

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

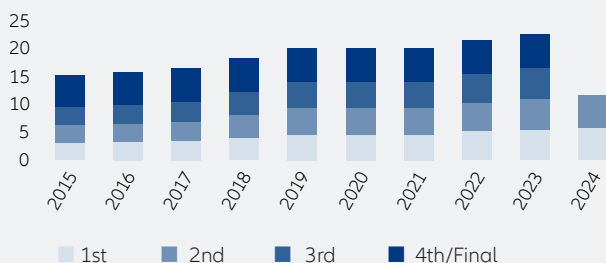
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private 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 52 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
02.08.2024	12.09.2024	5.90p	2nd Interim
14.06.2024	25.07.2024	5.90p	1st Interim
01.03.2024	04.04.2024	6.05p	Final
27.10.2023	12.12.2023	5.55p	3rd Interim

Past performance is not a reliable indicator of future results.

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 Report	Annual 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 Kelly Nice
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.

This is a marketing communication. Please refer to the Key Information Document (KID) before making any final investment decisions.



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 £624.0m

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

Market Cap £595.6m

Share Price

1395.0p

NAV per Share

1423.1p

Premium/-Discount

-2.0%

Dividend Yield

1.7%

Gearing

6.1%

Fund Manager's Review

Dear Fellow Shareholder,

At the start of August, the Bank of England made its widely anticipated first cut to interest rates this cycle. At the Jackson Hole Economic Symposium, Jerome Powell, Chair of the US Federal Reserve, strongly hinted that it, too, will soon start cutting rates. Markets react strongly to these announcements in the short term, but over the long term the influence of interest rates is less clear. It is difficult to tell what is already expected by the market and whilst there are some sectors where the direction of influence is theoretically straightforward eg lower rates better for housing, higher rates better for banks, the reality is more convoluted. A cartoon by Bob Mankoff, a regular contributor to The New Yorker magazine, shows a newsreader telling viewers *'On Wall Street today, news of lower interest rates sent the stock market up, but then the expectation that these rates would be inflationary sent the market down, until the realization that lower rates might stimulate the sluggish economy pushed the market up, before it ultimately went down on fears that an overheated economy would lead to a reimposition of higher interest rates'*. Satire can be brutal at skewering convention. We think trying to predict macro cycles has little practical relevance to the long-term equity investor although they can, of course, conjure up opportunities along the way.

In Japan, interest rates have only just started increasing after many years at emergency negative levels. This change in policy has been posited as a possible cause for the Nikkei 225 index falling an extraordinary 20% in the first three trading days of August, all of which had reversed by the end of the month. Another Bob Mankoff cartoon has the newsreader announce, *'On Wall Street today, the stock market corrected its previous correction, and is pretty sure it's got it right this time'*. Quite.

Global stock markets eked out a modest gain in August in Sterling terms, and Brunner's Net Asset Value (NAV) total return was 0.75%, very slightly

“ over the long term the influence of interest rates is less clear

above the benchmark return of 0.45%. On the positive side of the ledger the two key contributors were businesses we rarely get to discuss as they are middling position sizes and their lower volatility means they are infrequently at the top or bottom of the leader board. Firstly, Brambles, an Australian listed business, had very strong results for its 2024 financial year with revenues up 7% and earnings up 17%. Brambles operates a network of wooden pallets upon which companies distribute their goods. If you are a cheesemaker in Wisconsin and you ship to California you don't want the trouble of retrieving the pallet, so these are pooled into a network managed by Brambles. This is a business with network effects that naturally veers towards a monopoly and Brambles therefore have very strong share in their main markets. Growth comes from more goods being shipped, share gains from flimsy disposable pallets and reasonable pricing power. Not glamorous stuff, but highly cash generative with modest growth, a reasonable valuation and high barriers to entry – a quintessential Brunner business.

Cooper Companies also fared well as it reported strong results. Cooper is one of three dominant global producers of contact lenses, an industry which couples structural growth and high barriers to entry. Revenues grew



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.

10% and earnings per share grew 14% during their most recently reported quarter.

On the negative side were some of our more recent winners within the portfolio, as the frenzy around AI subsided. This included semiconductor companies Microchip and ASML. On a relative basis we were also hurt by not holding AstraZeneca which is the largest single component of the UK FTSE All-Share, which is 30% of our composite global/UK benchmark. Astra has recently announced some very ambitious growth targets for the next several years and clearly has a promising pipeline but for the time being we are content with our positions in GSK and Roche (both of which have far lower multiples) and our residual position in Novo Nordisk, the Danish maker of GLP-1 drugs used to treat diabetes and obesity.

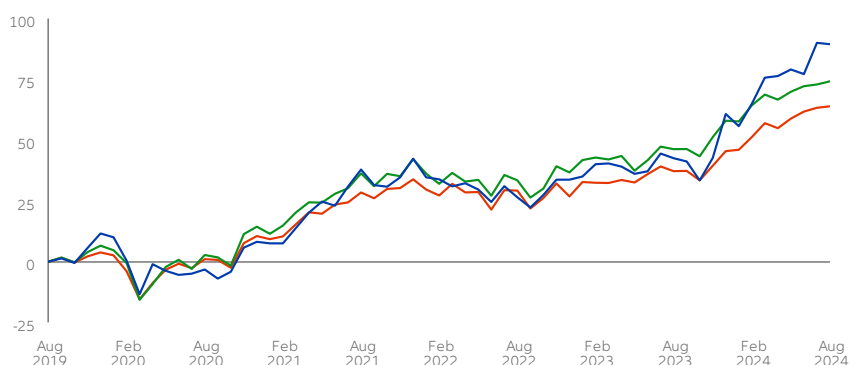
During the month the takeover of two of our UK holdings was completed. Tyman was bought by US listed Quanex, another operator in the building materials space. Homebuilder Redrow was acquired by rival Barratt Developments. We chose to continue to own Barratt but we used the proceeds from Tyman to start a position in Auto Trader Group, the eponymous classified vehicles listings website. Virtually every second-hand car dealer in the UK lists on Auto Trader, where its 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 stream in the portfolio.

Julian Bishop & Christian Schneider
13 September 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	5.8	14.9	32.9	37.4	89.4
NAV (debt at fair value)	2.5	6.0	19.1	27.8	74.2
Benchmark	3.2	8.4	19.4	27.6	63.9

Discrete 12 Month Returns to 31 August (%)

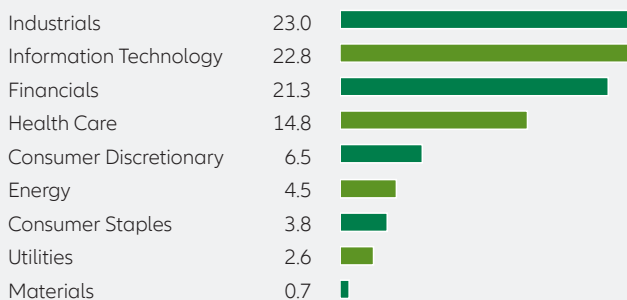
	2024	2023	2022	2021	2020
Share Price	32.9	12.7	-8.3	42.5	-3.2
NAV (debt at fair value)	19.1	9.6	-2.1	32.7	2.7
Benchmark	19.4	6.2	0.6	27.2	1.0

Source: Thomson Reuters Refinitiv DataStream, percentage growth, mid to mid, total return to 31.08.24. Copyright 2024 © 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.

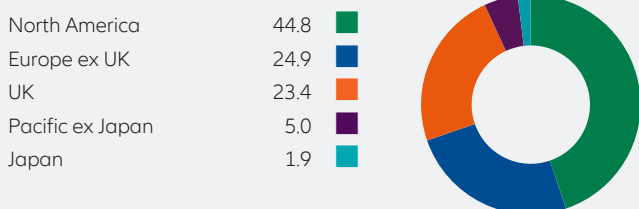
Past performance does not predict future returns. Investing involves risk. The value of an investment and the income from it may fall as well as rise and investors might not get back the full amount invested. This investment trust charges 70% of its annual management fee to the capital account and 30%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

Portfolio Breakdown

Sector Breakdown* (%)



Geographic Breakdown* (%)



Top Twenty Holdings (%)

Microsoft	6.3
UnitedHealth Group	4.0
Visa - A Shares	3.6
Taiwan Semiconductor	3.2
Thermo Fisher Scientific	2.7
Bank of Ireland	2.5
Shell	2.5
Microchip Technology	2.4
InterContinental Hotels Group	2.4
Partners Group	2.4
American Financial Group	2.3
ASML	2.3
Gallagher	2.2
General Electric	2.1
AMETEK	2.1
Unilever	2.1
Charles Schwab	2.0
TotalEnergies	2.0
Itochu	2.0
DNB Bank	1.9

Total number of holdings 59

This is for guidance only and not indicative of future allocation. Totals may not sum to 100.0% due to rounding.

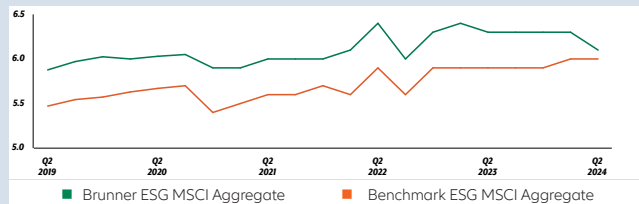
This is no recommendation or solicitation to buy or sell any particular security.

*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 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.



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 may not get back the full amount invested. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. We assume no obligation to update any forward-looking statement. 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 31.08.24 unless otherwise stated.

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