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

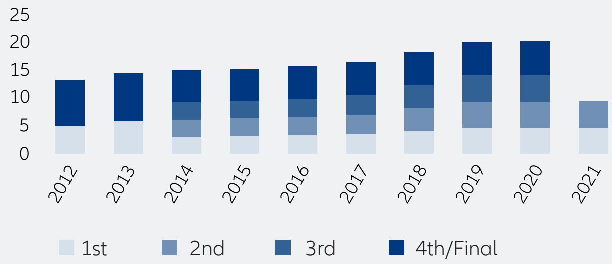
The Brunner Investment Trust PLC was formed from the Brunner family's interest in the sale of Brunner Mond & Co, the largest of the four companies which came to form Imperial Chemical Industries (ICI) in 1926. Today, Brunner shares are available for everyone to buy and are widely held by both private 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
06.08.2021	16.09.2021	4.70p	2nd Quarterly
18.06.2021	22.07.2021	4.70p	1st Quarterly
26.02.2021	01.04.2021	6.05p	Final
30.10.2020	10.12.2020	4.67p	3rd Quarterly

Past performance is not a reliable indicator of future results.

INTEGRATED ESG iESG

aic DIVIDEND HERO

Morningstar Rating™

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.

Total Assets £531.7m **Shares in Issue** 42,692,727 (Ordinary 25p) **Market Cap** £461.1m

Share Price	NAV per Share	Premium/-Discount	Dividend Yield	Gearing
1080.0p	1177.0p	-8.2%	1.9%	6.5%

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 31.08.21 unless otherwise stated.

Fund Manager's Review

Market Review

Global equities posted moderate gains over August. Strong corporate earnings data outweighed concerns central banks might start tapering pandemic support measures. While several emerging markets have already raised interest rates, central banks in G7 nations have yet to follow suit. In a speech at Jackson Hole, Chair of the Federal Reserve Jay Powell indicated that while tapering may begin before year end, doing so too quickly could have a destabilising effect. This relatively dovish commentary, meaning the Fed is unlikely to take strong action, enabled financial markets to shrug off rising transmission rates of the Covid-19 Delta variant, as well as ongoing supply chain disruptions and a slowing in the Chinese economy.

At a sector level, Financial stocks outperformed as investment banking revenues surged past pre-pandemic levels. Information Technology and Communication Services also did well, reflecting investors' return to quality stocks delivering consistent earnings growth. Correspondingly, Energy and Materials stocks lagged the broader market as commodity prices weakened.

It was a volatile month for commodities. Brent crude slipped to 65 USD a barrel, amid concerns the Delta variant would slow economic growth, before recovering to end the month around 72 USD a barrel. Similar concerns hit iron ore, with prices dropping to just above 130 USD a tonne, a level last seen in December 2020. Copper also fell, touching a five-month low.

> **“ August has been a contradiction month for equity markets**

Portfolio Review

The Trust's equity portfolio outperformed its benchmark in August, delivering a NAV total return of 4.7% vs the benchmark's 3.3%.

Stock Spirits Group (SSG) made the biggest positive contribution. The drinks company announced an agreed takeover by private equity company CVC Advisers at a 41% premium. We believe the bid price is a fair one, which recognises the significant value created since the current management team took over in 2016, whilst also leaving longer term upside for CVC to further invest and grow the business. The acquisition is one in a long line of recent UK deals, reflecting the attractive valuations of quality businesses in the region, particularly relative to the US.

Agilent also boosted returns. The maker of life science tools reported strong Q3 results raising full year earnings guidance. The company's core biopharmaceutical market remains stable, continuing to benefit from Covid-19 tailwinds. However, a broader economic pickup is also bolstering its chemical and energy divisions.

LVMH made the weakest contribution to performance. Increasing regulation in China has primarily affected technology stocks, but promises from President Xi to deliver "common prosperity" through income regulation and redistribution have also affected the entire luxury sector. LVMH shares fell over 11% on the news. We anticipate any impact is likely to be temporary in nature given the wide appeal and strong demand drivers for LVMH's products in China.

Visa also weakened returns. Shares in the payments company fell after the Biden administration endorsed reopening a proposal which mandated greater network choices and capped the fees retailers pay card companies. While the story is likely to sustain bouts of volatility in the shares, Visa's scale continues to be one of the drivers behind its dominant position.

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 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.

Market Outlook

August has been a contradiction month for equity markets. On the one hand, global stock markets have continued to make modest gains, with many regions hitting all-time highs. Set against this, the Federal Reserve is indicating that it plans to dial back monetary stimulus, China's economy is visibly slowing and the Delta variant of Covid-19 continues to spread rapidly.

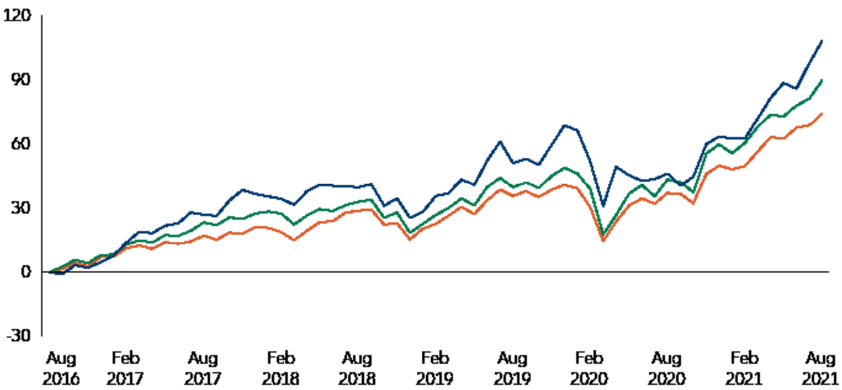
Covid-19's ebb and flow continues to impact stock markets, albeit to a lesser extent. In part this is down to vaccines which have enabled countries with high vaccination rates, such as the UK, to handle surging infection rates without hospitals becoming overrun. In contrast, the delta variant's rapid spread in China and other emerging markets, where vaccination rates are much lower, is putting much greater strain on local economies and healthcare systems. This is why the economic recovery from Covid-19 will be uneven, with emerging markets likely needing many more months to return to normality. In addition, aside from the most heavily impacted sectors such as airlines and hotels, most well-run companies have become much more adept at dealing with Covid-19 related disruption, for example by shifting their business models further into the digital realm. This has allowed them to operate much closer to normality even with social restrictions in place.

Despite US equities hitting all-time highs and the economy seemingly recovering strongly, the monetary and fiscal environment remains very supportive. Even with a tapering of asset purchases, interest rates remain very low, whilst the passing of a large infrastructure bill will add even more stimulus to the economy. Against this backdrop of strong demand and ongoing Covid-19 related disruption, it is not surprising that we are seeing significant cost push inflation as supply chains struggle to cope. Most companies have been able to pass these costs on to customers but the longer this situation persists the harder this will become. Ensuring portfolio holdings have the management, product offering and pricing power to offset these concerns longer-term remains a priority in all our investment cases.

Matthew Tillett
21 September 2021

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	10.6	28.2	42.5	49.1	108.6
NAV (debt at fair value)	9.7	18.7	32.7	43.2	90.6
Benchmark	7.3	16.4	27.2	35.3	74.5

Discrete 12 Month Returns to 31 August (%)

	2021	2020	2019	2018	2017
Share Price	42.5	-3.2	8.1	10.1	27.1
NAV (debt at fair value)	32.7	2.7	5.1	7.8	23.5
Benchmark	27.2	1.0	5.3	9.9	17.4

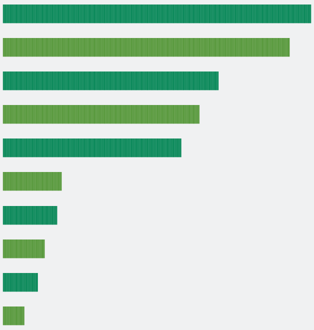
Source: Thomson Reuters DataStream, percentage growth, mid to mid, total return to 31.08.21. DataStream shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

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

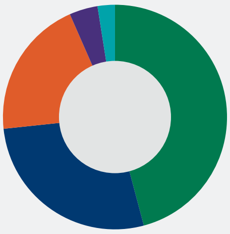
Sector Breakdown* (%)

Health Care	22.0
Industrials	20.5
Financials	15.4
Information Technology	14.1
Consumer Discretionary	12.8
Consumer Staples	4.2
Utilities	3.9
Materials	3.0
Energy	2.5
Real Estate	1.6



Geographic Breakdown* (%)

North America	45.9
Europe ex UK	27.5
UK	20.1
Pacific ex Japan	4.1
Japan	2.5



Top Twenty Holdings (%)

Microsoft	5.0
UnitedHealth Group	3.9
Agilent Technologies	3.2
Accenture	3.1
Roche	3.0
Cooper Cos	2.9
Taiwan Semiconductor	2.8
Visa - A Shares	2.5
Estée Lauder	2.4
Schneider Electric	2.4
AbbVie	2.4
Muenchener Rueckver	2.4
Novo Nordisk	2.2
Microchip Technology	2.2
AIA Group	2.0
Partners Group	1.9
Adidas	1.9
AMETEK	1.8
St James's Place	1.8
Itochu	1.7

Total number of holdings 65

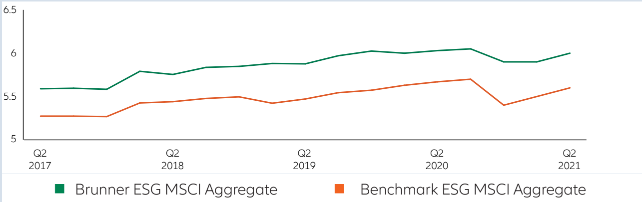
The data shown is not constant over time and the allocation may change in the future. Totals may not sum to 100.0% due to rounding. This is no recommendation or solicitation to buy or sell any particular security.

*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.