

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

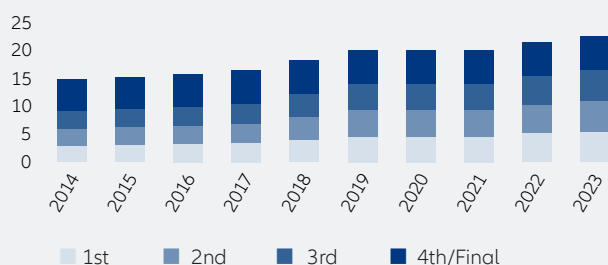
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private 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	0.64%
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 (30.11.2023). 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.

© 2023 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Total Assets £593.3m

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

Market Cap £523.0m

Share Price

1225.0p

NAV per Share

1351.8p

Premium/-Discount

-9.4%

Dividend Yield

1.9%

Gearing

6.3%

Fund Manager's Review

Dear Fellow Shareholder,

Stock markets continued their vertiginous ascent in February. This was particularly apparent in the US where the key S&P 500 benchmark rose over 5% and finished at an all-time high. Particular strength was notable in the information technology and industrial sectors. Vast numbers of semiconductors will be needed to power artificial intelligence applications and the world needs to build the electrical infrastructure necessary to displace fossil fuels. Valuations are, for the most part, approaching the 'upper end of comfortable' rather than anything more sinister. Please be rest assured we will take action should they veer into irrational territory.

Brunner kept pace with markets during the month, slightly beating its benchmark. The Net Asset Value (NAV) total return was 4.21% compared to a 3.58% return from the benchmark index. Our best performing investments included French company Schneider Electric which makes systems and components vital for the energy transition. Taiwan Semiconductor and ASML, two companies which have unique capabilities manufacturing semiconductors, also performed very well. We took a position in ASML last year, close to the trough in the post COVID semiconductor down-cycle, allowing us to buy a holding in one of Europe's leading companies at a very reasonable price.

Other strong performers include London listed Intercontinental Hotels Group (IHG), another addition to the portfolio in 2023. They reported strong results whilst also providing bullish growth expectations for the next several years. We believe IHG combines a proven business model with strong structural growth drivers. Also in the UK, our position in homebuilder Redrow was subject to a bid from its larger competitor Barratt. We note that M&A activity in the UK is growing, reflecting the value found amongst smaller companies, particularly.

Detractors included some of the mega-market-capitalisation technology stocks we don't own (Nvidia, Meta, Amazon), whose strong performance

“ Vast numbers of semiconductors will be needed to power artificial intelligence applications and the world needs to build the electrical infrastructure necessary to displace fossil fuels

hurt our performance relative to the benchmark. We were also hurt by our small position in Close Brothers, a small UK lender. Close have been impacted by an FCA review into historic motor finance commission arrangements which may require them to pay compensation to certain customers. We sold our position before they announced a large provision and cancelled their dividend later in the month.

We added two new holdings to the Brunner portfolio during the period. General Electric is notorious in corporate history for its rise and subsequent fall. CEO Jack Welch and his successor Jeff Immelt were initially feted before the conglomerate's under-capitalised finance business crumbled after the 08/09 crisis. Following a multi-year dismantling that is approaching completion, GE Aerospace, their jet engine business, will soon be all that's left of a once-sprawling empire.

A modern jet engine is amongst the most sophisticated devices ever made. The latest contain over a million parts and operate at the limits of physics and material science. They suck in a tonne of air per second, squeeze it to a fraction of its normal volume, mix it with fuel and ignite it. The core of the engine reaches temperatures a third as hot as the surface of the sun. The turbine blades rotate at up to 10,000 rpm. Each one



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.

individually generates power similar to a Formula One car whilst enduring centrifugal forces equivalent to a double decker bus hanging off its end. Additionally, there is the obvious importance of absolute safety and near total reliability.

About 75% of all flights that take off worldwide are powered with a GE engine 'under wing'. GE make their money by servicing the engines under long term agreements with the owners. This provides a highly visible, very profitable recurring income stream for the life of the engine. Growth could come from a combination of price increases and ongoing expansion of the aircraft fleet. In 1980 there were 7,500 large jet powered aeroplanes in operation worldwide. In 2022 there were 32,000, a supportive structural trend which we believe could continue at this magnitude for the foreseeable future.

More prosaically, we also took a position in Bank of Ireland. The Irish banking market has consolidated to just two main players; an attractive structure in our view. Post-crisis regulation has resulted in a far better capitalised banking system with more prudent lending standards. Debt levels across the economy have fallen to far more palatable levels.

This journey has been very costly for Bank of Ireland who have had to rebuild their balance sheet whilst shrinking in size. Fifteen years of poor performance has understandably made banks deeply unfashionable amongst investors, but it is our belief that the next decade will be very different from the past. After years of minimal cash returns to shareholders we believe Bank of Ireland is now in a position to pay potentially attractive dividends whilst also repurchasing stock.

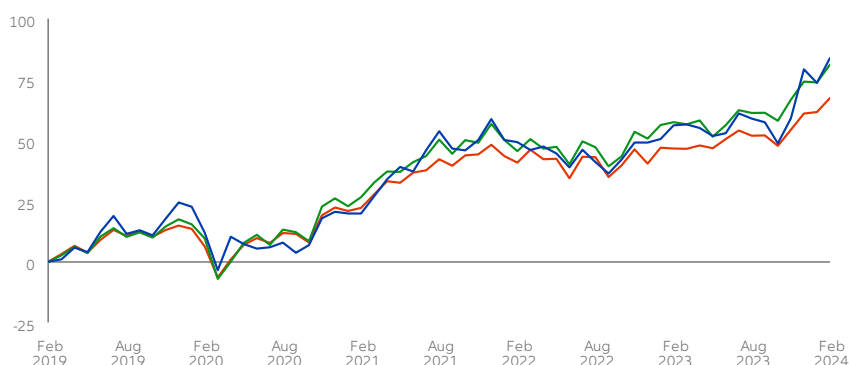
These new positions were funded by the sale of our position in Close Brothers, the sale of Helical, a small UK property stock, and reductions to several other holdings.

Julian Bishop & Christian Schneider
15 March 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	15.6	15.7	17.7	53.4	83.7
NAV (debt at fair value)	8.6	12.3	15.0	43.1	81.0
Benchmark	8.5	10.2	14.2	37.0	67.3

Discrete 12 Month Returns to 29 February (%)

	2024	2023	2022	2021	2020
Share Price	17.7	4.6	24.5	7.1	11.9
NAV (debt at fair value)	15.0	8.2	15.0	15.5	9.5
Benchmark	14.2	4.1	15.3	14.9	6.3

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 29.02.24. 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	27.0	<div style="width: 27%;"></div>
Information Technology	20.4	<div style="width: 20.4%;"></div>
Financials	20.1	<div style="width: 20.1%;"></div>
Health Care	13.6	<div style="width: 13.6%;"></div>
Consumer Discretionary	7.9	<div style="width: 7.9%;"></div>
Energy	4.4	<div style="width: 4.4%;"></div>
Consumer Staples	3.6	<div style="width: 3.6%;"></div>
Utilities	2.2	<div style="width: 2.2%;"></div>
Materials	0.8	<div style="width: 0.8%;"></div>

Geographic Breakdown* (%)

North America	43.1	<div style="width: 43.1%;"></div>
Europe ex UK	27.4	<div style="width: 27.4%;"></div>
UK	22.4	<div style="width: 22.4%;"></div>
Pacific ex Japan	5.2	<div style="width: 5.2%;"></div>
Japan	1.9	<div style="width: 1.9%;"></div>

Top Twenty Holdings (%)

Microsoft	6.8
Visa - A Shares	4.0
UnitedHealth Group	3.7
Taiwan Semiconductor	2.9
InterContinental Hotels Group	2.8
Schneider Electric	2.7
Thermo Fisher Scientific	2.7
Microchip Technology	2.7
ASML	2.6
Partners Group	2.6
Schwab (Charles)	2.5
Shell	2.4
AMETEK	2.4
General Electric	2.3
Gallagher	2.2
Accenture	2.1
Muenchener Rueckver	2.1
Amphenol	2.1
TotalEnergies	2.0
Bank of Ireland	2.0

Total number of holdings 59

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.

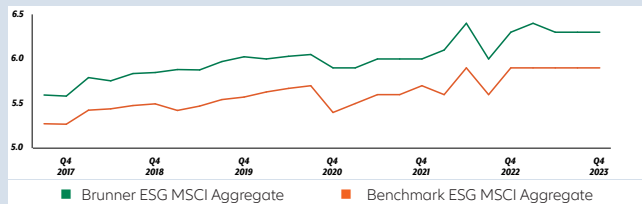
This is no recommendation or solicitation to buy or sell any particular security.

*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

Carolyn 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.



Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors may not get back the full amount invested. The views and opinions expressed herein, which are subject to change without notice, are those of the issuer and/or its affiliated companies at the time of publication. The data used is derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy or completeness is not guaranteed and no liability is assumed for any direct or consequential losses arising from its use, unless caused by gross negligence or wilful misconduct. The conditions of any underlying offer or contract that may have been or will be made or concluded shall prevail. For further information contact the issuer at the address indicated below.

All data source Allianz Global Investors as at 29.02.24 unless otherwise stated.

This is a marketing communication issued by Allianz Global Investors UK Limited, 199 Bishopsgate, London, EC2M 3TY, www.allianzglobalinvestors.co.uk. Allianz Global Investors UK Limited, company number 11516839, is authorised and regulated by the Financial Conduct Authority. Details about the extent of our regulation are available from us on request and on the Financial Conduct Authority's website (www.fca.org.uk). The duplication, publication, or transmission of the contents, irrespective of the form, is not permitted; except for the case of explicit permission by Allianz Global Investors UK Limited.

AdMaster 3443550