Services

Solicitors

Dickson Minto W.S.

Independent auditors

PricewaterhouseCoopers LLP

Registrars

MUFG Corporate Markets, formerly Link Group (full details on page 106)

Stockbrokers

J.P. Morgan Cazenove

Directors' Report

The directors present their Report which incorporates the audited financial statements for the year ended 30 November 2024.

Share capital

Details of the company's share capital are set out in Note 11 on page 95.

During the year 271,009 new ordinary shares of 25p were issued to J.P. Morgan Securities under the shareholder authority granted at the AGM in 2024 for a total consideration of £3,908,220, at an average price of 1,459.68p.

Since the year end a further 283,991 ordinary shares of 25p were issued to J.P. Morgan Securities for a total consideration of £4,175,518, at an average price of 1,448.5p.

A resolution to renew the authority to issue new shares will be put to shareholders at the AGM, together with a resolution to renew the authority to purchase shares for cancellation or holding in treasury. The full text of the resolutions is set out in the notice of meeting on page 107.

Independent auditors

A resolution to approve the re-appointment of PricewaterhouseCoopers LLP as auditors of the company will be proposed at the annual general meeting, together with a resolution authorising the directors to determine the auditors' remuneration.

Each of the directors at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

Related party transactions

During the financial year no transactions with related parties have taken place which would materially affect the financial position or the performance of the company.

Management contract and management fee

The main expense of the company and therefore the most significant element of the ongoing charges is the investment management fee and the board is keen to ensure this fee remains competitive.

The manager's performance under the contract and the contract terms are reviewed annually by the management engagement committee. The committee's report is on page 68.

Under the Alternative Investment Fund Managers Directive (AIFMD) the company appointed AllianzGI UK as the designated Alternative Investment Fund Manager (AIFM) for the company on the terms and subject to the conditions of the management and administration agreement between the company and AllianzGI UK (the management contract).

AllianzGI UK is authorised and regulated by the Financial Conduct Authority with its registered office at 199 Bishopsgate, London EC2M 3TY.

The management contract provides for a management fee based on 0.45% per annum of the value of the company's assets after the deduction of current liabilities, short-term loans with an initial duration of less than one year and the value of the company's investments in any other funds managed by the manager. The contract can be terminated with six months' notice.

Revenue

The revenue earnings attributable to ordinary shareholders for the year amounted to £11,685,745 or 27.37p per share (2023: £11,251,047 or 26.35p per share).

The first two quarterly dividends of 5.9p (£2,518,871) were paid during the company's financial year to 30 November 2024 and the board declared a third quarterly dividend of 5.9p (£2,518,871) per ordinary share which was paid on 12 December 2024. The board recommends a final dividend for the year ended 30 November 2024 of 6.05p (£2,599,306), payable on 4 April 2025, making a total distribution for the year of 23.75p per ordinary share. The next quarterly dividend payment is expected to be made in July 2025.

Invested funds

The market value of the company's investments at 30 November 2024 was £645m (2023: £553m). Sales of investments during the year resulted in net gains of £87.4m (2023: gains of £32.2m). Provisions contained in the Finance Act 2010 exempt approved investment trusts from corporation tax on their chargeable gains.

Details of the total return of the company and the split between revenue and capital returns are shown in the Income Statement on page 84. The revenue and capital split is explained in more detail in the Statement of Accounting Policies on page 88 under 'Investment management fee and administrative expenses' and on page 91 under 'Finance costs'.

The following disclosures are made in accordance with Part 6 of Schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

Capital structure

The company's capital structure is set out in Note 11 on page 95.

Listing Rule 6.6.1R

There are no matters requiring disclosure under this Rule, other than on share capital which is set out above on this page.

Voting rights in the company's shares

As at 12 February 2025, the company's capital consisted of:

Share class	Number of shares issued	Voting rights per share	Total voting rights
Ordinary shares of 25p	43,247,727	1	43,247,727
5% Cumulative preference shares of £1	450,000	0	0
Total	**43,697,727**		**43,247,727**

Common Reporting Standards (CRS)

CRS is a global standard for the automatic exchange of information commissioned by the Organisation for Economic Cooperation and Development and incorporated into UK law by the International Tax Compliance Regulations 2015. CRS requires the company to provide certain additional details to HMRC in relation to UK resident foreign investment holders. The reporting obligation began in 2016 and will be an annual requirement going forward. The Registrars, MUFG Corporate Markets, formerly Link Group, have been engaged to collate such information and file the reports with HMRC on behalf of the company.

Interests in the company's share capital

As at 12 February 2025, the company was aware of the following interests in the company's share capital greater than 3%:

J Maitland (as trustee 14.05%); Sir Hugo Brunner (beneficial 2.30% – as trustee 10.10)%; TBH Brunner (beneficial 0.36% – as trustee 5.93%); and Rathbones Investment Management Limited (3.08%).

J Maitland acts as a co-trustee with TBH Brunner in respect of 1,695,680 ordinary shares (3.95%), which form part of TBH Brunner's trustee holding. J Maitland also acts as co-trustee with Sir Hugo Brunner in respect of 4,341,288 ordinary shares (10.10%) which form part of Sir Hugo Brunner's trustee holdings.

Internal control

The directors have overall responsibility for the company's system of internal control. Whilst acknowledging their responsibility for the system of internal control, the directors are aware that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable but not absolute assurance against material misstatement or loss.

The board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the company. This process has been fully in place throughout the year under review and up to the date of the signing of this Annual Report.

The key elements of the process are as follows:

- In addition to the review of the principal risks (see pages 18 to 21), the directors regularly review all the risks on the Internal Risk Matrix and every six months the board receives from the manager a formal report which details any known internal controls failures, including those that are not directly the responsibility of the manager.
- Allianz Global Investors UK Limited (AllianzGI UK), as the appointed manager, provides investment management, accounting and company secretarial services to the company. The manager therefore maintains the internal controls associated with the day-to-day operation of the company. These responsibilities are included in the Management and Administration Agreement between the company and the manager. The manager's systems of internal control are regularly evaluated by its management and monitored by internal auditors.
- There is a regular review by the board of asset allocation and any risk implications. There are also regular and comprehensive reviews by the board of management accounting information, including revenue and expenditure projections, actual revenue against projections and performance comparisons.
- Authorisation and exposure limits are set and maintained by the board.
- The board meets with senior representatives of AllianzGI and also receives an Internal Controls Report from the manager, together with a report on compliance with the manager's anti-bribery policy.
- The audit committee on behalf of the board reviews the Internal Controls Reports of other third party service providers, including those of AllianzGI and all other providers of administrative and custodian services to AllianzGI or directly to the company.

The directors confirm that the audit committee has reviewed the effectiveness of the system of internal control, which it has found to be appropriate.

Accountability and Audit

The Statement of Directors' Responsibilities in respect of the financial statements is on page 76 and a statement of going concern is on page 22. The Independent Auditors' Report can be found on page 78.

The UK Stewardship Code and exercise of voting powers

The board has delegated the exercise of voting powers on its behalf to discharge its responsibilities in respect of investments, including the exercise of voting powers on its behalf to the manager, AllianzGI, and receives regular reports on voting activity. There is more information on company engagement in the Strategic Report starting on page 11, and in the Investment Manager's Review on page 43.

Sustainability disclosure requirements

The Financial Conduct Authority (FCA) has introduced a sustainability disclosure requirements and investment labels regime (SDR) to address concerns about misleading environmental claims. The

SDR has several dimensions, including an 'anti-greenwashing' rule, designed to increase trust and confidence in the sustainable investment market and to combat providers exploiting demand for sustainable products by making unsupported environmental claims. The company's website https://www.brunner.co.uk/en-gb/about-us/esg notes that Brunner's investment process only includes consideration of ESG factors, not Socially Responsible Investment (SRI) (i.e., building sustainable portfolios by delivering sustainable financial returns based on the assessment of ESG practices) nor impact aspects (i.e., promoting social and environmental goals and/or/outcomes alongside financial returns).

TCFD

The board continues to look at the carbon footprint of the portfolio which is reported in the monthly factsheets. Whereas as an investment company we do not report following the requirements of the Task Force on Climate-related Financial Disclosures (TCFD) we take an interest in how the portfolio compares against available indexed data. On page 44 we look at various ESG MSCI performance metrics against those of the benchmark.

In accordance with the requirements of the TCFD, AllianzGI UK as AIFM is preparing a product level report for the company. The TCFD report for the company is available on the company's website brunner.co.uk.

Greenhouse gas emissions

As an investment company, the company's own direct environmental impact is minimal. The company has no greenhouse gas emissions to report from its operations, not does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. For the same reasons, the company considers itself to be a low energy user under the Streamlined Energy & Carbon Reporting ('SECR') regulations and therefore is not required to disclose energy and carbon information.

Modern Slavery Act 2015

The company does not provide goods or services in the normal course of business, and as a financial investment vehicle does not have customers. The directors therefore consider that the company is not required to make a statement under the Modern Slavery Act 2015 in relation to slavery or human trafficking.

Bribery Act 2010

The board has a zero tolerance policy in relation to bribery and corruption and has received assurance through internal controls reporting from the company's main third party service providers that adequate safeguards are in place to protect against any such potentially illegal behaviour by employees or agents.

Annual General Meeting business

Directors' Re-election

The plans for board succession, including the arrangements for the retirements of the directors with over nine years' service, are described on page 69. Carolan Dobson, Amanda Aldridge, Elizabeth Field, Andrew Hutton and Jim Sharp each retire in accordance with the board policy on the annual re-election of directors and offer themselves for re-election at the AGM in 2025. Biographical details of the directors are on page 58 together with the reasons why the board supports and recommends their re-election. Directors serving during the year and their interests in the share capital of the company as at 30 November 2024 are set out in the Directors' Remuneration Report on page 70.

The board's view is that each director who is retiring and offering themselves to be re-elected at the AGM continues to make a valuable and effective contribution and remains committed in the role. The board has also considered the number of boards on which each director sits and the other time commitments for each board member and is satisfied that each director has the capacity to devote all the time and attention needed to fulfil their role and duties to the company.

Allotment of new shares

A resolution authorising the directors to allot new share capital for cash was passed at the annual general meeting of the company on 25 March 2024 under section 551 of the Companies Act 2006. The current authority will expire on 24 June 2025 and approval is therefore sought for the renewal of this authority, which will last until the conclusion of the annual general meeting in 2026 or 1 July 2026 if earlier.

This authority is limited to a maximum number of 14,401,493 ordinary shares, representing approximately one third of the existing ordinary share capital of the company as at the date of this report, provided that there is no change in the issued share capital between the date of this report and the annual general meeting to be held on 2 April 2025.

Disapplication of pre-emption rights

A resolution was passed at the annual general meeting of the company held on 25 March 2024 under section 570 of the Companies Act 2006, to authorise the directors to allot ordinary shares for cash other than pro rata to existing shareholders. The current authority will expire on 24 June 2025 and approval is therefore sought for the renewal of this authority, which will last until the conclusion of the annual general meeting in 2026 or 2 July 2026 if earlier.

This authority is limited to a maximum number of 4,324,772 ordinary shares, representing approximately 10% of the existing ordinary share capital of the company as at the date of this report, provided that there is no change in the issued share capital between the date of this report and the annual general meeting to be held on 2 April 2025.

Accordingly resolution 11 as set out in the notice of meeting on page 115 will be proposed as an ordinary resolution and resolution 12 will be proposed as a special resolution.

The directors do not currently intend to allot shares under these authorities other than to take advantage of opportunities in the market as they arise and only if they believe it would be advantageous to the company's existing shareholders to do so. The directors confirm that no allotments of new shares will be made unless the lowest market offer price of the ordinary shares is at least equal to or at a premium to Net Asset Value.

Share buy back programme

The board is proposing the renewal of the company's authority under section 701 of the Companies Act 2006, to purchase ordinary shares in the market for cancellation. In addition to renewing its powers to buy back shares for cancellation, the board will seek shareholder authority to repurchase shares for holding in treasury for sale and reissue at a later date.

This authority will give the company the ability to reissue treasury shares quickly and cost-effectively (including pursuant to the authority under resolution 12, see above) and provides the company with additional flexibility in the management of its capital base. Such shares may be resold for cash but all rights attaching to them, including voting rights and any right to receive dividends are suspended whilst they are in the treasury. If the board exercises the authority conferred by resolution 13, which will be proposed as a special resolution, the company will have the option of either holding in treasury or of cancelling any of its shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue.

The board believes that such purchases in the market at appropriate times and prices may be a suitable method of enhancing shareholder value. The company would make either a single purchase or a series of purchases, when market conditions are suitable, with the aim of maximising the benefits to shareholders and within guidelines set from time to time by the board. Additionally, the board believes that the company's ability to purchase its own shares should create additional demand for the ordinary shares in the market and that this should assist shareholders wishing to sell their ordinary shares.

Where purchases are made at prices below the prevailing Net Asset Value of the ordinary shares, Net Asset Value per share for the remaining shareholders is enhanced. It is therefore intended that purchases will only be made at prices below Net Asset Value, with the purchases to be funded from the realised capital profits of the company (which are currently in excess of £578 million). The rules of the UK Listing Authority limit the price which may be paid by the company to 105% of the average middle market quotation for an ordinary share on the five business days immediately preceding the date of the relevant purchase. The minimum price to be paid will be 25p per ordinary share (being the nominal value).

Under the Financial Conduct Authority's Listing Rules, a company is permitted to purchase up to 14.99% of its equity share capital through market purchases pursuant to a general authority granted by shareholders in general meeting.

The current authority which permits the company to purchase up to 14.99% of the ordinary shares, expires at the conclusion of the forthcoming annual general meeting. The board believes that the company should continue to have authority to make market purchases of its own ordinary shares for cancellation or additionally for holding in treasury. Accordingly, a special resolution to authorise the company to make market purchases of up to 14.99% of the company's issued ordinary share capital will be proposed. Provided there is no change in the issued share capital between the date of this report and the annual general meeting to be held on 2 April 2025 such authority is equivalent to 6,482,834 ordinary shares.

The authority will last until the annual general meeting of the company to be held in 2026 or until 2 July 2026, whichever is the earlier. The authority will be subject to renewal by shareholders at subsequent annual general meetings.

The Brunner family

Since the establishment of the company in 1927, various members of the extended Brunner family have held shares in the company. Jim Sharp, director, is connected by marriage to the Brunner family.

Following discussions in 2013, agreement was reached with the Takeover Panel that for the purposes of the City Code on Takeovers and Mergers (the Code), Sir Hugo Brunner and Mr TBH Brunner, together with their children (and their spouses) and related trusts (the Connected Parties) will be treated as acting in concert for the purposes of the Code. The Connected Parties currently hold 9,576,819 shares, representing 22.29% of the ordinary share capital of the company. If the proposed buy back authority were to be used in full, the repurchase of ordinary shares could result in the Connected Parties holding 26.39% of the reduced ordinary share capital of the company (assuming that the Connected Parties did not sell any ordinary shares in connection with the exercise of the buy back authority).

The board and the Annual Report

Following the process reported in the Audit Committee Report, on page 73, the board is able to state that it considers that the Annual Report, taken as a whole, is fair, balanced and understandable.

By order of the board

Kirsten Salt
Company Secretary
12 February 2025

Statement of the Depositary's Responsibilities in Respect of The Brunner Investment Trust PLC provided by HSBC Securities Services, depositary to the company.

'The Depositary must ensure that the company is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, (the Sourcebook), the Alternative Investment Fund Managers Directive (AIFMD) (together the Regulations) and the company's Articles of Association.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the company and its investors.

The Depositary is responsible for the safekeeping of the assets of the company in accordance with the Regulations.

The Depositary must ensure that:

- the company's cash flows are properly monitored and that cash of the company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the assets under management and the Net Asset Value per share of the company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the company's assets is remitted to the company within the usual time limits;
- that the company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager (the AIFM) are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the company is managed in accordance with the Articles of Association in relation to the investment and borrowing powers applicable to the company.

Report of the Depositary to the Shareholders of The Brunner Investment Trust PLC (the company) for the year ended 30 November 2024.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the company, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Articles of Association of the company and as required by the AIFMD.'

HSBC Securities Services
13 December 2024

Further information about the relationship with the Depositary is on page 104.

Corporate Governance Statement

The board reports against the AIC Code of Corporate Governance (AIC Code) 2019. As confirmed by the Financial Reporting Council, following the AIC Corporate Governance Guide enables investment company boards to meet their obligations under the UK Corporate Governance Code and Listing Rules.

Board composition

There are five directors on the board. We aim to have two investment professionals, an accountant, a lawyer and a director with commercial expertise, one of which preferably has a connection with the Brunner family, to provide a balanced board. The optimum number of directors is therefore five, but the number could fall to four and go as high as six to cover periods of recruitment, transition and retirement.

The board has a plan for the retirement of directors to ensure that an orderly process of recruitment can take place and that the board's balance of skills and relevant experience is maintained. This may mean that directors might be on the board for longer than nine years to allow for continuity of experience and a smooth transition.

The biographies of the directors are set out on pages 58 and 59 together with the skills and experience each director brings to the board for the long-term sustainable success of the company.

No contracts of significance in which directors are deemed to have been interested have subsisted during the year under review. Contracts of employment are not entered into with the directors, who hold office in accordance with the company's Articles of Association.

Board evaluation

The board and its committees were subject to an internally facilitated performance appraisal during the course of the year. This was conducted by means of a detailed questionnaire and the responses were collated into a report in which the respondents were anonymous. The Chair conducted the evaluation and it was found that the board is effective and that each director continues to be effective, has the appropriate skills and has demonstrated commitment and devoted the necessary time to his or her role. All directors attended all board and relevant committee meetings during the year. The directors all provide challenge in board meetings and each offers useful guidance from their own areas of expertise.

The Senior Independent Director conducted an appraisal of the Chair following a similar method to the board evaluation. This exercise confirmed that the Chair demonstrates effective leadership, makes an excellent contribution to the company and is assiduous in her engagements with the company's stakeholders.

Gender and ethnic diversity

The board is supportive of the FCA's Listing Rules (LR 6.6.6) to encourage greater diversity on listed company boards and has implemented the FCA's disclosure requirements. The board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the board. The board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment.

The board has chosen to align its diversity reporting reference date with the company's financial year end and proposes to maintain this alignment for future reporting periods. The company has met one of the targets on board diversity as at its chosen reference date, 30 November 2024 as at least 40% of the individuals on its board of directors are women. The board did not at the reference date and does not at the date of this report have any directors from a minority ethnic background. Further details on the company's appointment process can be found under Board Composition, above, and Succession on page 69. As required under LR 6.6.6, further detail in respect of the targets outlined above as at 30 November 2024 and as at date that the Annual Report was approved is disclosed in the tables below.

As an externally managed investment company, the company has no executive directors, employees or internal operations. Therefore, columns relating to executive management have been removed from the tables below.

	Number of Board members	Percentage of the Board	Number of Senior Positions on the Board*
Gender			
Men	2	40%	1
Women	3	60%	1
Other	-	-	-
Not specified/prefer not to say	-	-	-
Ethnicity			
White British or other white background	5	100%	2
Mixed/Multiple Ethnic Groups	-	-	-
Asian/Asian British	-	-	-
Black/African/Caribbean/Black British	-	-	-
Other ethnic group, including Arab	-	-	-
Not specified/prefer not to say	-	-	-

* The company only has two of the senior roles specified by the Listing Rules, that is the position of chair and SID. One of these roles is occupied by a man and one by a woman. The roles of chief executive and chief financial officer are not applicable to the company, However, the company considers that the chair of the audit committee, nomination committee and remuneration committee is a senior position. Of these three senior roles, two are performed by a woman and one by a man.

Conflicts of Interest

Under the Companies Act 2006 directors must avoid a situation where they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the company's interests. The board reports annually on the company's procedures for ensuring that its powers of authorisation of conflicts are operated effectively and that the procedures have been followed.

Each of the directors has provided a statement of all conflicts of interest and potential conflicts of interest relating to the company. These statements have been considered and approved by the board. The directors have undertaken to notify the Chair and Company Secretary of any proposed new appointments and new conflicts or potential conflicts for consideration, if necessary, by the board. The board has agreed that only directors who have no interest in the matter being considered will be able to participate in taking the relevant decision and that in taking the decision the directors will act in a way they consider, in good faith, will be most likely to promote the company's success. The board can impose limits or conditions when giving authorisation if it thinks this is appropriate. For example, a director with a potential conflict might be asked to step out of the meeting room or will be permitted to remain in the room but not participate in the discussion or take part in a vote on a course of action.

The board confirms that its powers of authorisation are operating effectively and that the agreed procedures have been followed.

Directors' indemnities

Directors' and Officers' liability insurance cover is held by the company and was in place for the whole of the financial year. As permitted by the company's Articles of Association, the company has granted indemnities to the directors.

Board committees

Audit committee

The Audit Committee Report is on page 73.

Nomination committee

The nomination committee meets as needed – at least once each year – and makes recommendations on board succession planning and the appointment of new directors and considers the composition and balance of the board. The committee is chaired by Carolan Dobson, the Chair of the board, and met once in the last year when it considered the re-election of directors at the annual general meeting and the plans for new recruitment to the board. The members of the committee met separately under the leadership of the Senior Independent Director to review the tenure of the Chair and consider the plans for succession. All directors serve on the nomination committee and consider nominations made in accordance with an agreed procedure.

It is the board's policy to use external agencies to draw up lists of candidates as part of the recruitment of new directors. The brief to the recruitment consultant includes the request that the shortlist should include a diverse range of candidates.

The Nomination Committee Report is on page 69.

Management engagement committee

The management engagement committee met once in the year to review the Management and Administration Agreement and the manager's performance and a report of management fees. It has defined terms of reference and consists of all the directors. It is chaired by Carolan Dobson, the Chair of the board.

The Management Engagement Committee Report is on page 68.

Remuneration committee

The remuneration committee met once in the year and consists of all the directors. The committee is chaired by Andrew Hutton. The committee determines the company's remuneration policy and determines the remuneration of each director within the terms of that policy. The Directors' Remuneration Report is on page 70.

The terms of reference for each of the committees may be viewed by shareholders on request and are published on the company's website brunner.co.uk in the Information/Legal Documents section.

Board attendance

Attendance by the directors at formal board and committee meetings during the year was as follows:

Director	Board	Board strategy day	Audit committee	Remuneration committee	Nomination committee	Management engagement committee
No. of meetings	6	1	2	1	1	1
Carolan Dobson	6	1	2[1]	1	1	1
Amanda Aldridge	6	1	2	1	1	1
Elizabeth Field	6	1	2	1	1	1
Andrew Hutton	6	1	2	1	1	1
Jim Sharp	6	1	2[1]	1[1]	1	1

[1] Invited to attend meetings, although not a committee member.

Management Engagement Committee Report

Role of the committee

The Management Engagement Committee reviews the investment management agreement and monitors the performance of the Manager for the investment, secretarial, financial, administration, marketing and support services that it provides under that agreement. It also reviews the terms of the agreement including the level and structure of fees payable, the length of notice period and best practice provisions generally.

Composition of the committee

All the directors are members of the committee. Its terms of reference can be found on the website at brunner.co.uk.

Manager evaluation process

The committee met once during the year for the purpose of the formal evaluation of the manager's performance.

For the purposes of its ongoing monitoring, the board receives detailed reports and views from the portfolio manager on investment policy and strategies, asset allocation, stock selection, attributions, portfolio characteristics, gearing and risk. The board also assesses the manager's performance against the investment controls set by the board.

The manager also reported to the board on its succession plans for the key individuals, including the members of the portfolio management team.

Performance information is set out on page 9.

AIFM

Details of the current AIFM, Allianz Global Investors UK Limited ('AllianzGI UK'), are on page 104.

AllianzGI UK is authorised and regulated by the Financial Conduct Authority with its registered office at 199 Bishopsgate, London EC2M 3TY.

Manager reappointment

The annual evaluation that took place in December 2024 included a presentation from the portfolio managers and AllianzGI's Head of Investment Trusts. This covered the work done with the board on the provision of investment and support services, including the promotion and distribution of the trust, succession planning and the ambitions for 2025; the reporting of the ESG strategy; the dividend strategy; the investment strategy; and the sales and marketing activity, covering the work with investment platforms and wealth managers. The evaluation also considered the manager's fee in relation to the peer group. The committee met in a private session following the presentation and concluded that in its opinion the continuing appointment of the manager on the terms agreed was in the interests of shareholders as a whole and recommended this to the board.

Note 2 to the Financial Statements on page 90 provides detailed information in relation to the management fee.

Committee evaluation

The activities of the Management Engagement committee were considered as part of the board evaluation process completed in accordance with standard governance arrangements as summarised on page 66. The conclusion from the process was that the committee was operating effectively, with the right balance of membership and skills.

Carolan Dobson
Management engagement committee Chair
12 February 2025

Nomination Committee Report

Role of the committee

The Nomination Committee leads the process for board appointments and makes nomination recommendations to the board. The committee reviews and makes recommendations on board structure, size and composition, the balance of knowledge, experience, skill ranges and diversity and considers succession planning and tenure policy.

Composition of the committee

All directors are members of the committee and its terms of reference can be found on the website at brunner.co.uk

Activities of the committee

The committee met during the year and considered, in accordance with its terms of reference the structure, size and composition of the board and satisfied itself with regard to succession planning, making recommendations to the board. The committee reviewed the succession plan, as mentioned below, and recommended it to the board.

The committee also discussed the results of the board and committee evaluation exercise, which covered the structure and size of the board and its composition, particularly in terms of succession planning, and the experience and skills of the individual directors and the topic of board diversity and inclusion. The AIC guidelines on directors serving on the board for more than nine years are considered in the evaluation of the individual skills and contributions of the directors. The table on page 66 shows the current board composition.

Succession

Succession planning is considered regularly by the committee.

The members of the committee met separately under the leadership of the Senior Independent Director to review the tenure of the Chair and consider the plans for succession. Notwithstanding her length of service on the board, the directors are unanimously agreed that Carolan Dobson continues to be independent and remains a highly effective Chair with strong leadership of the board. Taking this into account and as the board has a majority of independent directors, it was agreed that Carolan Dobson's tenure as the Chair of the board should continue for a further two years.

There is a plan in place to recruit a new director in advance of the Chair stepping down and it has been agreed that an externally facilitated evaluation of the Chair, the board, the individual directors and committees will be conducted during 2025 in which there will be a brief to consider this succession plan in detail.

Committee evaluation

The activities of the Nomination Committee were considered as part of the board evaluation process completed in accordance with standard governance arrangements as summarised on page 66. The conclusion from the process was that the committee was operating effectively, with the right balance of membership and skills.

Carolan Dobson
Nomination committee Chair
12 February 2025

Remuneration Committee Report

As chair of the remuneration committee, I am pleased to present the committee's report for year ended 30 November 2024.

Composition

All the directors are members of the committee and its terms of reference can be found on the website at brunner.co.uk.

Role

The Remuneration Committee leads the process for fixing directors' remuneration and makes recommendations to the board.

Activities

The committee's activities are set out in the report from the committee which follows.

Directors' Remuneration Report

This is the Directors' Remuneration Report for the year. The report is submitted in accordance with Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended August 2013, for the year ended 30 November 2024.

An ordinary resolution for the approval of the Directors' Remuneration Policy Report was first put to a binding shareholder vote at the annual general meeting in 2014 and was placed before shareholders for approval at the AGM in 2023. The results of the vote at the 2023 AGM for this resolution were as follows: In favour 99.85%, against 0.15% and 136,291 shares were withheld (in aggregate, 14,567,534 votes). It will next be put to shareholders at the AGM in 2026.

The Directors' Remuneration Implementation Report is to be put to the AGM, annually, as an advisory shareholder vote. The results of the advisory vote at the 2024 AGM for the resolution to approve the Implementation Report were as follows: In favour 99.82%, against 0.18% and 34,254 shares were noted as votes withheld (in aggregate 13,987,411 votes).

The information provided in this part of the Directors' Remuneration Report is not subject to audit unless specified below.

The Board

The board of directors is composed solely of non-executive directors. The determination of the directors' fees is guided by the remuneration policy (see below) and the recommendations of the remuneration committee which is made up of the independent directors and is chaired by Andrew Hutton.

Directors' interests (audited)

The directors are required to hold 4,000 shares in the company under the company's Articles. Pursuant to Article 19 of the EU Market Abuse Regulations the directors' interests in the share capital of the company are shown in the table below.

Ordinary shares of 25p	2024 beneficial	2024 non-beneficial	2023 beneficial	2023 non-beneficial
Carolan Dobson	4,750	-	4,750	-
Amanda Aldridge	4,000	-	4,000	-
Elizabeth Field	4,000	-	4,000	-
Andrew Hutton	6,000	-	6,000	-
Peter Maynard[1]	N/A	-	4,000	-
Jim Sharp	131,814	651,956	124,799	651,956

[1] Retired 31 March 2023.

Directors retire and offer themselves for re-election annually. No director has a service contract with the company. The company's policy is for the directors to be remunerated in the form of fees, payable quarterly in arrears. In accordance with the AIC Code of Corporate Governance, there are no long term incentive schemes and fees are not related to the individual director's performance, nor to the performance of the board as a whole. No exit payments are made when a director leaves the board.

Directors' remuneration policy

The board's policy, subject to the overall limit in the Articles, is to determine the level of directors' fees having regard to the level of fees payable to non-executive directors in the investment trust industry generally, the rate of inflation, the increasing requirements in the nature of the role that individual directors fulfil, and the time committed to the company's affairs. These requirements are particularly relevant to the Chair and the Chair of the audit committee. The board believes that levels of remuneration should be sufficient to attract and retain non-executive directors with the relevant experience and skills to oversee the company. The company's Articles currently limit the aggregate fees payable to the board of directors to a total of £300,000 per annum.

The company's Articles also provide that additional discretionary payments can be made for services which in the opinion of the directors are outside the scope of the ordinary duties of a director. Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at meetings. Directors are not eligible for bonuses, pension benefits, share options or other incentives or benefits. There are no agreements between the company and its directors concerning compensation for loss of office.

This directors' remuneration policy is the same in all material respects as that currently followed by the board and summarised in the last Directors' Remuneration Report and approved by shareholders at the annual general meeting held on 25 March 2024.

The company has no employees and consequently has no policy on the remuneration of employees.

The board will consider, where raised, shareholders' views on directors' remuneration.

Implementation Report

The policy is to review directors' fee rates from time to time, but reviews will not necessarily result in a change to the rates. In the year under review the directors were paid at a rate of £29,200 per annum and the Chair at a rate of £47,000 per annum, with an additional £6,400 for the Chair of the audit committee, and an additional £2,100 for the Senior Independent Director. The current fees have been effective since 1 December 2023.

The fees were reviewed during the year and the committee compared industry reports and other independent data. It was noted that fees had fallen against the market. With further board recruitment planned it was agreed that it was important to make relatively modest increases to remain competitive. It was determined that the following fees would apply with effect from 1 December 2024: Chair £50,000, directors £32,000, with an additional unchanged £6,400 to the Chair of the audit committee, and an additional unchanged £2,100 for the Senior Independent Director.

Directors' emoluments (audited)

The directors received directors' fees and no other remuneration or additional discretionary payments during the year and therefore the directors' emoluments during the year and in the previous year are as follows:

	2024 base salary £	2024 taxable expenses £	2024 total** £	2023 base salary £	2023 taxable expenses £	2023 total** £
Carolan Dobson	47,000	5,417	52,417	44,500	6,386	50,886
Amanda Aldridge	35,600	-	35,600	34,500	-	34,500
Elizabeth Field	29,200	-	29,200	28,100	-	28,100
Andrew Hutton	31,300	-	31,300	29,500	-	29,500
Peter Maynard*	-	-	-	10,066	-	10,066
Jim Sharp	29,200	-	29,200	28,100	-	28,100
Total	**172,300**	**5,417**	**177,717**	**174,766**	**6,386**	**181,152**

* Retired from the board 31 March 2023.
** Taxable travel and subsistence expenses incurred in attending Board and Committee meetings, gross pre-tax amounts.

	2024 £	% change 2023 to 2024	2023 £	% change 2022 to 2023	2022 £	% change 2021 to 2022	2021 £	% change 2020 to 2021	2020 £
Base salary									
Board Chair	47,000	5.6	44,500	6.0	42,000	7.7	39,000	0.0	39,000
Audit Chair	35,600	3.2	34,500	6.2	32,500	1.6	32,000	0.0	32,000
Senior Independent Director	31,300	3.6	30,200	6.0	28,500	1.8	28,000	0.0	28,000
Independent Director	29,200	3.9	28,100	6.0	26,500	1.9	26,000	0.0	26,000
Expenses									
Carolan Dobson	5,417	-15.2	6,386	585.9	931	311.9	226	-94.3	3,935

Any increase in pay was effective from 1 December in any given year.

Analysis of pay against distributions

A table showing actual expenditure by the company on remuneration and distributions to shareholders for the year and the prior year is below:

Expenditure by the company on remuneration and distributions to the shareholders

	2024 £	2023 £
Remuneration paid to all directors	172,300	174,766
Distributions paid during the financial year	9,990,098	9,520,477

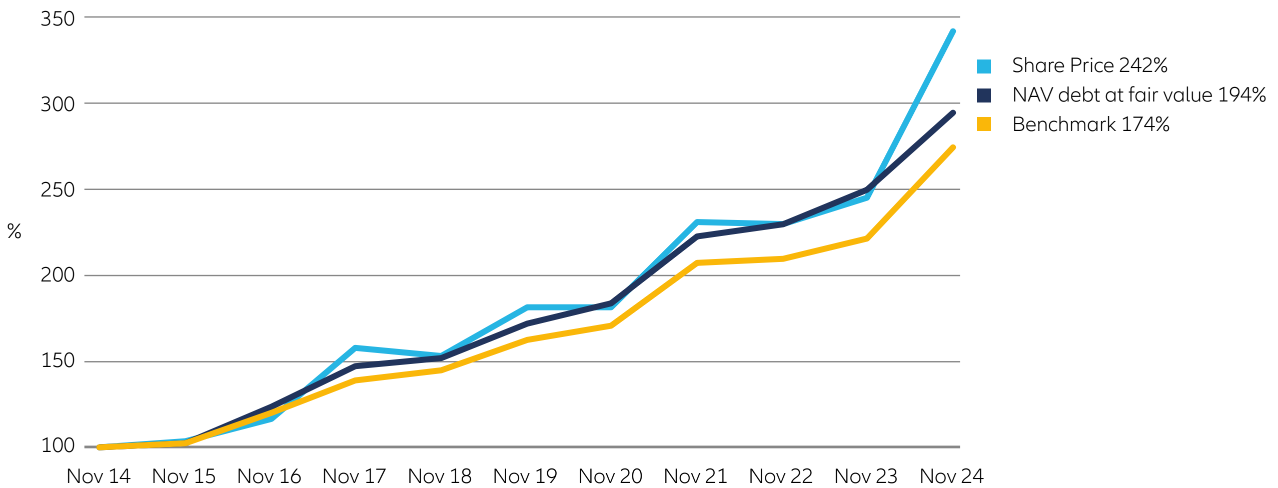
This disclosure is a statutory requirement. The directors, however, do not consider that the comparison of directors' remuneration with distributions to shareholders is a meaningful measure of the company's overall performance.

Performance graph

The performance graph below measures the company's share price and Net Asset Value performance on a total return basis against the benchmark index: 70% FTSE World Ex UK Index and 30% FTSE All-Share Index. An explanation of the company's performance is given in the Chair's Statement and the Investment Manager's Review.

The Brunner Investment Trust PLC

30 November 2014 – 30 November 2024



Source: AllianzGI/Thomson Reuters DataStream

Andrew Hutton
Remuneration committee Chair
12 February 2025

Audit Committee Report

As chair of the audit committee, I am delighted to present the committee's report for the year ended 30 November 2024.

Composition

Andrew Hutton and Elizabeth Field served on the committee throughout the year. The Chair of the board and Jim Sharp are invited to attend audit committee meetings, as are representatives of the manager.

As you will see from my biography on page 58, I am a Chartered Accountant and until 2017, I was an audit and advisory partner, at KPMG, London. I also chair the audit committee of two other listed companies. During the year the board reviewed the composition of the audit committee and it considers that, collectively, its members have sufficient recent and relevant financial experience to discharge their responsibilities fully.

Role

The principal role of the committee is to assist the board in relation to the reporting of financial information, review of financial controls and management of risk. The committee has defined terms of reference and duties and the terms of reference are published on the company's website, brunner.co.uk. These include:

- responsibility for the review of the Annual Report and the half-yearly Financial Report;
- consideration of the nature and scope, independence and effectiveness of the external audit and of the auditors' findings and recommendations; and
- review of the terms of appointment of the auditors, including their remuneration and the provision of any non-audit services by them.

Activities

The committee meets twice each year. These meetings are attended by the auditors and also by representatives of the manager, including both risk and compliance officers. It is the practice of the committee to meet with the auditor without management present at least once each year.

At the scheduled meetings in respect of the year ended 30 November 2024 the committee reviewed the company's accounting policies and confirmed their appropriateness and reviewed in detail the annual and half-yearly financial reports and in each case recommended them for adoption by the board. At the meeting for the half year the auditors presented the audit plan for the year ending 30 November 2024. In the meeting relating to the year end the committee considered the auditors' report on the annual financial statements.

At each meeting the committee received a report on the operation of controls relating to the company and the proper conduct of its business in accordance with the regulatory environment in which both the company and the manager operate. The committee has also received reports from the company's service providers on their continuing response to cyber security risks and related business continuity updates.

Risk

Although the board has ultimate responsibility for the management of risk, the audit committee assists by monitoring the formal reports from the manager and third-party service providers on risk and internal controls.

During the year the committee reviewed the risk management framework and concluded that existing processes were adequate to ensure that its assessment of risk is robust and of sufficient frequency, namely carried out at each committee meeting and twice annually by the board as follows:

- A matrix of risks is reviewed at each audit committee meeting. We consider whether new risks should be added or previously identified risks removed, assess their likelihood of occurring and potential scale, review the mitigating actions and assess the residual risk against what we regard as acceptable – 'risk appetite'. Economic and political volatility, including continued international conflict and tensions and the outcome of the US presidential election have all been considered by the board in this review and discussed by the board.

- Assurance over mitigating actions in relation to these risks is provided in a series of reports from all the third party service providers.
- Resulting from the work of the audit committee, the principal risks and uncertainties are identified for disclosure and discussion in our annual report. The committee also assesses residual risks after controls and mitigating actions have been applied, and evaluates whether these fall within our risk appetite. The risks identified, together with mitigating actions, and the results of the risk appetite assessment are set out in the Strategic Report on page 11.

Viability Statement

Taking into account this review of risk the committee reviewed a paper that supported the board's conclusion, set out on page 22 in the Strategic Report, of their reasonable expectation that the company is viable in the longer term, assessed as the next five years.

The audit, its effectiveness and the terms of appointment of the auditor

The committee reviewed the terms of appointment of the auditor, monitored the audit process, assessed the auditors' independence and objectivity as well as the effectiveness of the audit process. It was noted that there were no non-audit services provided by the firm, and that none are planned in the financial year to 30 November 2024.

This is PricewaterhouseCoopers' seventh year as our auditor and under current FRC guidance, the next audit tender will be required in respect of the year ending 30 November 2028. Until then, we will continue to monitor the auditor's performance and make any appropriate recommendations.

As part of our review of the performance of the auditor, the members of the committee and those representatives of the manager involved in the audit process reviewed and considered a number of areas including:

- the reputation and standing of the audit firm including annual reports from the auditor's regulator;
- the skills, experience and specialist knowledge of the audit team, particularly relating to investment trusts;
- audit communication including details of planning, information on relevant accounting and regulatory developments, and recommendations on corporate reporting;
- the audit processes, evidence of oversight by the audit lead; and
- the reasonableness of audit fees;

The committee sought comments from representatives of the manager on the provision of services by the auditor and the effectiveness of the external audit for the year ended 30 November 2024 and considered whether the audit team as a whole demonstrated an appropriate level of challenge to the Board and the manager in fulfilling their role.

Based on all of the above, the committee concluded that we have no concerns with the performance of the auditor and has recommended to the board that a resolution proposing the re-appointment of the auditor is put to shareholders at the annual general meeting.

Financial report and significant Issues

The significant issues identified for the review of the financial statements this year, that is, those identified as presenting the greatest risks, were the valuation and existence of the investments in the portfolio; and the accuracy, occurrence and completeness of dividend income. These and other matters, identified as posing lesser risk, were considered and discussed with the manager and the auditor as part of the year end process.

Valuation and existence of the investments in the portfolio

Listed investments are valued using stock exchange prices provided by third party financial data vendors. Unlisted investments are recognised on a fair value basis and are reviewed by the manager's valuation committee before being approved by the company and being made available to the auditor. We discussed the work done by the auditor on valuation of investments and received assurance that there were no concerns regarding valuation of the investments.

The manager confirms to us the existence and ownership of portfolio investments. The manager receives information from the custodian which is reconciled with the portfolio list. The auditor conducts an independent verification exercise which was satisfactorily concluded.

Based on this the committee concluded that the valuation and existence of the investments in the portfolio is appropriately recorded in the annual report and accounts,

Accuracy, occurrence and completeness of dividend income

During the year, income reports and forecasts are reviewed in detail with the manager at each meeting of the board, including yield information. Changes to the forecast for each portfolio stock from meeting to meeting are also scrutinised.

The auditor conducts an independent analysis of the expected income stream from the investment portfolio for the year. We discussed the outcome of this analysis and were satisfied based on this and the dividend income was appropriately recorded in the annual report and accounts.

In addition we noted the manner in which expenses are allocated between capital and income and concluded that the ratio of 70:30 remains appropriate since it fairly reflects our investment policy and split of prospective capital and income returns. This area was subject to a detailed review last year.

We also confirmed, as stated in the Statement of Accounting Policies on page 88, that there are no judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The committee considered the audit materiality and error reporting thresholds in the audit plan and confirmed that they were satisfied with these. As in previous years, the auditor set the materiality threshold as 1% of Net Asset Value to align closely with comparable companies, but continues to report to the committee on matters below that level on qualitative grounds.

The audit committee and the whole board reviewed the entire annual report and noted all of the supporting information received. It then considered whether the annual report satisfactorily reflected a true picture of the company and its activities and performance in the year, with a clear link between the relevant sections of the report and concluded that it did so. The directors were then able to confirm that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy.

Internal control and internal audit

In July 2023, it was brought to the audit committee's attention that an issue had arisen with the capital NAV calculated by AllianzGI's third party service provider and reported to the market in the daily NAV announcements. It was noted that this did not impact the cum-income NAV announced throughout the period concerned, nor did it affect the half-year financial statements which were being considered at that time. Since then, the manager, AllianzGI, has reported to the board on the due diligence performed, the corrective actions taken and the plans now in place to prevent recurrence. Service enhancements that resulted from this included lower tolerance thresholds for additional reporting of daily NAV movements, quicker responses to requests for information, a new escalation protocol and service industry benchmarking. The manager has confirmed that it believes the service has stabilised as these remediations have taken effect.

The audit committee's view continues to be that the company does not require an internal audit function of its own as it delegates its day-to-day operations to third parties from whom it receives internal control assurance reports. Reports from third party auditors on the internal controls maintained on behalf of the company by AllianzGI and by other key providers of administrative and custodian services to AllianzGI or directly to the company were reviewed during the year. No issues of concern relating to the company were raised in the reports.

Whistleblowing

As the company has no employees it does not have a formal policy concerning the raising, in confidence, of any concerns about improprieties for appropriate independent investigation. The audit committee has received and noted the manager's policy on whistleblowing. Any matters concerning the company should be raised with the Chair or Senior Independent Director.

Amanda Aldridge
Audit committee Chair
12 February 2025

Statement of Directors' Responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

Under company law directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each of the directors, whose names and functions are listed in Directors, Manager and Advisers on pages 58 to 60, confirm that, to the best of their knowledge:

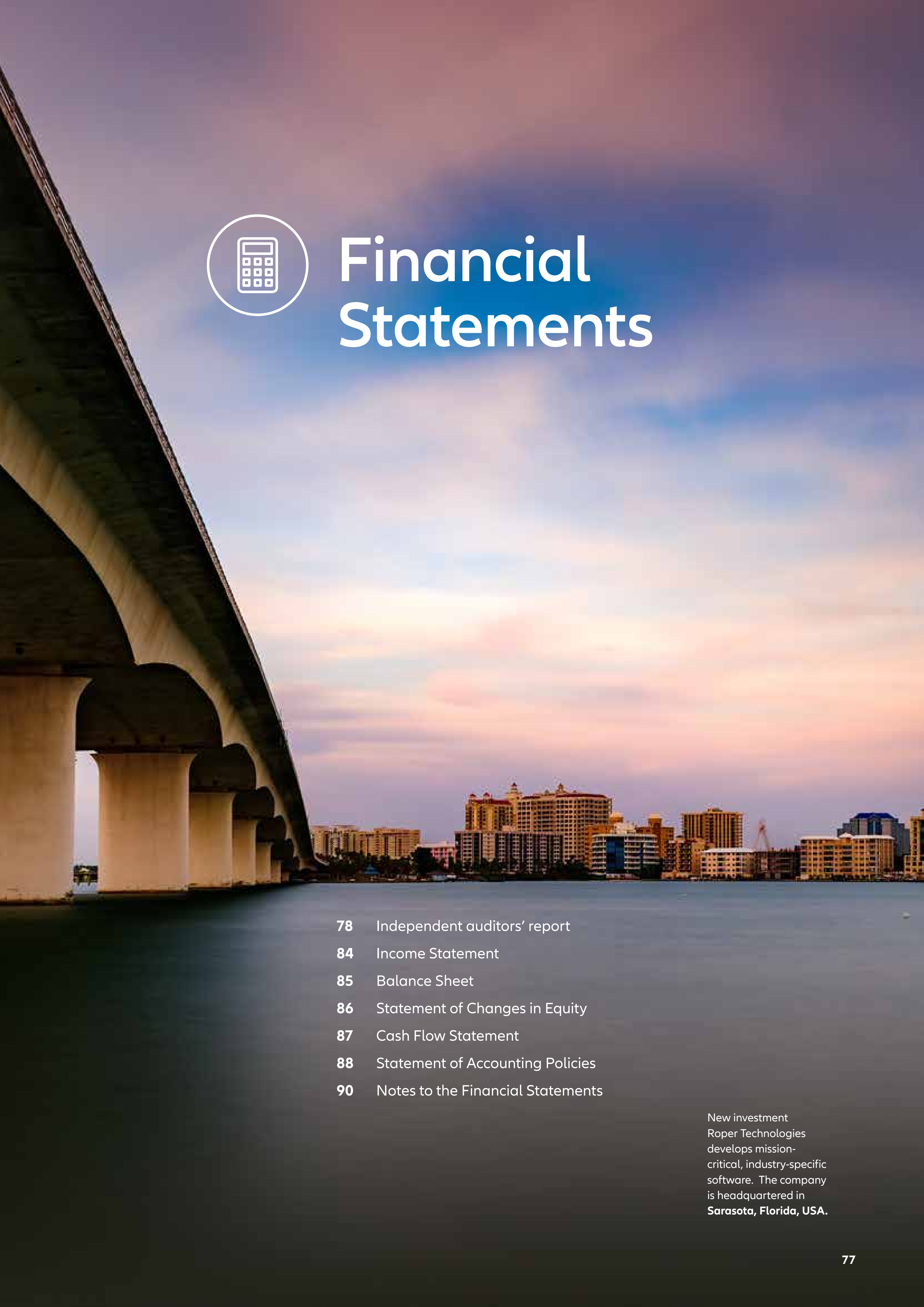
- the company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102, give a true and fair view of the assets, liabilities, financial position and profit of the company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that it faces.

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This responsibility statement was approved by the board of directors on 12 February 2025 and signed on its behalf by:

Carolan Dobson
Chair



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87 Cash Flow Statement

88 Statement of Accounting Policies

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New investment
Roper Technologies develops mission-critical, industry-specific software. The company is headquartered in **Sarasota, Florida, USA.**

Independent auditors' report to the members of The Brunner Investment Trust PLC

Report on the audit of the financial statements

Opinion

In our opinion, The Brunner Investment Trust PLC's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2024 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 30 November 2024; the Income Statement, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended; the Statement of Accounting Policies; and the notes to the financial statements.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company in the period under audit.

Our audit approach

Overview

Audit scope

- The company is a standalone Investment Trust company and engages Allianz Global Investors UK Limited (the 'Manager') to manage its assets.
- We conducted our audit of the financial statements using information from State Street Bank & Trust Company (the 'Administrator') to whom the Manager has, with the consent of the directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator and adopted a fully substantive testing approach using information obtained from the Administrator.

Key audit matters

- Valuation and existence of investments
- Accuracy, occurrence and completeness of Income from investments

Materiality

- Overall materiality: £6,181,824 (2023: £5,282,098) based on 1% of Net Asset Value.
- Performance materiality: £4,636,368 (2023: £3,961,574).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of investments The investment portfolio at the year-end comprised listed equity investments valued at £644.7m. We focused on the valuation and existence of investments because investments represent the principal element of the Net Asset Value as disclosed on the Balance Sheet in the financial statements.	We tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third party sources. We tested the existence of the investment portfolio by agreeing investment holdings to an independent custodian confirmation. We have no matters to report as a result of this testing.
Accuracy, occurrence and completeness of Income from investments Income from investments consists primarily of dividend income. We focused on the accuracy, occurrence and completeness of investment income recognition as incomplete or inaccurate income could have a material impact on the company's Net Asset Value and dividend cover. We also focused on the accounting policy for investment income recognition and its presentation in the Income Statement for compliance with the requirements of The Association of Investment Companies Statement of Recommended Practice (the 'AIC SORP'), as incorrect application could indicate a misstatement in income recognition.	We assessed the accounting policy for investment income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with this stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income has been accounted for in accordance with the stated accounting policy. We tested the accuracy of dividend income by agreeing the dividend rates from investments to independent market data. To test for completeness, we tested that all dividends declared in the market by investment holdings had been recorded. We tested occurrence by testing that all dividends recorded in the year had been declared in the market by investment holdings. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. We have no matters to report as a result of this testing.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

All audit procedures were conducted by a UK audit team. We tested and examined information using sampling and other auditing techniques, to the extent we considered necessary to provide a reasonable basis for us to form our own judgements.

The impact of climate risk on our audit

In planning our audit, we made enquiries of the directors and manager to understand the extent of the potential impact of climate change on the company's financial statements.

The directors and investment manager concluded that the impact on the measurement and disclosures within the financial statements is not material because the company's investment portfolio is made up of Level 1 quoted securities which are valued at fair value based on market prices. We found this to be consistent with our understanding of the company's investment activities.

We also considered the consistency of the climate change disclosures included in the Strategic Report, Investment Manager's Review and Directors' Report with the financial statements and our knowledge from our audit.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	£6,181,824 (2023: £5,282,098).
How we determined it	1% of Net Asset Value
Rationale for benchmark applied	We have applied this benchmark, which is a generally accepted auditing practice for investment trust audits.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £4,636,368 (2023: £3,961,574) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £309,091 (2023: £264,105) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the directors' updated risk assessment and considering whether it addressed relevant threats to the company;
- evaluating the directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the directors' assessment of the company's financial position in the context of its ability to meet future expected operating expenses and debt repayments, their assessment of liquidity as well as their review of the operational resilience of the company and oversight of key third-party service providers; and
- assessing the implication of significant reductions in Net Asset Value as a result of market performance on the ongoing ability of the company to operate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 November 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report, which is included within the Remuneration Committee Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the ongoing qualification as an Investment Trust under the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to increase income or to overstate the value of investments and increase the Net Asset Value of the company. Audit procedures performed by the engagement team included:

- discussions with the directors, the manager and the administrator, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- reviewing relevant meeting minutes, including those of the Audit Committee;
- evaluation of the controls implemented by the Manager and the Administrator designed to prevent and detect irregularities;
- assessment of the company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- identifying and testing journal entries, in particular year end journal entries posted by the administrator during the preparation of the financial statements; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report, which is included within the Remuneration Committee Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 19 December 2018 to audit the financial statements for the year ended 30 November 2018 and subsequent financial periods. The period of total uninterrupted engagement is 7 years, covering the years ended 30 November 2018 to 30 November 2024.

Iain Kirkpatrick (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
12 February 2025

Income Statement

for the year ended 30 November 2024

	Notes	2024 Revenue £	2024 Capital £	2024 Total Return £	2023 Revenue £	2023 Capital £	2023 Total Return £
Gains on investments held at fair value through profit or loss	8	-	87,449,624	87,449,624	-	32,247,788	32,247,788
Losses on foreign currencies		-	(208,121)	(208,121)	-	(294,696)	(294,696)
Income	1	15,233,118	-	15,233,118	14,426,006	-	14,426,006
Investment management fee	2	(822,531)	(1,919,239)	(2,741,770)	(716,931)	(1,672,839)	(2,389,770)
Administration expenses	3	(954,818)	(3,198)	(958,016)	(855,035)	(1,887)	(856,922)
Profit before finance costs and taxation		**13,455,769**	**85,319,066**	**98,774,835**	**12,854,040**	**30,278,366**	**43,132,406**
Finance costs: interest payable and similar charges	4	(433,648)	(953,784)	(1,387,432)	(407,927)	(898,583)	(1,306,510)
Profit on ordinary activities before taxation		**13,022,121**	**84,365,282**	**97,387,403**	**12,446,113**	**29,379,783**	**41,825,896**
Taxation	5	(1,336,376)	-	(1,336,376)	(1,195,066)	-	(1,195,066)
Profit after taxation attributable to ordinary shareholders		**11,685,745**	**84,365,282**	**96,051,027**	**11,251,047**	**29,379,783**	**40,630,830**
Earnings per ordinary share (basic and diluted)	7	**27.37p**	**197.57p**	**224.94p**	**26.35p**	**68.82p**	**95.17p**

Dividends to be distributed in respect of the financial year ended 30 November 2024 total 23.75p (2023: 22.70p), amounting to £10,155,919 (2023: £9,691,248). Details are set out in Note 6 on page 92.

The total return column of this statement is the profit and loss account of the company.

The supplementary revenue return and capital return columns are both prepared under the guidance published by the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

Profit after taxation attributable to ordinary shareholders disclosed above represents the company's total comprehensive income.

The Statement of Accounting Policies on pages 88 and 89 and the Notes on pages 90 to 102 form an integral part of these Financial Statements.

Balance Sheet

at 30 November 2024

	Notes	2024 £	2024 £	2023 £
Fixed assets				
Investments held at fair value through profit or loss	8		644,737,006	553,377,318
Current assets				
Other receivables	9	5,471,482		1,661,906
Cash at bank and in hand	9	4,812,419		9,864,904
		10,283,901		**11,526,810**
Current liabilities				
Other payables	9	(11,727,937)		(11,593,648)
Net current liabilities			**(1,444,036)**	**(66,838)**
Total assets less current liabilities			**643,292,970**	**553,310,480**
Creditors: amounts falling due after more than one year	10		(25,110,610)	(25,100,721)
Total net assets			**618,182,360**	**528,209,759**
Capital and reserves				
Called up share capital	11		10,740,934	10,673,181
Share premium account	12		3,840,467	-
Capital redemption reserve	12		5,326,819	5,326,819
Capital reserve	12		578,995,798	494,630,516
Revenue reserve	12		19,278,342	17,579,243
Total shareholders funds	13		**618,182,360**	**528,209,759**
Net Asset Value per ordinary share	13		**1,438.8p**	**1,237.2p**

The financial statements of The Brunner Investment Trust PLC, company number 00226323, as set out in pages 84 to 102, were approved and authorised for issue by the Board of Directors on 12 February 2025 and signed on its behalf by:

Carolan Dobson
Chair

The Statement of Accounting Policies on pages 88 and 89 and the Notes on pages 90 to 102 form an integral part of these Financial Statements.

Statement of Changes in Equity

for the year ended 30 November 2024

	Notes	Called up share capital £	Share premium account £	Capital redemption reserve £	Capital reserve £	Revenue reserve £	Total £
Net assets as at 1 December 2022		10,673,181	-	5,326,819	465,250,733	15,846,230	497,096,963
Revenue profit		-	-	-	-	11,251,047	11,251,047
Dividends on ordinary shares	6	-	-	-	-	(9,520,477)	(9,520,477)
Unclaimed dividends		-	-	-	-	2,443	2,443
Capital profit		-	-	-	29,379,783	-	29,379,783
Net assets as at 30 November 2023		**10,673,181**	**-**	**5,326,819**	**494,630,516**	**17,579,243**	**528,209,759**
Net assets as at 1 December 2023		10,673,181	-	5,326,819	494,630,516	17,579,243	528,209,759
Revenue profit		-	-	-	-	11,685,745	11,685,745
Shares issued during the year	11	67,753	3,840,467	-	-	-	3,908,220
Dividends on ordinary shares	6	-	-	-	-	(9,990,098)	(9,990,098)
Unclaimed dividends		-	-	-	-	3,452	3,452
Capital profit		-	-	-	84,365,282	-	84,365,282
Net assets as at 30 November 2024		**10,740,934**	**3,840,467**	**5,326,819**	**578,995,798**	**19,278,342**	**618,182,360**

The Statement of Accounting Policies on pages 88 and 89 and the Notes on pages 90 to 102 form an integral part of these Financial Statements.

Cash Flow Statement

for the year ended 30 November 2024

	Notes	2024 £	2023 £
Operating activities			
Profit before finance costs and taxation*		98,774,835	43,132,406
Less: gains on investments held at fair value through profit or loss		(87,449,624)	(32,247,788)
Less: overseas tax suffered		(1,336,376)	(1,195,066)
Add: losses on foreign currency		208,121	294,696
Purchase of fixed asset investments held at fair value through profit or loss		(121,280,716)	(115,960,271)
Sales of fixed asset investments held at fair value through profit or loss		117,370,652	118,633,336
Decrease in other receivables		98,644	111,737
Increase in other payables		127,369	142,596
Net cash inflow from operating activities		**6,512,905**	**12,911,646**
Financing activities			
Interest paid and similar charges		(1,348,216)	(1,130,222)
Dividend paid on cumulative preference stock		(22,407)	(22,500)
Dividends paid on ordinary shares	6	(9,990,098)	(9,520,477)
Unclaimed dividends over 12 years		3,452	2,443
Net cash outflow from financing activities		**(11,357,269)**	**(10,670,756)**
(Decrease) increase in cash and cash equivalents		**(4,844,364)**	**2,240,890**
Cash and cash equivalents		9,864,904	7,918,710
Effect of foreign exchange rates		(208,121)	(294,696)
Cash and cash equivalents at the end of the year		4,812,419	9,864,904
Comprising:			
Cash at bank		4,812,419	9,864,904

* Cash inflow from dividends was £13,372,249 (2023: £12,717,117) and cash inflow from interest was £161,411 (2023: £196,203).

The Statement of Accounting Policies on pages 88 and 89 and the Notes on pages 90 to 102 form an integral part of these Financial Statements.

Statement of Accounting Policies

for the year ended 30 November 2024

The company is incorporated in the United Kingdom under the Companies Act. The company is a public company limited by shares and is registered in England and Wales. The address of the company's registered office is shown on page 60. The principal activity of the company and the nature of its operations are set out in the strategic report on page 11. The company conducts its business so as to qualify as an investment trust company within the meaning of sub-section 1158 of the Corporation Tax Act 2010. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

1 **Basis of preparation** – The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments held at fair value through profit or loss and in accordance with applicable United Kingdom law and UK Accounting Standards (UK GAAP), including Financial Reporting Standard 102 - the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the requirements of the Companies Act 2006 and in line with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies (AIC SORP) in July 2022.

In order to better reflect the activities of an investment trust company, and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of revenue and capital nature has been presented alongside the Income Statement.

The directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as the assets of the company consist mainly of securities, which are readily realisable and significantly exceed liabilities. Accordingly, the directors believe that the company has adequate financial resources, to continue in operational existence for the foreseeable future. The company's business, the principal risks and uncertainties it faces, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 11.

2 **Income** – Dividends received on equity shares are accounted for on an ex-dividend basis. Foreign dividends are grossed up at the appropriate rate of withholding tax.

Special dividends are recognised on an ex-dividend basis and treated as a capital or revenue item depending on the facts and circumstances of each dividend. The board reviews special dividends and their treatment at each meeting.

Where the company has elected to receive its dividends in the form of additional shares rather than in cash, the equivalent of the cash dividend is recognised as income. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital reserves.

Deposit interest receivable is accounted for on an accruals basis.

3 **Investment management fee and administrative expenses** – The investment management fee is calculated on the basis set out in Note 2 to the financial statements and is charged to capital and revenue in the ratio 70:30 to reflect the company's investment policy and prospective capital and income growth. Other administrative expenses are charged in full to revenue, except custodian handling charges on investment transactions which are charged to capital. All expenses are on an accruals basis.

4 **Investments** – As the company's business is investing in financial assets with a view to profiting from their total return in the form of increases in fair value, financial assets are held at fair value through profit or loss in accordance with FRS 102 Section 11: 'Basic Financial Instruments' and Section 12: 'Other Financial Instruments'. The company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about investments is provided on this basis to the board.

Investments held at fair value through profit or loss are initially recognised at fair value. After initial recognition, these continue to be measured at fair value, which for quoted investments is either the bid price or the last traded price depending on the convention of the exchange on which they are listed. Gains or losses on investments are recognised in the capital column of the Income Statement. Purchases and sales of financial assets are recognised on the trade date, being the date which the company commits to purchase or sell assets.

5 **Finance costs** – In accordance with the FRS 102 Section 11: 'Basic Financial Instruments' and Section 12 'Other Financial Instruments', long term borrowings are stated at the amortised cost being the amount of net proceeds on issue plus accrued finance costs to date. Finance costs are calculated over the term of the debt on the effective interest rate basis.

Finance costs net of amortised premiums are charged to capital and revenue in the ratio 70:30 to reflect the board's investment policy and prospective split of capital and revenue returns.

Dividends payable on the 5% cumulative preference stock are classified as an interest expense and are charged in full to revenue.

6 **Taxation** – Where expenses are allocated between capital and revenue, any tax relief obtained in respect of those expenses is allocated between capital and revenue on the marginal method and the company's effective rate of corporation tax for the accounting period. Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

A deferred tax asset is recognised when it is more likely than not that the asset will be recoverable. Deferred tax is measured on a non-discounted basis at the rate of corporation tax that is expected to apply when the timing differences are expected to reverse.

7 **Shares repurchased for cancellation and for holding in treasury** – Share capital is reduced by the nominal value of the shares repurchased, and the capital redemption reserve is correspondingly increased in accordance with Section 733 Companies Act 2006. The full cost of the repurchase is charged to the capital reserve within Gains (Losses) on Sales of Investments.

For shares repurchased for holding in treasury, the full cost is charged to the capital reserve

8 **Shares sold (reissued) from treasury** – Proceeds received from the sale of shares held in treasury are treated as realised profits in accordance with Section 731 of the Companies Act 2006. Proceeds equivalent to the original cost, calculated by applying a weighted average price, are credited to the capital reserve; proceeds in excess of the original cost are credited to the share premium account.

9 **Shares issued** – Share capital is increased by the nominal value of shares issued. The proceeds in excess of the nominal value of shares net of expenses are allocated to the share premium account.

10 **Dividends** – In accordance with FRS 102 Section 32: 'Events After the End of the Reporting Period', the final dividend proposed on ordinary shares is recognised as a liability when approved by shareholders. Interim dividends are recognised only when paid. Dividends are paid from the revenue reserve.

11 **Foreign currency** – In accordance with FRS 102 Section 30: 'Foreign Currency Translation', the company is required to nominate a functional currency, being the currency in which the company predominately operates. The functional and reporting currency is pounds sterling, reflecting the primary economic environment in which both the company and its' shareholders predominantly operate and in which its' expenses are generally paid. Transactions in foreign currencies are translated into pounds sterling at the rates of exchange ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into pounds sterling at the rates of exchange ruling at the balance sheet date. Profits and losses thereon are recognised in the capital column of the income statement and taken to the capital reserve.

12 **Significant judgements, estimates and assumptions** – In the application of the company's accounting policies, which are described above, the directors are required to make judgements, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The investment portfolio currently consists of listed investments and therefore no significant estimates have been made in valuing these securities.

There are no significant judgements, estimates, and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements

for the year ended 30 November 2024

1. Income

	2024 £	2023 £
Income from Investments*		
Equity income from UK investments†	4,777,907	5,229,024
Equity income from overseas investments††	10,293,800	9,000,779
	15,071,707	**14,229,803**
Other Income		
Deposit interest	161,411	196,203
	161,411	**196,203**
Total income	**15,233,118**	**14,426,006**

* All dividend income is derived from listed investments.

† Includes special dividends of £nil (2023: £101,750).

†† Includes special dividends of £701,078 (2023: £1,326,776).

2. Investment management fee

	2024 Revenue £	2024 Capital £	2024 Total £	2023 Revenue £	2023 Capital £	2023 Total £
Investment management fee	**822,531**	**1,919,239**	**2,741,770**	**716,931**	**1,672,839**	**2,389,770**

Under the terms of the Management and Administration Agreement the company's manager is Allianz Global Investors UK Ltd. The agreement was restated in July 2014, with the appointment of AllianzGI as the Alternative Investment Fund Manager. On 30 May 2023 the Agreement was novated from Allianz Global Investors GmbH to Allianz Global Investors UK Limited (AllianzGI UK). In both cases the terms of the agreement were unchanged: it provides for a management fee based on 0.45% per annum of the value of the assets after deduction of current liabilities, short-term loans under one year and other funds managed by Allianz Global Investors GmbH, calculated monthly. The fee is charged in the ratio 70:30 between capital and revenue as set out in the Statement of Accounting Policies.

The provision of investment management services, company administrative and secretarial services by AllianzGI UK under the Management and Administration Agreement may be terminated by either the company or AllianzGI UK on not less than six months' notice.

3. Administration expenses

	2024 £	2023 £
Auditors' remuneration		
for audit services	45,478	44,275
VAT on auditors' remuneration	9,096	8,855
	54,574	**53,130**
Directors' fees[1]	174,183	174,766
Depositary fees	63,686	55,724
Custody fees	44,097	41,777
Registrars' fees	54,892	67,087
Association of Investment Companies' fees	21,839	21,455
Marketing costs	370,471	351,843
Printing and postage	43,268	39,539
Directors' and officers' liability insurance	17,733	18,188
Professional and advisory fees	27,983	8,145
Stock Exchange fees	28,750	22,878
Stock Exchange block listing fee	24,794	-
Other	77,409	65,976
VAT recovered	(48,861)	(65,473)
	954,818	**855,035**

[1] Directors' fees are set out in the Directors' Remuneration Report on page 70.
The above expenses include value added tax where applicable.
Custodian handling charges of £3,198 were charged to capital (2023: £1,887).

4. Finance costs: interest payable and similar charges

	2024 Revenue £	2024 Capital £	2024 Total £	2023 Revenue £	2023 Capital £	2023 Total £
On 5% Cumulative Preference Stock repayable after more than five years	22,407	-	22,407	22,500	-	22,500
On 2.84% Fixed Rate Notes 2048 repayable after more than five years	213,334	497,779	711,113	215,882	503,725	719,607
On Revolving Credit Facility	195,431	456,005	651,436	169,225	394,858	564,083
On sterling overdraft	2,476	-	2,476	320	-	320
	433,648	**953,784**	**1,387,432**	**407,927**	**898,583**	**1,306,510**

5. Taxation

	2024 Revenue £	2024 Capital £	2024 Total £	2023 Revenue £	2023 Capital £	2023 Total £
Overseas taxation	1,336,376	-	1,336,376	1,195,066	-	1,195,066
Total tax	**1,336,376**	**-**	**1,336,376**	**1,195,066**	**-**	**1,195,066**
Reconciliation of tax charge						
Profit before taxation	13,022,121	84,365,282	97,387,403	12,446,113	29,379,783	41,825,896
Tax on profit at 25.00% (2023: 23.01%)	**3,255,530**	**21,091,321**	**24,346,851**	**2,863,851**	**6,760,288**	**9,624,139**
Effects of						
Non taxable income	(3,769,985)	-	(3,769,985)	(3,257,278)	-	(3,257,278)
Non taxable capital gains	-	(21,810,375)	(21,810,375)	-	(7,352,713)	(7,352,713)
Disallowable expenses	-	800	800	5,177	434	5,611
Overseas tax suffered	1,336,376	-	1,336,376	1,195,066	-	1,195,066
Excess of allowable expenses over taxable income	514,455	718,254	1,232,709	388,250	591,991	980,241
Total tax	**1,336,376**	**-**	**1,336,376**	**1,195,066**	**-**	**1,195,066**

The company's taxable income is exceeded by its tax allowable expenses, which include both the revenue and capital elements of the management fee and finance costs.

As at 30 November 2024, the company had accumulated surplus expenses of £114.6 million (2023: £109.7 million) and eligible unrelieved foreign tax of £nil (2023: £nil).

The company has not recognised a deferred tax asset of £28.7 million (2023: £27.4 million) in respect of these expenses, based on a prospective corporation tax rate of 25% (2023: 25%) because there is no reasonable prospect of recovery.

The increase in the standard rate of corporation tax was substantively enacted on 24 May 2021 and was effective from 1 April 2023.

6. Dividends on ordinary shares

	2024 £	2023 £
Dividends paid on ordinary shares		
Third interim dividend – 5.55p paid 12 December 2023 (2022: 5.15p)	2,369,446	2,198,675
Final dividend – 6.05p paid 4 April 2024 (2023: 6.05p)	2,582,910	2,582,910
First interim dividend – 5.90p paid 25 July 2024 (2023: 5.55p)	2,518,871	2,369,446
Second interim dividend – 5.90p paid 12 September 2024 (2023: 5.55p)	2,518,871	2,369,446
	9,990,098	**9,520,477**

Dividends payable at the year end are not recognised as a liability under FRS 102 Section 32 'Events After the End of the Reporting Period' (see page 88: Statement of Accounting Policies). Details of these dividends are set out below.

	2024 £	2023 £
Third interim dividend – 5.90p paid 12 December 2024 (2023: 5.55p)	2,518,871	2,369,446
Final proposed dividend – 6.05p payable 4 April 2025 (2024: 6.05p)	2,599,306	2,582,910
	5,118,177	**4,952,356**

The proposed final dividend accrued is based on the number of shares in issue at the year end. However, the dividend payable will be based on the numbers of shares in issue on the record date and will reflect any changes in the share capital between the year end and the record date.

All dividends disclosed in the tables above have been paid or are payable from the revenue reserves.

7. Earnings per ordinary share

	2024 Revenue £	2024 Capital £	2024 Total £	2023 Revenue £	2023 Capital £	2023 Total £
Profit after taxation attributable to ordinary shareholders	11,685,745	84,365,282	96,051,027	11,251,047	29,379,783	40,630,830
Earnings per ordinary share	27.37p	197.57p	224.94p	26.35p	68.82p	95.17p

The earnings per ordinary share is based on a weighted number of shares 42,701,544 (2023: 42,692,727) ordinary shares in issue.

8. Investments held at fair value through profit or loss

	2024 £	2023 £
Opening book cost	355,552,866	321,784,618
Opening investments holding gains	197,824,452	201,044,464
Opening market value	**553,377,318**	**522,829,082**
Additions at cost	121,280,716	115,960,271
Disposals proceeds received	(117,370,652)	(117,659,823)
Gains on investments	87,449,624	32,247,788
Market value of investments held at 30 November 2024	**644,737,006**	**553,377,318**
Closing book cost	394,630,081	355,552,866
Closing investment holding gains	250,106,925	197,824,452
Closing market value	**644,737,006**	**553,377,318**
Gains on investments		
Gains on investments	87,449,624	32,247,788
Gains on investments	**87,449,624**	**32,247,788**

The company received £117,370,652 (2023: £117,659,823) from investments sold in the year. The book cost of these investments when they were purchased was £82,203,903 (2023: £82,192,022).

These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Transaction costs and stamp duty on purchases amounted to £267,885 (2023: £231,783) and transaction costs on sales amounted to £26,855 (2023: £38,689).

9. Other receivables, cash at bank and in hand and other payables

		2024 £	2023 £
Other receivables			
Shares issued		3,908,220	-
Accrued income		1,511,492	1,612,128
Prepayments		51,770	49,778
		5,471,482	**1,661,906**
Cash at bank and in hand			
Current account		4,812,419	9,864,904
		4,812,419	**9,864,904**
Other payables: amounts falling due within one year			
Other payables		1,147,675	1,020,306
Interest on borrowings (see below)		313,841	313,934
Revolving Credit Facility	(i)	10,266,421	10,259,408
		11,727,937	**11,593,648**

The carrying amount of other receivables, cash and cash equivalents and other payables: amounts falling due within one year, each approximate their fair value.

	2024 £	2023 £
Interest on outstanding borrowings consists of:		
5% Cumulative preference stock	11,218	11,311
2.84% Fixed Rate Note 2048	302,623	302,623
	313,841	**313,934**

(i) On 27 June 2022 the company entered into a revolving credit facility agreement of £10m (replacing an existing facility of £10m). The full amount of £10m is currently drawn down. The rate of interest for the revolving credit facility is made up of a fixed margin plus SONIA rate. Under this agreement £10m was rolled over on 27 December 2024, with a maturity date of 27 June 2025. The repayment date of the revolving facility is the last day of its interest period and the termination date is 27 June 2025.

The company pays a commitment fee of 0.30% p.a. on any undrawn amounts.

10. Creditors: amounts falling due after more than one year

		2024 £	2023 £
5% Cumulative preference stock	(i)	450,000	450,000
2.84% Fixed Rate Note 2048	(ii)	24,660,610	24,650,721
		25,110,610	**25,100,721**

(i) The 5% Cumulative Preference Stock is recognised as a creditor due after more than one year under the provisions of FRS102 Section 11: 'Basic Financial Instruments' and Section 12: 'Other Financial Instruments'. The right of the preference stockholders to receive payments is not calculated by reference to the company's profits and, in the event of a return of capital are limited to a specific amount, being £450,000. Dividends on the preference stock are payable on 30 June and 31 December each year.

(ii) The Fixed Rate Notes of £25,000,000 is stated at £24,660,610 (2023: £24,650,721) being the net proceeds of £24,601,800 (2023: £24,601,800) plus accrued finance costs of £58,810 (2023: £48,921).

The Note is repayable on 28 June 2048 and carries interest at 2.84% per annum on the principal amount. Interest is payable in June and December each year. The effective interest rate of the loan inclusive of the issue costs is 2.94%.

11. Called up share capital

	2024 £	2023 £
Allotted and fully paid		
42,963,736 ordinary shares of 25p each (2023: 42,692,727)	**10,740,934**	**10,673,181**

	2024 Number	2024 £'000s	2023 Number	2023 £'000s
Allotted 25p ordinary shares				
Brought forward	42,692,727	10,673,181	42,692,727	10,673,181
Shares issued during the year	271,009	67,753	-	-
Carried forward	**42,963,736**	**10,740,934**	**42,692,727**	**10,673,181**

The directors are authorised by an ordinary resolution passed on 25 March 2024 to allot relevant securities, in accordance with section 551 of the Companies Act 2006, up to a maximum of 14,230,908 ordinary shares of 25p each. This authority expires on 24 June 2025 and accordingly a renewed authority will be sought at the annual general meeting on 2 April 2025.

During the year nil (2023: nil) ordinary shares were repurchased by the company. The aggregate purchase price of these shares, amounting to £nil (2023: £nil) was charged to the capital reserve, within gains on sales of investments (see Note 12).

During the year 271,009 shares were issued (2023: nil) for a total consideration of £3,908,220 (2023: £nil), net of issues costs of £7,047 (2023: £nil).

Since the year end a further 283,991 shares have been issued for a total consideration of £4,175,518, net of issue costs of £7,529, as at 12 February 2025.

12. Reserves

			Capital Reserve		
	Share premium account £	Capital redemption reserve £	Gains (losses) on sales of Investments £	Investment holding gains (losses) £	Revenue reserve £
Balance at 1 December 2023	-	5,326,819	297,343,743	197,286,773	17,579,243
Gains on realisation of investments	-	-	69,887,573	-	-
Transfer on disposal of investments	-	-	(34,720,422)	34,720,422	-
Movement in investment holding losses	-	-	-	17,562,051	-
Losses on foreign currency	-	-	-	(208,121)	-
Issue of ordinary shares	3,840,467	-	-	-	-
Investment management fee	-	-	(1,919,239)	-	-
Finance costs of borrowings	-	-	(953,784)	-	-
Other capital expenses	-	-	(3,198)	-	-
Dividends appropriated in the year	-	-	-	-	(9,990,098)
Profit retained for the year	-	-	-	-	11,685,745
Unclaimed dividends	-	-	-	-	3,452
Balance at 30 November 2024	**3,840,467**	**5,326,819**	**329,634,673**	**249,361,125**	**19,278,342**

All paid or payable dividends for the year are payable from the revenue reserve (2023: same).

13. Net Asset Value total return

The Net Asset Value total return for the year is the percentage movement from the capital Net Asset Value as at 30 November 2023 to the Net Asset Value, on a total return basis as at 30 November 2024. The Net Asset Value total return with debt at fair value is 17.9% (2023: 8.7%) and the Net Asset Value total return with debt at par is 18.2% (2023: 8.2%).

The Net Asset Value per ordinary share is based on 42,963,736 ordinary shares in issue at the year end (2023: 42,692,727). The method of calculation of the Net Asset Value with debt at fair value is described in Note 15(c) on page 100.

The Net Asset Value per ordinary share was as follows:

	Debt at fair value 2024	Debt at par 2024	Debt at fair value 2023	Debt at par 2023
Net Asset Value per ordinary share attributable	1,459.6p	1,438.8p	1,258.6p	1,237.2p
Effect of dividends reinvested on the respective ex-dividend dates	23.8p	23.8p	22.7p	22.7p
Net Asset Value total return	**1,483.4p**	**1,462.6p**	**1,281.3p**	**1,259.9p**
Net Asset Value attributable	**£627,111,895**	**£618,182,360**	**£537,307,615**	**£528,209,759**

14. Contingent liabilities, capital commitments and guarantees

At 30 November 2024 there were no contingent liabilities, capital commitments or guarantees (2023: £nil).

15. Financial risk management policies and procedures

The company invests in equities and other investments in accordance with its investment objective as stated in the Strategic Report on page 12. In pursuing its investment objective, the company is exposed to certain inherent risks that could result in either a reduction in the company's net assets or a reduction in the profits available for distribution by way of dividends.

The main risks arising from the company's financial instruments are: market risk (comprising market price risk, market yield risk, foreign currency risk and interest rate risk), liquidity risk and credit risk. The directors' approach to the management of these risks, are set out below. The directors determine the objectives and agree policies for managing each of these risks, as set out below. The manager, in close cooperation with the directors, implements the company's risk management policies. These policies have remained substantially unchanged during the current and preceding year.

(a) Market risk

The manager assesses the exposure to market risk when making each investment decision, and monitors the risk on the investment portfolio on an ongoing basis. Market risk comprises of market price risk (price and yield), foreign currency risk and interest rate risk.

(i) Market pricerisk

Market price risk arises mainly from the uncertainty about future prices of financial instruments held. It represents the potential loss the company might suffer through holding market positions in the face of price movements. An analysis of the company's portfolio begins on page 50.

Market price risk sensitivity

The value of the company's listed equities which were exposed to market price risk as at 30 November 2024 and 2023 was as follows:

	2024 £	2023 £
Listed equity investments held at fair value through profit or loss	**644,737,006**	**553,377,318**

The following illustrates the sensitivity of the return after taxation for the year and the net assets to an increase or decrease of 30% (2023: 30%) in the fair values of the company's quoted equities. This level of change is considered to be reasonably possible based on observation of market conditions in recent years. The sensitivity analysis on the profit after taxation and net assets is based on the impact of a 30% increase or decrease in the value of the company's listed investments at each closing balance sheet date and the consequent impact on the investment management fees for the year, with all other variables held constant.

	2024 30% increase in fair value £	2024 30% decrease in fair value £	2023 30% increase in fair value £	2023 30% decrease in fair value £
Revenue earnings				
Investment management fee	(261,118)	261,118	(224,118)	224,118
Capital earnings				
Gains (losses) on investments at fair value	193,421,102	(193,421,102)	166,013,195	(166,013,195)
Investment management fee	(609,276)	609,276	(522,942)	522,942
Change in net earnings and net assets	**192,550,708**	**(192,550,708)**	**165,266,135**	**(165,266,135)**

Management of market price risk
The directors meet regularly to review the asset allocation of the portfolio recommended by the manager, in order to minimise the risk associated with particular countries or industry sectors. Dedicated fund managers have the responsibility for monitoring the existing portfolio selection in accordance with the company's investment objectives and seek to ensure that individual stocks meet an acceptable risk reward profile.

(ii) Market yield risk
Market yield risk arises from the uncertainty about the company's ability to maintain its income objectives due to a systematic decline in corporate dividend levels.

Management of market yield risk
The directors regularly review the current and projected yield of the investment portfolio, and discuss with the manager the extent to which it will enable the company to meet its investment income objective. The board has also committed to using the strong revenue reserve if required.

(iii) Foreign currency risk
Foreign currency risk is the risk of the movement in the values of overseas financial instruments as a result of fluctuations in exchange rates.

Management of foreign currency risk
Transactions in foreign currencies are translated into sterling at the rates of exchange ruling on the date of the transaction. Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date.
The company does not currently hedge against foreign currency exposure.

The table below summarises in sterling terms the foreign currency risk exposure:

	2024 Investments £	2024 Other net assets (liabilities) £	2024 Total currency exposure £	2023 Investments £	2023 Other net assets (liabilities) £	2023 Total currency exposure £
Pounds Sterling	151,360,466	(27,962,100)	123,398,366	138,847,724	(27,578,843)	111,268,881
Australian Dollar	10,940,110	-	10,940,110	8,320,391	114,964	8,435,355
Danish Krone	-	30,811	30,811	5,790,389	37,735	5,828,124
Euro	75,745,143	277,035	76,022,178	76,635,351	272,067	76,907,418
Hong Kong Dollar	4,320,498	-	4,320,498	5,009,435	-	5,009,435
Japanese Yen	11,813,306	128,044	11,941,350	11,411,833	143,345	11,555,178
Norwegian Krona	12,305,014	80,744	12,385,758	10,710,122	-	10,710,122
Swedish Krona	20,189,603	7,170	20,196,773	20,345,454	7,479	20,352,933
Swiss Franc	31,666,088	581,469	32,247,557	31,175,786	588,358	31,764,144
Taiwan Dollar	-	-	-	-	871,056	871,056
US Dollar	326,396,778	302,181	326,698,959	245,130,833	376,280	245,507,113
Total	**644,737,006**	**(26,554,646)**	**618,182,360**	**553,377,318**	**(25,167,559)**	**528,209,759**

The following table details the company's sensitivity to a 20% increase and decrease in sterling against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on net return and net assets. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the year end for a 20% change in foreign currency rates.

	2024 20% decrease in sterling against foreign currencies £	2024 20% increase in sterling against foreign currencies £	2023 20% decrease in sterling against foreign currencies £	2023 20% increase in sterling against foreign currencies £
Australian Dollar	2,735,028	(1,823,352)	2,108,839	(1,405,893)
Danish Krone	7,703	(5,135)	1,457,031	(971,354)
Euro	19,005,545	(12,670,363)	19,226,855	(12,817,903)
Hong Kong Dollar	1,080,125	(720,083)	1,252,359	(834,906)
Japanese Yen	2,985,338	(1,990,225)	2,888,795	(1,925,863)
Norwegian Krona	3,096,440	(2,064,293)	2,677,531	(1,785,020)
Swedish Krona	5,049,193	(3,366,129)	5,088,233	(3,392,156)
Swiss Franc	8,061,889	(5,374,593)	7,941,036	(5,294,024)
Taiwan Dollar	-	-	217,764	(145,176)
US Dollar	81,674,740	(54,449,827)	61,376,778	(40,917,852)
Total	**123,696,001**	**(82,464,000)**	**104,235,221**	**(69,490,147)**

(iv) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

Interest rate exposure

The table below summarises in sterling terms the financial assets and financial liabilities whose values are directly affected by changes in interest rates.

	2024 Fixed rate interest £	2024 Floating rate interest £	2024 Nil Interest £	2024 Total £	2023 Fixed rate interest £	2023 Floating rate interest £	2023 Nil Interest £	2023 Total £
Financial assets	-	4,812,419	644,737,006	649,549,425	-	9,864,904	553,377,318	563,242,222
Financial Liabilities	(25,110,610)	-	-	(25,110,610)	(25,100,721)	-	-	(25,100,721)
Net financial (liabilities) assets	**(25,110,610)**	**4,812,419**	**644,737,006**	**624,438,815**	**(25,100,721)**	**9,864,904**	**553,377,318**	**538,141,501**
Short term receivables and payables	-	-	-	(6,256,455)	-	-	-	(9,931,742)
Net (liabilities) assets per balance sheet	**(25,110,610)**	**4,812,419**	**644,737,006**	**618,182,360**	**(25,100,721)**	**9,864,904**	**553,377,318**	**528,209,759**

As at 30 November 2024, the interest rates received on cash balances, or paid on bank overdrafts respectively, is approximate to 2.55% and 5.75% per annum (2023: 2.75% and 6.25% per annum).

The fixed rate interest bearing liabilities bear the following coupon and effective rates as at 30 November 2023 and 30 November 2024.

2024	Maturity date	Amount borrowed £	Coupon rate	Effective rate since inception*
5% Cumulative Preference Stock	n/a	450,000	5.00%	n/a
2.84% Fixed Rate Note 2048	28/06/2048	25,000,000	2.84%	2.94%

2023	Maturity date	Amount borrowed £	Coupon rate	Effective rate since inception*
5% Cumulative Preference Stock	n/a	450,000	5.00%	n/a
2.84% Fixed Rate Note 2048	28/06/2048	25,000,000	2.84%	2.94%

* The effective rates are calculated in accordance with FRS 102 Section 12: 'Other Financial Instruments' as detailed in the Statement of Accounting Policies on page 88.

The weighted average effective rate of the company's fixed interest bearing liabilities (excluding the 5% cumulative preference stock) is 2.94% (2023: 2.94%) and the weighted average period to maturity of these liabilities is 23.5 years (2023: 24.5 years).

The above year end amounts are reasonably representative of the exposure to interest rates during the year, as the level of exposure does not change materially. The company's profit after tax and net assets, is not significantly affected by changes in interest rates.

Management of interest rate risk
The company invests mainly in equities, the values of which are not directly affected by changes in prevailing market interest rates.

The company finances its operations through a mixture of share capital, retained earnings and long term borrowings which are subject to fixed rates. Movement in interest rates will not materially affect the finance costs of the company.

The company is considered to have low direct exposure to interest rate risk.

(b) Liquidity risk

Liquidity risk relates to the capacity to meet liabilities as they fall due and is dependent on the liquidity of the underlying assets.

Maturity of financial liabilities

The table below presents the future cash flows payable by the company in respect of its financial liabilities.

Cash flows in respect of the principal and interest on the 2.84% Fixed Rate Note 2048 reflect the maturity dates set out in Note 10 on page 94. Cash flows in respect of the 5% cumulative preference stock, which has no fixed repayment date, assume maturity of 20 years from the balance sheet date. Cash flows have not been discounted.

2024	Three months or less £	Between three months and one year £	Between one and five years £	More than five years £	Total £
Other payables					
Finance costs of borrowing	366,250	366,250	-	-	732,500
Revolving Credit Facility	303,855	10,000,000	-	-	10,303,855
Other payables	1,147,675	-	-	-	1,147,675
Creditors: amounts falling due after more than one year					
Maturity of borrowings	-	-	-	25,450,000	25,450,000
Finance costs of borrowing	-	-	2,930,000	13,827,500	16,757,500
	1,817,780	**10,366,250**	**2,930,000**	**39,277,500**	**54,391,530**

2023	Three months or less £	Between three months and one year £	Between one and five years £	More than five years £	Total £
Other payables					
Finance costs of borrowing	366,250	366,250	-	-	732,500
Revolving Credit Facility	320,516	10,000,000	-	-	10,320,516
Other payables	1,020,306	-	-	-	1,020,306
Creditors: amounts falling due after more than one year					
Maturity of borrowings	-	-	-	25,450,000	25,450,000
Finance costs of borrowing	-	-	2,930,000	14,537,500	17,467,500
	1,707,072	**10,366,250**	**2,930,000**	**39,987,500**	**54,990,822**

Other creditors include trade creditors only, no accrued finance costs included.

Management of liquidity risk

Liquidity risk is not considered to be significant as the company's assets mainly comprise realisable securities, which can be sold to meet funding requirements. Short-term flexibility can be achieved through the use of overdraft facilities, where necessary. The company has an undrawn committed borrowing facility of £5 million (2023: £5 million).

(c) Credit risk

Credit risk is the risk of default by a counterparty in discharging its obligations under transactions that could result in the company suffering a loss. There were no impaired assets as of 30 November 2024 (30 November 2023: nil). The counterparties which the company engages with are regulated entities and are of high credit quality.

Management of credit risk

Outstanding settlements are subject to credit risk. Credit risk is mitigated by the company through its decision to transact with counterparties of high credit quality. The company only buys and sells investments through brokers which are approved counterparties, thus minimising the risk of default during settlement. The credit rating of brokers are reviewed quarterly by the manager.

The company is also exposed to credit risk through the use of banks for its cash position. Bankruptcy or insolvency of banks may cause the company's rights with respect to cash held by banks to be delayed or limited. The company's cash balance is held by HSBC Bank plc, rated A1 by Moody's rating agency. The directors believe the counterparties the company has chosen to transact with are of high credit quality, therefore the company has minimal exposure to credit risk.

In summary, the exposure to credit risk at 30 November 2024 and 2023 was as follows:

	2024 £	2023 £
Other receivables:		
Share issue	3,908,220	-
Accrued income	1,511,492	1,612,128
Prepayments	51,770	49,778
	5,471,482	**1,661,906**
Cash at bank and in hand	4,812,419	9,864,904
	10,283,901	**11,526,810**

Fair values of financial assets and financial liabilities

Investments are designated as held at fair value through profit or loss in accordance with FRS 102 sections 11 and 12.

FRS 102 sets out three fair value levels.

Level 1 – The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.
Level 3 – Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

With the exception of those financial liabilities measured at amortised cost, all other financial assets and financial liabilities are either carried at their fair value or the balance sheet amount is a reasonable approximation of their fair value.

As at 30 November 2024 the financial assets at fair value through profit and loss of £644,737,006 (2023: £553,377,318) are categorised as follows:

	2024 £	2023 £
Level 1	644,737,006	553,377,318
Level 2	-	-
Level 3	-	-
	644,737,006	**553,377,318**

There were no transfers between levels for financial assets and financial liabilities during the year recorded at fair value as at 30 November 2024 and 30 November 2023.

The financial liabilities measured at amortised cost have the following fair values:*

	2024 Book value £	2024 Fair value £	2023 Book value £	2023 Fair value £
Preference Stock	450,000	411,075	450,000	377,865
Fixed Rate Note	24,660,610	15,770,000	24,650,721	15,625,000
	25,110,610	**16,181,075**	**25,100,721**	**16,002,865**

The Net Asset Value per ordinary share, with the debt at fair value is calculated as follows:

	2024 £	2023 £
Net assets per balance sheet	618,182,360	528,209,759
Add: financial liabilities at book value	25,110,610	25,100,721
Less: financial liabilities at fair value*	(16,181,075)	(16,002,865)
Net assets (debt at fair value)	**627,111,895**	**537,307,615**
Net Asset Value per ordinary share (debt at fair value)	**1,459.6p**	**1,258.6p**

* The fair value has been derived from the closing market value as at 30 November 2024 and 30 November 2023.

The fair value of the long term debt is calculated with reference to the nearest relevant gilt based on repayment date. A margin is added to the yield of the relevant reference gilt to calculate the fair value. This margin is derived from the excess of UK corporate bond yields over gilt yields.

The Net Asset Value per ordinary share is based on 42,963,736 ordinary shares in issue at 30 November 2024 (2023: 42,692,727).

16. Capital management policies and procedures

The company's objective is to provide growth in capital value and dividends over the long term through investing in a portfolio of UK and international securities.

The company's capital at 30 November comprises:

	2024 £	2023 £
Debt		
Revolving Credit Facility	10,266,421	10,259,408
Creditors: amounts falling due after more than one year	25,110,610	25,100,721
	35,377,031	**35,360,129**
Equity		
Called up share capital	10,740,934	10,673,181
Share premium account and other reserves	607,441,426	517,536,578
	618,182,360	**528,209,759**
Total capital	**653,559,391**	**563,569,888**
Debt as a percentage of total capital	5.4%	6.3%

The board, with the assistance of the manager, monitors and reviews the broad structure of the company's capital on an ongoing basis. The level of gearing is monitored, taking into account the manager's view on the market and the future prospects of the company's performance. Capital management also involves reviewing the difference between the Net Asset Value per share and the share price (i.e., the level of share price discount or premium) to assess the need to repurchase shares for cancellation.

The company is subject to several externally imposed capital requirements. The company has an overdraft facility of £5m (2023: £5m) available, hence any amounts drawn under this facility should not exceed £5m, and as a public company the minimum share capital is £50,000. The company's objective, policies and processes for managing capital are unchanged from the preceding accounting period, and the company has complied with them. The terms of the debt instruments have various covenants which prescribe that moneys borrowed should not exceed 33% of the adjusted Net Asset Value. These are measured in accordance with the policies used in the annual financial statements. The company has complied with these.

17. Transactions with the Investment Manager and related parties

The amounts paid to the investment manager together with details of the investment management contract are disclosed in note 2 on page 90. The existence of an independent board of directors demonstrates that the company is free to pursue its own financial and operating policies and therefore, under FRS102 Section 33: 'Related Party Disclosures', the investment manager is not considered to be a related party.

The company's related parties are its directors. Fees paid to the company's board are disclosed in the Directors' Remuneration Report on page 70.

There are no other identifiable related parties at the year end, and as of 12 February 2025.

18. Post Balance Sheet Events

Since the year end a further 283,991 shares have been issued for a total consideration of £4,175,518, net of issue costs of £7,529, as at 12 February 2025.

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Notable performer
InterContinental Hotels Group is headquartered in **Windsor, United Kingdom.**

Investor information (unaudited)

AIFM and Depositary

Allianz Global Investors UK Limited (AllianzGI UK) is designated the Alternative Investment Fund Manager (AIFM). AllianzGI UK is authorised to act as an AIFM and to conduct its activities by the Financial Conduct Authority (FCA) in accordance with AIFMD and FCA requirements. The management fee and the notice period are unchanged in the restated management and administration agreement (details in Note 2 on page 90).

The company appointed HSBC Bank PLC as its depositary and custodian in accordance with AIFMD under an agreement between the company, AllianzGI UK and HSBC. Depositary fees are charged in addition to custody fees and are calculated on the basis of net assets.

Leverage and risk policies under AIFMD

Details of leverage and risk policies required under AIFMD are published on the website brunner.co.uk under Literature/Trust Documents/Disclosures to Investors under AIFMD. These policies represent no change to the board's policies in existence prior to AIFMD and are in place to ensure that these limits would not be breached under any foreseeable circumstances.

Remuneration disclosure of the AIFM

The following table shows that total amount of remuneration granted to the employees of AllianzGI UK in the financial year to 31 December 2023 divided into fixed and variable components. It is also broken down by material risk takers, members of management/senior management function ('SMF') holders without control function, members of management/SMF with control function and other risk takers.

Number of employees: 290

	All employees	Risk taker	Board member	Other risk taker	Employees with control function	Employees with comparable compensation
Fixed remuneration	21,487,405	2,160,697	1,444,946	176,167	539,584	3,685,675
Variable remuneration	17,371,547	4,130,354	2,883,067	76,245	1,171,042	10,443,368
Total remuneration	**38,858,952**	**6,291,051**	**4,328,013**	**252,412**	**1,710,626**	**14,129,043**

Note: Operational start of AllianzGI UK Ltd on 30 May 2023, therefore only partial year is shown.

The information on employee remuneration does not include remuneration paid by delegated managers to their employees. AllianzGI UK does not pay remuneration to employees of delegated companies directly from the fund.

Setting the remuneration

AllianzGI UK is subject to certain requirements applicable to investment management companies with regard to structuring the remuneration system.

The board of directors of AllianzGI UK has set up a remuneration committee. It has the overall responsibility for overseeing the implementation of the remuneration policy and practices. Working in close cooperation with control functions as well as with external advisers and in conjunction with the management, the human resources department has developed AllianzGI UK's remuneration policy. The remuneration committee ensures that on a regular basis the implementation of the remuneration policy is subject to a central and independent internal review.

Remuneration structure

The primary components of monetary remuneration are the basic salary, which typically reflects the scope, responsibilities and experience required in a particular role, and an annual variable remuneration. The total amount of the variable remuneration payable throughout AllianzGI UK depends on the performance of the business and on the company's risk position and will therefore vary every year. In this respect, the allocation of specific amounts to particular employees will depend on the performance of the employee and their departments during the period under review. Variable remuneration includes an annual bonus paid in cash following the end of the financial year. In the case of employees whose variable remuneration exceeds a certain threshold, a substantial portion of the annual variable remuneration is deferred for a period of three years. The deferred portions increase in line with the level of the variable remuneration. Half of the deferred amount is linked to the performance of AllianzGI UK, and the other half is invested in the funds managed by AllianzGI UK. The amounts ultimately distributed depend on the company's business performance or the performance of shares in certain investment funds over several years. In addition, the deferred remuneration elements may be withheld under the terms of the plan.

Performance evaluation

The level of pay awarded to employees of AllianzGI UK is linked to both quantitative and qualitative performance indicators. For investment managers, whose decisions make a real difference in achieving our clients' investment goals, quantitative indicators are geared towards sustainable investment performance. For portfolio managers in particular, the quantitative element is aligned with the benchmark of the client portfolios they manage or with the client's expected return, measured over a period of one year and three years. For client-facing employees, goals also include client satisfaction, which is measured independently. The remuneration of employees in controlling functions is not directly linked to the business performance of individual departments monitored by the controlling function.

Risk takers

The following groups of employees of AllianzGI UK were qualified as risk takers: members of management/Senior Management Function holders without control function, members of management/Senior Management Function holders with control function and other risk takers.

Risk avoidance

AllianzGI UK has comprehensive risk reporting in place, which covers both current and future risks of our business activities. Risks which exceed the organisation's risk appetite are presented to the global remuneration committee, which will decide, if necessary, on the adjustments to the total remuneration pool. Individual variable compensation may also be reduced or withheld in full if employees violate our compliance policies or take excessive risks on behalf of AllianzGI UK.

Annual review and material changes to the remuneration system

The board of AllianzGI UK approved the remuneration policy which had been implemented in accordance with the remuneration regulations.

Key Investor Information Document (KID)

The Key Investor Information (KID) is a standardised pan-European document that contains product, risk, charges and other information. It is a regulatory requirement that you are provided with a KID before you invest, and you will be required to declare that you have seen the latest KID when you make your investment.

The Brunner Investment Trust KID is available under Information/Documents at brunner.co.uk. However, your chosen platform provider or stockbroker should provide you with a copy before accepting your investment instructions. Please note that existing investors do not need to review the KID unless planning to add to an investment. The KID's standardised format is intended to allow potential investors to compare funds easily, on a like-for-like basis. The KID now includes the same ongoing charge figure as we disclose in this report (in line with the AIC methodology described in the Glossary at the back of this document). There is also now a narrative statement within that document, as well as on our monthly factsheets, which reminds prospective investors and shareholders that the 'charges' disclosed are already accounted for within the NAV and therefore also the price paid – investors do not have to pay any further charges to their investment trust or its manager after purchasing shares.

Financial calendar

Year end 30 November.
Full year results announced and Annual Report posted to shareholders in February.
Annual General Meeting held in March/April.
Half year results announced and half-yearly Financial Report posted to shareholders in July.

Ordinary dividends

It is anticipated that dividends will be paid as follows:

1st quarterly	June/July
2nd quarterly	September
3rd quarterly	December
Final	March/April

Preference dividends

Payable half-yearly 30 June and 31 December.

Benchmark

For the year under review the benchmark was 70% FTSE World Ex UK Index / 30% FTSE All-Share Index. For further information, the FTSE 100 Index was 8,287.30 at 30 November 2024, compared to 7,453.75 at 30 November 2023, an increase of 11.2%.

Market and portfolio information

The company's ordinary shares are listed on the London Stock Exchange. The market price range, gross yield and Net Asset Value are shown daily in the Financial Times and The Daily Telegraph under the headings 'Investment Companies' and 'Investment Trusts', respectively. The Net Asset Value of the ordinary shares is calculated daily and published on the London Stock Exchange Regulatory News Service. The geographical spread of investments and ten largest holdings are published monthly on the London Stock Exchange Regulatory News Service. They are also available from the manager's Investors Helpline on 0800 389 4696 or via the company's website: brunner.co.uk.

Website

Further information about The Brunner Investment Trust PLC, including monthly factsheets, daily share price and performance, is available on the company's website: brunner.co.uk.

How to Invest

Information is available from AllianzGI UK either via Investor Services on 0800 389 4696 or on the company's website: brunner.co.uk. A list of providers can be found on the company's website: brunner.co.uk/about-us/how-to-invest.

Dividend

The board is recommending a final dividend of 6.05p to be payable on 4 April 2025 to shareholders on the Register of Members at the close of business on 21 February 2025, with an ex-dividend date of 20 February 2025, making a total distribution of 23.75p per share for the year ended 30 November 2023, an increase of 4.8% over last year's distribution.

A Dividend Reinvestment Plan (DRIP) is available for this dividend and the relevant Election Date is 7 March 2025.

Cash dividends will be sent by cheque to first-named shareholders at their registered address. Dividends may be paid directly into shareholders' bank accounts. Details of how this may be arranged can be obtained from MUFG Corporate Markets, formerly Link Group. Dividends mandated in this way are paid via Bankers' Automated Clearing Services (BACS).

Registrars

MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Telephone: 0371 664 0300. Lines are open 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday.
Email:shareholderenquiries@cm.mpms.mufg.com
Website: https://eu.mpms.mufg.com

Shareholder enquiries

In the event of queries regarding their holdings of shares, lost certificates, dividend payments, registered details, etc., shareholders should contact the registrars on 0371 664 0300. Lines are open 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday. Calls to the helpline number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Changes of name and address must be notified to the registrars in writing. Any general enquiries about the company should be directed to the Company Secretary, The Brunner Investment Trust PLC, 199 Bishopsgate, London EC2M 3TY. Telephone: 020 3246 7513.

Dividend Reinvestment Plan for ordinary shareholders (DRIP)

The registrars offer a DRIP which gives ordinary shareholders the opportunity to use their cash dividend to buy further shares in the company under a low-cost dealing arrangement. Terms and Conditions and an application form are enclosed with each dividend payment. For more information please email sharedeal@cm.mpms.mufg.com or call 0371 664 0381.

Share dealing services

MUFG Corporate Markets, formerly Link Group, operate an online and telephone dealing facility for UK resident shareholders with share certificates. Stamp duty and commission may be payable on transactions.

For further information on these services please contact: sharedeal@cm.mpms.mufg.com for online dealing or 0371 664 0445 for telephone dealing. Lines are open 8.00 a.m. to 4.30 p.m. (UK time) Monday to Friday. Calls to the helpline number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Share Portal

MUFG Corporate Markets, formerly Link Group, offer shareholders a free online service called Share Portal, enabling shareholders to access a comprehensive range of shareholder related information. Through Share Portal, shareholders can: view their current and historical shareholding details; obtain an indicative share price and valuation; amend address details; view details of dividend payments; and apply for dividends to be paid directly to a bank or change existing bank details.

Shareholders can access these services at signalshares.com. Shareholders will need to register for a Share Portal Account by completing an on-screen registration form. An email address is required.

International payment services

MUFG Corporate Markets, formerly Link Group, operate an international payment service for shareholders, whereby they can elect either for their dividend to be paid by foreign currency draft or they can request an international bank mandate. This service is only available for dividend payments of £10 or more and a small administration fee per dividend payment applies.

For further information on this service please contact: 0371 664 0385. Lines are open between 9.00am and 5.30pm (UK time), Monday to Friday.

Shareholder proxy voting

Shareholders may submit their proxy electronically using the Share Portal service at www.signalshares.com. Or via the registrars' new LinkVote+ shareholder App. Further details on voting via the LinkVote+ App, online through the registrars' Share Portal, or by post using the personalised proxy card provided, are contained within the Notice of Meeting Notes on page 108.

CREST proxy voting

Shares held in uncertificated form (i.e., in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual. Voting via the Proxymity platform is also available to institutional shareholders. Further details are contained within the Notice of Meeting Notes on page 108.

Association of Investment Companies (AIC)

The company is a member of the AIC, the trade body of the investment trust industry, which provides a range of literature including fact sheets and a monthly statistical service. Copies of these publications can be obtained from the AIC, 9th Floor, 24 Chiswell Street, London EC1Y 4YY, or at theaic.co.uk.

AIC Category: Global.

Notice of Meeting

Notice is hereby given that the ninety-eighth annual general meeting of The Brunner Investment Trust PLC will be held at Trinity House, Trinity Square, Tower Hill, London EC3N 4DH on Wednesday 2 April 2025 at 12 noon to transact the following business:

Ordinary business

1. To receive and adopt the Directors' Report and the Financial Statements for the year ended 30 November 2024 with the Auditors' Report thereon.
2. To declare a final dividend of 6.05p per ordinary share.
3. To re-elect Carolan Dobson as a director.
4. To re-elect Amanda Aldridge as a director.
5. To re-elect Elizabeth Field as a director.
6. To re-elect Andrew Hutton as a director.
7. To re-elect Jim Sharp as a director.
8. To approve the Directors' Remuneration Implementation Report.
9. To re-appoint PricewaterhouseCoopers LLP as the auditor of the company.
10. To authorise the directors to determine the remuneration of the auditor.

Special business

To consider and, if thought fit, pass the following resolutions of which resolution 11 will be proposed as an ordinary resolution and resolutions 12 and 13 will be proposed as special resolutions:

11. That the directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to allot relevant securities (within the meaning of section 551 of that Act) provided that this power shall be limited to the allotment of relevant securities up to an aggregate nominal amount of £3,600,373 (14,401,493 ordinary shares) and shall expire at the conclusion of the next annual general meeting of the company held after the meeting at which this resolution is passed or 1 July 2026 if earlier, save that the directors may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
12. That the directors be and are hereby empowered, pursuant to section 570 of the Companies Act 2006, to allot equity securities (as defined in section 560 of that Act) pursuant to the authority conferred by resolution 11 above or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash of an aggregate maximum nominal amount of £1,081,175 (4,324,772 ordinary shares) and shall expire at the conclusion of the next annual general meeting of the company held after the meeting at which this resolution is passed or 1 July 2026, if earlier, save that the directors may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred had not expired.
13. That the company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 (the Act) to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 25p each in the capital of the company (ordinary shares) either for retention as treasury shares or for cancellation, provided that:
    (i) the maximum number of ordinary shares hereby authorised to be purchased shall be 6,482,834;
    (ii) the minimum price which may be paid for an ordinary share is 25p;
    (iii) the maximum price which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share taken from the London Stock Exchange Official List for the 5 business days immediately preceding the day on which the ordinary share is purchased or such other amount as may be specified by the London Stock Exchange from time to time;
    (iv) the authority hereby conferred shall expire at the conclusion of the annual general meeting of the company in 2026 or 1 July 2026 if earlier, unless such authority is renewed prior to such time; and
    (v) the company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

By order of the board
Kirsten Salt
Company Secretary
12 February 2025
199 Bishopsgate, London EC2M 3TY

Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at this Meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the company of the number of votes they may cast), shareholders must be registered in the register of members of the company at close of trading on Monday 31 March 2025 (the record date). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the company.
3. A personalised form of proxy which may be used to make such appointment and give proxy instructions accompanies this Notice. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact the registrar of the company whose contact details are provided in note 6 below.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the company's Register of Members in respect of the joint holding (the first named being the most senior).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. To be valid, any form of proxy or other instrument appointing a proxy, must be returned by no later than 12 noon on Monday 31 March 2025 through any one of the following methods:

   (i) by post, courier or (during normal business hours only) hand to the company's registrar at:

   MUFG Corporate Markets
   PXS1
   Central Square
   29 Wellington Street
   Leeds
   LS1 4DL

   (ii) electronically through the website of the company's registrar at www.signalshares.com (see note 8 below).
   (iii) via LinkVote+ (see note 9 below).
   (iv) via Proxymity (see note 10 below).
   (v) in the case of shares held through CREST, via the CREST system (see notes below).
7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. To submit your proxy instructions electronically through the company's registrar, please complete the online form of proxy by logging on to www.signalshares.com. If you have not previously registered for the share portal you will need your investor code (IVC) which is detailed on your share certificate or is available by calling our Registrar, MUFG Corporate Markets, on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.
9. LinkVote+ is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It offers shareholders the option to submit a proxy appointment quickly and easily online, as well as real-time access to their shareholding records. The app is available to download on both the Apple App Store and Google Play. QR codes to facilitate this are shown below. Your vote must be lodged by 12 noon on Monday 31 March 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting.

   Apple App Store **GooglePlay**
10. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12 noon on Monday 31 March 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated

message via the platform instructing the removal of your proxy vote.

11. The return of a completed form of proxy, electronic voting online or via the app or any CREST Proxy Instruction (as described in note 13 below) or the appointment of a proxy via Proxymity will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so.

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

13. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 12 noon on Monday 31 March 2025. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

14. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

15. Unless otherwise indicated on the Form of Proxy, CREST voting, Proxymity or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

16. Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with section 323 of the Companies Act 2006. Pursuant to the Companies (Shareholders' Rights) Regulations 2009 (SI 2009/1632), multiple corporate representatives appointed by the same corporate member can vote in different ways provided they are voting in respect of different shares.

17. As at 12 February 2025, (being the latest practicable business day prior to the publication of this Notice), the total number of shares in the company in respect of which members are entitled to exercise voting rights was 43,247,727 ordinary shares, of 25p each. Each ordinary share carries the right to one vote and therefore the total number of voting rights in the company on 12 February 2025 is 43,247,727. The 5% cumulative preference shares do not ordinarily have any voting rights.

18. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 (nominated persons). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

19. Members have a right under section 319A of the Companies Act 2006 to require the company to answer any question raised by a member at the AGM, which relates to the business being dealt with at the meeting, although no answer need be given: (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the company's website; or (c) it is undesirable in the best interests of the company or the good order of the meeting.

20. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the company, at its expense, to publish a statement on the company website setting out any matter which relates to the audit of the company's financial statements that are to be laid before the meeting. Any such statement must also be sent to the company's auditor no later than the time it is made available on the website and must be included in the business of the meeting.

21. Any shareholder attending the Meeting has the right to ask questions. The company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is

undesirable in the interests of the company or the good order of the Meeting that the question be answered.

22. Further information regarding the meeting which the company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting (including this notice), can be accessed at brunner.co.uk.

23. Contracts of services are not entered into with the directors, who hold office in accordance with the Articles.

Glossary

UK GAAP performance measures

Net Asset Value is the value of total assets less all liabilities. The Net Asset Value, or NAV, per ordinary share is calculated by dividing this amount by the total number of ordinary shares in issue. The debt in the company used in the calculation is measured at par value, that is, the net proceeds on issue plus accrued finance costs to date. As at 30 November 2024, the NAV with debt at par value was £618,182,360 (2023: £528,209,759) and the NAV per share was 1,438.8p (2023: 1,237.2p).

Earnings per ordinary share is the profit after taxation, divided by the weighted average number of shares in issue for the period. For the year ended 30 November 2024 earnings per ordinary share was 27.37p (2023: 26.35p), calculated by taking the profit after tax of £11,685,745 (2023: £11,251,047), divided by the weighted average shares in issue of 42,701,544 (2023: 42,692,727).

Alternative Performance Measures (APMs)

Net Asset Value, debt at fair value is the value of total assets less all liabilities, with the company's debt measured at the fair value at the time of calculation. The Net Asset Value, or NAV, per ordinary share with debt at fair value is calculated by dividing this amount by the total number of ordinary shares in issue (see page 96). As at 30 November 2024, the NAV with debt at fair value was £627,111,895 (2023: £537,307,615) and the NAV per share with debt at fair value was 1,459.6p (2023: 1,258.6p). (Further details can be found in Note 15(c) on page 100).

Net Asset Value per ordinary share, total return represents the theoretical return on NAV per ordinary share, assuming that dividends paid to shareholders were reinvested at the NAV per ordinary share at the close of business on the day the shares were quoted ex dividend (see Note 13 on page 96).

Share price Total Return the theoretical return to a shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the ordinary shares of the company at the close of business on the day the shares were quoted ex dividend (see page 3). The share price as at 30 November 2024 was 1,460.0p, an increase of 395.0p from the price of 1,065.0p as at 30 November 2023. The increase in share price of 395.0p plus the dividends declared for the year of 23.75p are divided by the opening share price of 1065.0p to arrive at the share price total return for the year ended 30 November 2024 of +39.3% (2023: +6.6%).

Benchmark Total Return is the return on the benchmark, on a closing market price basis, assuming that all dividends received were reinvested into the shares of the underlying companies at the time their shares were quoted ex dividend (see page 3).

Discount or premium is the amount by which the stock market price per ordinary share is lower (discount) or higher (premium) than the Net Asset Value, or NAV, with either debt at par or debt at market value, per ordinary share. The discount/premium is normally expressed as a percentage of the NAV per ordinary share (see page 2).

Ongoing charges are operating expenses incurred in the running of the company, whether charged to revenue or capital, but excluding financing costs. These are expressed as a percentage of the average Net Asset Value during the year and this is calculated in accordance with guidance issued by the Association of Investment Companies (see page 17).

	2024 £	2023 £
Management fee	2,741,770	2,389,770
Administration expenses	954,818	855,035
Total expenses (A)	**3,696,588**	**3,244,805**
Average Net Asset Value with debt at market value (B)	585,576,405	507,451,778
Ongoing charge (A/B)	**0.63%**	**0.64%**

The ongoing charge differs from the ongoing charge in the company's KID, which is calculated in accordance with the PRIIPs regulations and includes finance costs.

Yield represents dividends declared in the past year as a percentage of share price.

	2024	2023
Dividends declared for the year	23.75p	22.7p
Share price at year end	1,460.0p	1,065.0p
Annual dividend as a percentage of share price	**1.6%**	**2.1%**

Gearing is the amount of debt as a percentage of the net assets (see Note 16 on page 101).

Revenue reserve per ordinary share of 33.0p (2023: 29.6p) is the revenue reserve per the balance sheet of £19,278,342 (2023: £17,579,243) less the third dividend and final proposed dividend in respect of the year (Note 6) of £5,118,177 (2023: £4,952,356), payable after the year end, divided by the total number of ordinary shares in issue of 42,963,736 (2023: 42,692,727).

Warning to Shareholders

We are aware that some shareholders may have received unsolicited telephone calls or correspondence concerning investment matters. These are typically from overseas based organisations who target UK shareholders offering to sell them, what often turn out to be, worthless or high risk shares in US or UK investments or encourage them to dispose of UK shares. They can be extremely persistent and persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice or offers.

Please note that it is most unlikely that either the company or the company's Registrar, MUFG Corporate Markets (formerly Link Group), would make unsolicited telephone calls to shareholders. Any such calls would only ever relate to official documentation already circulated to shareholders and never in respect of investment 'advice'.

If you are in any doubt about the veracity of an unsolicited telephone call, please call the Company Secretary on +44 (0)800 389 4696 or the Registrar on +44 (0) 371 664 0300.

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