The Brunner Investment Trust PLC

Global investment solution rich in family history

Allianz Global Investors

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 48 years. The Trust invests in companies all over the world, seeking out opportunities for growth and reliable dividends wherever they may be.

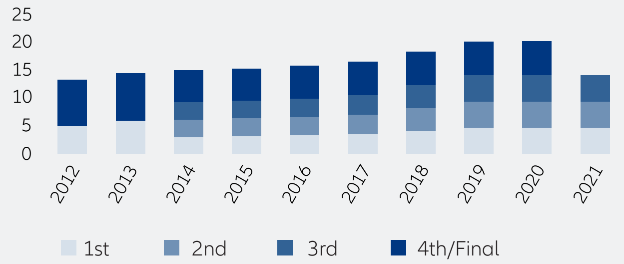
INTEGRATED ESG iESG

aic DIVIDEND HERO

Morningstar Rating™ ★★★

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
29.10.2021	10.12.2021	4.70p	3rd Interim
06.08.2021	16.09.2021	4.70p	2nd Interim
18.06.2021	22.07.2021	4.70p	1st Interim
26.02.2021	01.04.2021	6.05p	Final

Past performance is not a reliable indicator of future results.

Consideration of Environmental, Social and Governance (ESG) factors is fully integrated into The Brunner Investment Trust's investment process. Visit www.brunner.co.uk/Integrated-ESG/ for more information.

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

© 2021 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 £526.0m **Shares in Issue** 42,692,727 (Ordinary 25p) **Market Cap** £448.3m

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
1050.0p	1161.7p	-9.6%	1.9%	7.2%

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.

All data source DataStream and Allianz Global Investors as at 30.11.21 unless otherwise stated.

Fund Manager's Review

Matthew Tillett, Portfolio Manager

The Brunner Investment Trust is managed by Matthew Tillett, supported by portfolio managers Marcus Morris-Eyton and Christian Schneider. Matthew joined AllianzGI in 2006. He graduated from Bristol University with a first class degree in Economics and Economic History. He also holds a masters (with distinction) in International Political Economy from the London School of Economics. Matthew holds the IMC designation and is a CFA® charterholder.

Global equities initially rallied, buoyed by robust corporate earnings and dovish signals from major central banks. However, the discovery of a new COVID-19 variant (Omicron) towards the month-end drove a sharp pullback. The variant's severity is yet to be determined, but the potential for renewed restrictions to derail the global economic recovery weighed heavily on investor sentiment.

At a sector level, Energy and Financials fared worst, falling around 3% due to their cyclical exposure, although they remain some of the strongest performers year to date. In a rare bright spot, technology stocks continued their strong performance. Other sectors were more mixed, ending the month flat or in a narrow range either side.

The Trust's equity portfolio underperformed its benchmark in November, delivering a NAV total return of -0.72% vs the benchmark's 0.29%.

Two technology companies delivered the highest contributions to returns, with the sector as a whole proving resilient to Omicron-related negative sentiment. **Microchip Technology**, a manufacturer of microcontrollers, released another strong set of results, showing strong sales growth, over a year's worth of order backlogs and the announcement of a share buyback.

TSMC also boosted performance. Having guided towards continued margin improvements the previous month, shares in the world's largest maker of semiconductors are increasingly valued for their structural growth. Increasing semiconductor value in 5G-enabled devices, as well as TSMC's production of 3nm nodes next year, mean it could have the pricing power needed to offset rising input costs and capital outlays.

> **“ this more challenging backdrop presents many opportunities for active investors**

Consumer facing companies were amongst the weakest performing holdings, due to renewed Covid concerns. **Bright Horizons**, a childcare company, actually reported 39% higher year on revenues, thanks to continued enrolment and reopening of its centres. However, conservative forward guidance and Omicron have compounded short-term concerns over low utilisation rates and wage cost pressures.

Adidas similarly detracted from returns. The sports apparel industry continues to face headwinds across Asia resulting from lockdown related supply chain constraints in Vietnam and lower sales in China driven by anti-Western sentiment. We believe both issues are temporary in nature and that the longer-term drivers for Adidas remain intact.

In August, **Stock Spirits Group** announced an agreed takeover by private equity company CVC Advisers at a 41% premium. Over the past months, we have steadily taken profits by reallocating the funds across the portfolio. We exited our remaining position ahead of the deal closing on November 30.

Market Outlook

December is typically the time of grand macroeconomic and strategy predictions. As stock pickers, we prefer to focus on the bottom-up fundamentals. Our outlook reflects the range of topics for which portfolio companies have told us they are preparing, as well as factors likely to shape portfolio construction and performance in the medium-term.

Firstly, near term growth is unevenly distributed across the economy, reflecting the unusual nature of the downturn and the subsequent recovery. Some of the Trust's more defensive holdings, such as **Estée Lauder** and **Visa**, have seen revenues increase as the reopening of economies have led to recoveries in travel related revenues, a trend which has further to go as the effects of the pandemic gradually wane around the world. In contrast, cyclical industries that have fared relatively well during the pandemic, such as housing, have already seen end markets recover beyond 2019 levels, raising the question of whether this growth can be sustained into 2022 and beyond. There is also a wide regional dispersion. Covid-19 and related lockdowns remain more prevalent across Asia, depressing economic activity there, whilst Europe and the US have recovered more rapidly.

Secondly, earnings growth is moderating; Reduced expenditure on items such as business travel and – where hedged – low input costs have all helped boost margins, making 2021 one of the best years on record for earnings growth and corporate profitability. 2022 won't have these tailwinds but will instead see higher input costs as hedges roll off. Rapid turnover in the labour market is also creating wage inflation, especially in lower skilled professions which are increasingly undersupplied. As a result, almost all companies we speak to are expecting to see cost headwinds for 2022.

Thirdly, supply chain pressures are likely to constrain growth for many industries. The logistical complexity of shutting down and then restarting entire industries, followed by unpredictable interruptions across complex supply chains, is continuing to create headaches for many companies that are unlikely to be resolved entirely in 2022. In some regions, renewed Covid-19 infections have forced factories into hiatus, such as with **Adidas** in Vietnam.

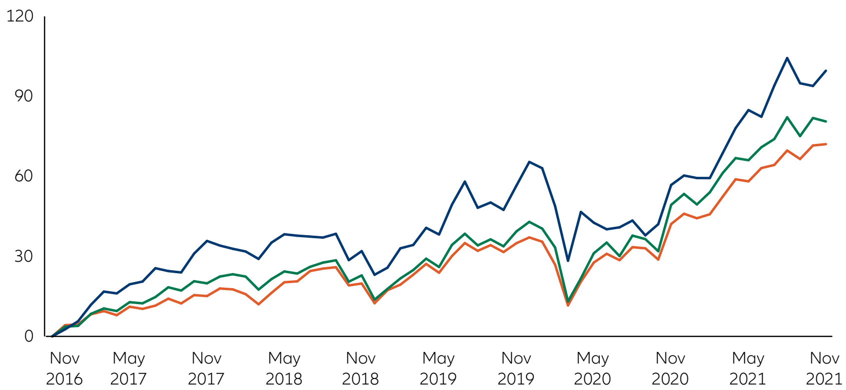
Nonetheless, this more challenging backdrop presents many opportunities for active investors. Companies such as **Intuit**, **LVMH** and **Accenture**, with genuinely differentiated business models and strong pricing power, are showing that they can continue to tap into longer term structural growth trends, delivering consistently strong results, despite cost pressures. Conversely, where short-term challenges do exist, this can create opportunities to increase positions where valuations are attractive, balance sheets robust, and where our longer-term conviction remains strong. With valuations in certain extreme growth and deeply cyclical areas reaching extremes over the past year, steady high-quality companies of the type we favour are increasingly attractive from a valuation perspective, making them well placed for 2022 and beyond.

Matthew Tillett
20 December 2021

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 an down.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	-2.3	8.0	27.3	51.3	99.6
NAV (debt at fair value)	-0.9	8.7	21.4	47.5	81.2
Benchmark	1.4	8.8	21.1	43.6	72.1

Discrete 12 Month Returns to 30 November (%)

	2021	2020	2019	2018	2017
Share Price	27.3	0.2	18.6	-2.8	35.8
NAV (debt at fair value)	21.4	7.1	13.4	2.5	19.9
Benchmark	21.1	5.3	12.6	4.1	15.1

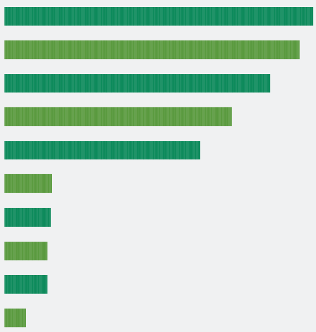
Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.11.21. Copyright 2021 © DataStream, a Thomson Reuters company. All rights reserved. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance is not a reliable indicator of future returns. You should not make any assumptions on the future on the basis of performance information. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount originally 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

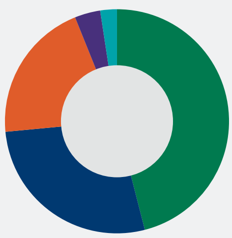
Sector Breakdown* (%)

Health Care	20.6
Industrials	19.7
Financials	17.8
Information Technology	15.2
Consumer Discretionary	13.1
Energy	3.2
Consumer Staples	3.1
Materials	2.9
Utilities	2.9
Real Estate	1.5



Geographic Breakdown* (%)

North America	46.0
Europe ex UK	27.5
UK	20.4
Pacific ex Japan	3.7
Japan	2.4



Top Twenty Holdings (%)

Microsoft	5.4
UnitedHealth Group	4.3
Roche	3.0
Taiwan Semiconductor	2.8
Visa - A Shares	2.8
Accenture	2.7
Cooper Cos	2.6
Muenchener Rueckver	2.5
Schneider Electric	2.5
Estée Lauder	2.5
Novo Nordisk	2.4
Microchip Technology	2.4
AbbVie	2.4
Adidas	2.4
AMETEK	1.9
Intuit	1.9
Partners Group	1.8
AIA Group	1.8
National Grid	1.8
St James's Place	1.8

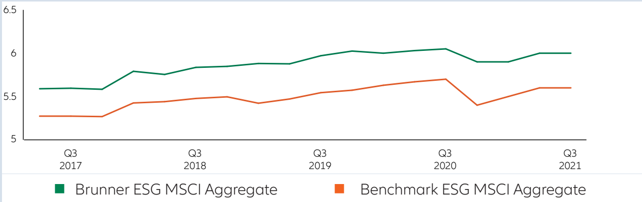
Total number of holdings 63

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 integrate 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 three 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.

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 Manager	Matthew Tillett
Codes	RIC: BUT.L
	SEDOL: 0149000

1. Source: AIC, as at the Trust's Financial Year End (30.11.2020). 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.

Board of Directors

Carolan Dobson (Chairman)
Amanda Aldridge (Chair of the Audit Committee)
Andrew Hutton
Peter Maynard (Senior Independent Director)
Jim Sharp

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.

All data source Allianz Global Investors as at 30.11.21 unless otherwise stated.
The Management Company may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with applicable de-notification regulation. This is a marketing communication issued by Allianz Global Investors GmbH, www.allianzgi.com, an investment company with limited liability, incorporated in Germany, with its registered office at Bockenheimer Landstrasse 42-44, 60323 Frankfurt/M, registered with the local court Frankfurt/M under HRB 9340, authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (www.bafin.de). Further information on Investor Rights are available at www.regulatory.allianzgi.com. Allianz Global Investors GmbH has established a branch in the United Kingdom, Allianz Global Investors GmbH, UK branch, 199 Bishopsgate, London, EC2M 3TY, www.allianzglobalinvestors.co.uk, deemed authorised and regulated by the Financial Conduct Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website which is subject to limited regulation by the Financial Conduct Authority (www.fca.org.uk). Details about the extent of our regulation by the Financial Conduct Authority are available from us on request.