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

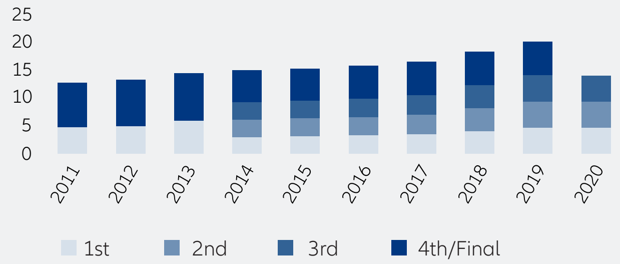
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private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

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
30.10.2020	10.12.2020	4.67p	3rd Quarterly
07.08.2020	16.09.2020	4.67p	2nd Quarterly
19.06.2020	23.07.2020	4.67p	1st Quarterly
28.02.2020	03.04.2020	6.00p	4th Quarterly

Past performance is not a reliable indicator of future results.

aic DIVIDEND HERO

Morningstar Rating™ ★★★

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

Total Assets £445.6m **Shares in Issue** 42,692,727 (Ordinary 25p) **Market Cap** £359.5m

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
842.0p	971.8p	-13.4%	2.4%	5.9%

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 30.11.20 unless otherwise stated.

Fund Manager's Review

Market Review

Global equities surged over November, recording one of their strongest monthly returns on record. Positive trial data from several Covid-19 vaccine manufacturers boosted hopes "relative normality" could be restored as soon as spring next year. At the same time, Joe Biden's victory in the US Presidential election was taken positively, with the prospect of greater stability in global trade, sustainable infrastructure investment, and without potentially disruptive left-leaning policies.

At a sector level, cyclicals saw the sharpest moves upwards. Energy and Financials led the way. Utilities and Consumer Staples by contrast, recorded only a modest rise overall. Despite the rally's strength, highly cyclical stocks mostly remain underwater year to date and this year's strongest performing sectors – Information Technology and Consumer Discretionary – continue to do well overall.

Portfolio Review

The Trust outperformed over the month, with a NAV total return of 13.16% vs its benchmark's 10.35% return. Stock selection in the Technology and Utilities sectors made the largest positive contributions to returns, partially offset by our positions in Health Care.

Total made the largest positive contribution to returns. Total still generates over 60% of revenues from oil-based activity, which is expected to benefit from a normalisation of demand patterns. However, this month the company also announced two initiatives related to its 2050 net-zero ambition: one on carbon capture storage, the other on electric vehicle charging.

> "We believe this balanced approach will continue to serve the Trust well

Microchip Technology also boosted performance. The maker of microcontrollers reported quarterly results that beat expectations. Significantly, Microchip also announced that it expects semiconductor demand has bottomed, with a new upcycle fuelled by 5G.

Roche was the portfolio's weakest performer. Front of mind for investors is the biosimilar erosion of Roche's legacy oncology range which has impacted financial performance this year. However, Roche also has strong business growth prospects from its Ocrevus, Tecentriq, Evrysdi products and in its diagnostics business.

The Cooper Companiesalso detracted from returns. The maker of contact lenses and surgical devices has performed well this year, offsetting abnormal customer behaviour by investing in sales infrastructure and marketing. The stock has partially been caught up in the month's stock market reversal. Q4 results in December should provide better clarity on current trading and the outlook.

Significant Transactions

We initiated a position in Danish company **Novo Nordisk**, who specialise in treatment for diabetes and other weight-related conditions. The shares have lagged peers of late, due to Covid-19 slowing new patient growth and increased concerns around competition. In the context of our long-term approach, this offered us a good entry point.

We sold **Albemarle**. The low-cost producer of specialty chemicals has a substantial exposure to Lithium, demand for which is growing. However, competition from peers has led to a greater than expected volatility in the share price. We thus took advantage of the stock recovering to near its all-time high to exit the holding.

Matthew Tillett, Portfolio Manager

The Brunner Investment Trust is managed by Matthew Tillett. Having been deputy manager of Brunner since 2016, Matthew Tillett took over as the lead manager in May 2020 and is supported by portfolio managers Jeremy Kent and Marcus Morris-Eyton. 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.

Market Outlook

The Financial Times' Frankfurt Bureau chief described the apparent ebullience in global equities as "a Labrador market, which is simply delighted with everything it encounters". On the one hand, weak economic news made worse by Covid-19 increases the possibility of stimulus, boosting markets. Alternatively, as the vaccine is rolled out and normality resumes, pent-up economic growth will power equities ever upwards. Massive liquidity and negative real interest rates only add further fuel to the fire.

In this context as ever, maintaining focus on first principles provides reassurance. There is no doubt that certain stocks look overvalued. Prices for many of the "stay at home" winners look eye-watering even after the recent market rotation. Similarly, the prospect of a rapid return to normal has led to huge gains for many companies whose long-term future looks uncertain, regardless of Covid-19. However, this is not to tarnish whole sectors or indeed say that equities as a whole are too expensive.

Many stocks have investment cases which can outlast their 2020 boom. Similarly, there are those whose immediate challenges as a result of Covid-19 mean they are overly discounted in a longer-term context. Within the Trust's portfolio, we have exposure to both types of company as a result of our balanced quality, growth and valuation focus. We look for business models that we consider to be on the right side of longer-term structural trends such as digitalisation, electrification or ageing populations. We find that these companies span a range of industries, as well as classifications like "value" or "growth", "cyclical" or "defensive"

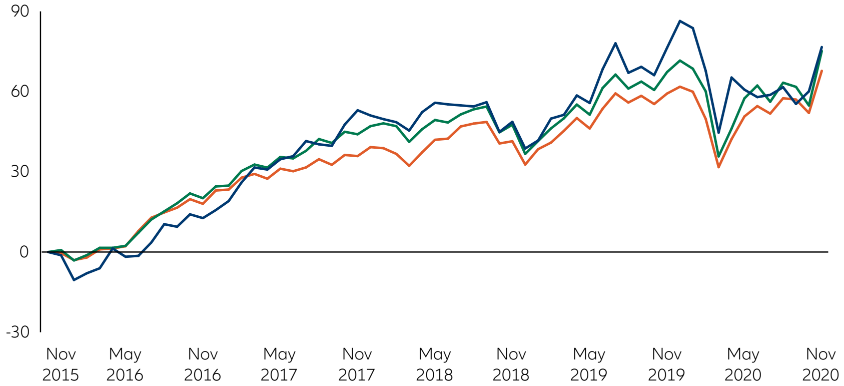
The Trust's recent performance is a vindication of this balanced approach. Of the portfolio's 62 holdings, 18 returned over 20% in November, including 40% for **Amadeus** a maker of software for the travel and hospitality sector. Even after these gains, in more cyclical stocks where our long-term investment thesis remains valid, there is still considerable long-term upside potential. In a portfolio context, it is encouraging that these gains have come without commensurate loss in "stay at home" stocks such as **Microsoft**, which had driven the portfolio's returns earlier in the year We believe this balanced approach will continue to serve the Trust well in the post Covid era.

Matthew Tillett
17 December 2020

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	9.3	9.9	0.2	15.4	76.6
NAV (debt at fair value)	8.4	13.8	7.1	24.5	79.4
Benchmark	6.5	11.3	5.3	23.5	67.8

Discrete 12 Month Returns to 30 November (%)

	2020	2019	2018	2017	2016
Share Price	0.2	18.6	-2.8	35.8	12.7
NAV (debt at fair value)	7.1	13.4	2.5	19.9	20.1
Benchmark	5.3	12.6	4.1	15.1	18.0

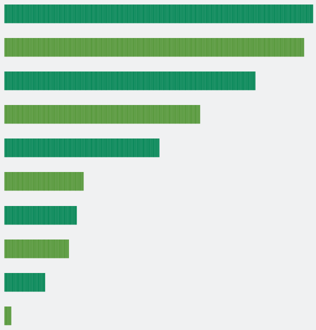
Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 30.11.20. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

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

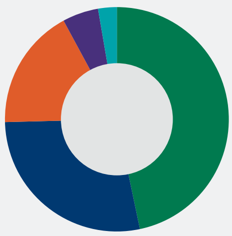
Sector Breakdown* (%)

Health Care	20.9
Industrials	20.3
Financials	17.0
Technology	13.3
Consumer Goods	10.5
Consumer Services	5.4
Utilities	4.9
Basic Materials	4.4
Oil & Gas	2.8
Telecommunications	0.5



Geographic Breakdown* (%)

North America	46.7
Europe ex UK	27.9
UK	17.5
Pacific ex Japan	5.2
Japan	2.7



Top Twenty Holdings (%)

Microsoft	4.4
UnitedHealth Group	3.8
Taiwan Semiconductor	3.1
Roche	3.0
Accenture	2.9
Agilent Technologies	2.9
Muenchener Rueckver	2.8
Visa - A Shares	2.8
Cooper Cos	2.7
AbbVie	2.6
Ecolab	2.5
Schneider Electric	2.3
Microchip Technologies	2.3
Estée Lauder	2.3
AIA Group	2.2
Enel	2.2
AMETEK	2.0
Itochu	1.9
Partners Group	1.8
Adidas	1.8

Total number of holdings 63

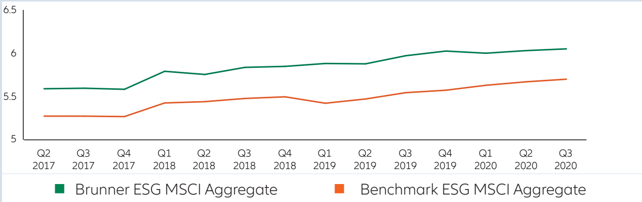
The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding. This is no recommendation or solicitation to buy or sell any particular security.

*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 Charge	0.45%
Performance Fee	No
Ongoing Charges[1]	0.67%
Year End	30 November
Annual Financial Report	Final published in February, Half-yearly published in July
AGM	May
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 (30.11.2019). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses 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.