

The Brunner Investment Trust PLC

An 'all-weather' global equity portfolio



Aim

The Trust aims to provide growth in capital value and dividends over the long term by investing in global and UK securities. The benchmark against which performance is measured is 70% FTSE World ex-UK Index and 30% FTSE All-Share Index.

History

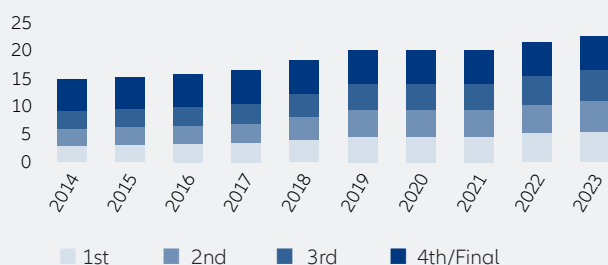
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private and institutional investors.

Trust Benefits

Brunner aims to provide its shareholders with growing dividends and capital growth by investing in a portfolio of global equities. It is an independent company listed on the London Stock Exchange and, although past performance is no guide to the future, has paid increasingly higher dividends to its shareholders year on year for the last 51 years. The Trust invests in companies all over the world, seeking out opportunities for growth and reliable dividends wherever they may be.

Ten Year Dividend History

Dividend Record in Pence per Share
To Year End 30 November



Last Four Dividend Payments per Share

Record Date	Pay Date	Dividend	Type
01.03.2024	04.04.2024	6.05p	Final*
27.10.2023	12.12.2023	5.55p	3rd Interim
04.08.2023	15.09.2023	5.55p	2nd Interim
16.06.2023	25.07.2023	5.55p	1st Interim

Past performance is not a reliable indicator of future results.
*proposed

Key Information

Launch Date	December 1927
AIC Sector	Global
Benchmark	70% FTSE World ex-UK Index; 30% FTSE All-Share Index
Annual Management Fee	0.45%
Performance Fee	No
Ongoing Charges ¹	0.63%
Year End	30 November
Annual Financial Report	Final published in February, Half-yearly published in July
AGM	March
NAV Frequency	Daily
Dividends	March/April, June/July, September, December
Price Information	Financial Times, The Daily Telegraph, www.brunner.co.uk
Company Secretary	Kirsten Salt
Investment Managers	Julian Bishop and Christian Schneider
Codes	RIC: BUT.L SEDOL: 0149000

1. Source: AIC, as at the Trust's Financial Year End (30.11.2022). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses, which include the annual management fee, incurred in the running of the company but excluding financing costs.



A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

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Total Assets £574.6m

Shares in Issue 42,692,727 (Ordinary 25p)

Market Cap £496.3m

Share Price

1162.5p

NAV per Share

1307.3p

Premium/-Discount

-11.1%

Dividend Yield

2.0%

Gearing

4.9%

Fund Manager's Review

Dear Fellow Shareholder,

After a strong finish to 2023, driven by lower interest rates, markets started 2024 on a more sober note. The US economy, particularly, continues to run hot, curbing the prospect for immediate rate cuts. Conversely, the Chinese economy continues to struggle with a large, contracting property market. History tells us property downturns can be very harmful to economies and the financial systems that support them. Time will tell if the Chinese government can better manage this danger than Western governments did in the financial crisis some 15 years ago. Some scepticism is warranted, in our view.

In terms of the Trust's performance, the Net Asset Value (NAV) total return for January was -0.2%, lagging the 0.38% return from the benchmark index.

During January, ASML reported some very strong order numbers. As a reminder, we bought ASML last year. ASML is a Dutch semiconductor capital equipment company which makes the lithography tools used to manufacture the world's most advanced computer chips. After a cyclical downturn, these order numbers point to a clear and powerful resumption of growth in 2025. ASML has a de facto monopoly in substantial portions of its end markets and sells its machines at good economics. We are happy to have this company in our current portfolio, and encouraged by its recent operational results.

Many of our other technology names also performed well. This included Taiwan Semiconductor, the world's largest semiconductor 'foundry', making chips on behalf of companies like Apple and Nvidia. They are ASML's largest customer. Our largest holding Microsoft also had a good month, building on a very strong 2023. Results here have continued to impress, driven by growth in Azure, the company's cloud computing platform, and the Office 365 software suite.

“ Our largest holding Microsoft also had a good month, building on a very strong 2023

Financial companies can be buffeted by changes related to interest rate regimes. Faltering belief that interest rate cuts are imminent led to modest declines in sensitive companies like Charles Schwab, Marketaxess and Partners Group during the month.

Financial companies can also be vulnerable to regulatory changes. In the UK, the Financial Conduct Authority has become more interventionist in recent times. This is best exemplified by its new 'Consumer Duty' rules which laudably aim to ensure that financial products deliver value for



**Julian Bishop,
Co-Lead Portfolio Manager**

Julian Bishop joined Allianz Global Investors in November 2022. Julian has more than 25 years fund management experience. He joined AllianzGI from Tesco Pension Investment Ltd where he was an Equity Fund Manager managing a multi-billion pounds global equities portfolio. Julian graduated from Queens' College, Cambridge University in 1995 and has an MA (Hons) Cantab in Geography. He is an Associate of the CFA Society of the UK.



**Christian Schneider,
Co-Lead Portfolio Manager**

Christian Schneider joined the Global Equity Fund Management Team as a portfolio manager in April 2000 and managed a US Equity strategy until 2002. Christian graduated with a Master's degree in Economics from the University of Giessen and is a CFA charter holder.

money. Generally, we believe that intense competition in the sector ensures consumers receive fair prices but increasingly the FCA is imposing its view of appropriate pricing methods on the market. Regulatory interference of this type can be very disconcerting for shareholders, particularly when previously permitted practices are retrospectively judged improper. During the month this impacted the value of our shares in Close Brothers, who have exposure to motor finance lending where historical sales methods have come under sudden scrutiny. Potentially material compensation to those affected has been mooted. With the costly PPI scandal (where sales of near useless payment protection insurance ultimately cost British banks £50 billion in compensation) fresh in investors' memory, market sensitivity to this type of liability is understandable. We believe this is a very different situation, but the stock has been badly hit nonetheless. We are carefully considering how to respond.

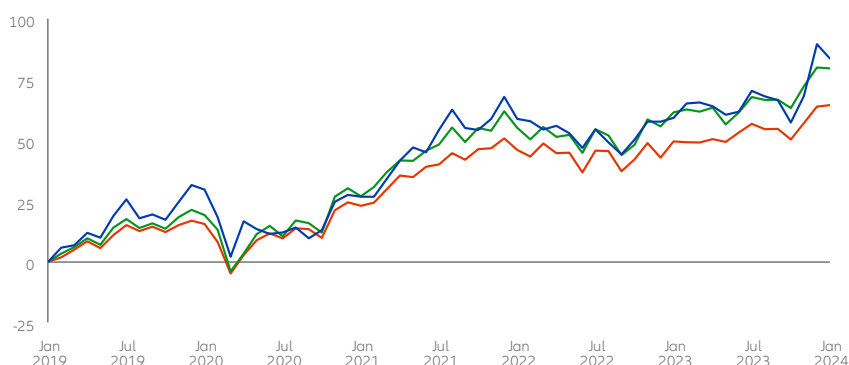
There were no trades during the month.

**Julian Bishop & Christian Schneider
15 February 2024**

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

Performance Track Record

Five Year Performance (%)



■ Share Price ■ NAV (debt at fair value)

■ Benchmark: Effective 22 March 2017 the benchmark weightings changed to 70% FTSE World ex-UK Index; 30% FTSE All-Share Index

Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

The Trust seeks to enhance returns for its shareholders through gearing which can boost the Trust's returns when investments perform well, though losses can be magnified when investments lose value. You should be aware that this Trust may be subject to sudden and large falls in value and you could suffer substantial capital loss.

Changes in rates of exchange may cause the value of investments and the income from them to go up or down.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	16.7	7.8	15.3	44.8	83.5
NAV (debt at fair value)	10.0	7.0	11.2	41.4	79.5
Benchmark	9.4	4.9	10.0	33.7	64.4

Discrete 12 Month Returns to 31 January (%)

	2024	2023	2022	2021	2020
Share Price	15.3	0.3	25.2	-2.3	29.7
NAV (debt at fair value)	11.2	4.1	22.2	6.5	19.2
Benchmark	10.0	2.4	18.7	6.5	15.5

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.01.24. Copyright 2023 © DataStream, a Thomson Reuters company. All rights reserved. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

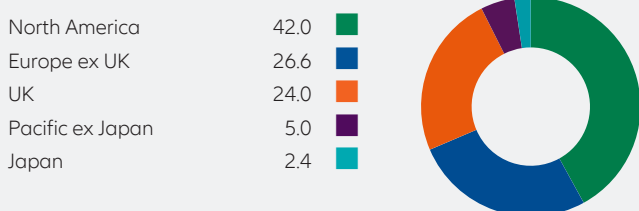
Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested. This investment trust charges 70% of its annual management fee to the capital account and 30% to revenue. This could lead to a higher level of income but capital growth will be constrained as a result.

Portfolio Breakdown

Sector Breakdown* (%)

Industrials	25.6	<div style="width: 25.6%;"></div>
Information Technology	20.9	<div style="width: 20.9%;"></div>
Financials	19.1	<div style="width: 19.1%;"></div>
Health Care	14.3	<div style="width: 14.3%;"></div>
Consumer Discretionary	7.9	<div style="width: 7.9%;"></div>
Energy	4.7	<div style="width: 4.7%;"></div>
Consumer Staples	3.8	<div style="width: 3.8%;"></div>
Utilities	2.4	<div style="width: 2.4%;"></div>
Materials	0.9	<div style="width: 0.9%;"></div>
Real Estate	0.4	<div style="width: 0.4%;"></div>

Geographic Breakdown* (%)



Top Twenty Holdings (%)

Microsoft	6.7
Visa - A Shares	4.0
UnitedHealth Group	3.9
Microchip Technology	2.8
Schneider Electric	2.7
Thermo Fisher Scientific	2.7
Taiwan Semiconductor	2.6
InterContinental Hotels Group	2.6
Partners Group	2.5
Shell	2.5
ASML	2.5
Schwab (Charles)	2.5
Itochu	2.4
AMETEK	2.2
Muenchener Rueckver	2.2
TotalEnergies	2.1
Gallagher	2.1
Accenture	2.1
Amphenol	2.0
DNB Bank	1.9

Total number of holdings 60

The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding.

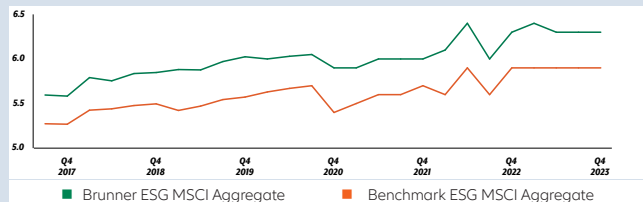
This is no recommendation or solicitation to buy or sell any particular security.

*Excludes Cash

Environmental, Social and Governance (ESG)

AllianzGI has a dedicated ESG research team working with the portfolio managers to incorporate ESG factors into investment decisions. The board supports AllianzGI's view that there is value in working with companies in the portfolio on environmental, social, governance and business conduct issues.

AllianzGI uses third party research provided by MSCI to help identify ESG factors that can impact the businesses of the companies in the portfolio. The chart below shows that the Brunner portfolio's ESG ratings compare well against the benchmark's ESG ratings over a five year period.



The chart above shows the rating of the Brunner portfolio on ESG risks and combined ESG risk measurements compared to the rating of the Benchmark (70% FTSE World ex-UK Index; 30% FTSE All-Share Index) scored on a scale of 1-10 (where 10 is high) on a quarterly basis.

Board of Directors

Carolan Dobson (Chair)
Amanda Aldridge (Chair of the Audit Committee)
Elizabeth Field
Andrew Hutton (Senior Independent Director)
Jim Sharp

Glossary

Share Price is the price of a single ordinary share, as determined by the stock market. The share price above is the mid-market price at market close.

Net Asset Value (NAV) per Share is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's assets after deducting liabilities.

The NAV figure above is based on the fair/market value cum income of the company's long term debt and preference shares (known as debt at fair value). This allows for the valuation of long-term debt and preference shares at fair value or current market price, rather than at final repayment value (known as debt at par).

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a premium or discount.

Dividend Yield is calculated using the latest full year dividend divided by the current share price.

Gearing is a measure of a company's financial leverage and shows the extent to which its operations are funded by lenders versus shareholders.

How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.brunner.co.uk

E-mail: investment-trusts@allianzgi.com

You will find much more information about The Brunner Investment Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.



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All data source Allianz Global Investors as at 31.01.24 unless otherwise stated.

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