# BlackRock Greater Europe Investment Trust

## New co-manager appointed in June 2017

Investment trusts

**BlackRock Greater Europe Investment Trust (BRGE) aims to generate capital growth from a relatively concentrated portfolio invested across the greater European region. In June 2017, it was announced that Stefan Gries would replace Vincent Devlin as co-manager. He will continue to adopt BRGE's flexible bottom-up stock selection approach, drawing on the wider resources of BlackRock's European and emerging markets equity teams, but is reducing the number of holdings and intends opportunistically to make fuller use of the emerging European allocation. The trust is referenced against the FTSE World Europe ex-UK index and its NAV total return has outperformed over three and 10 years and is broadly in line over five years, while lagging over the last 12 months. Although the primary aim is capital growth, BRGE has a progressive dividend policy. Its current dividend yield is 1.7%, which is in line with its peer group average.**

| 12 months ending | Share price (%) | NAV (%) | FTSE World Europe ex-UK (%) | FTSE All-Share (%) | FTSE World (%) |
|---|---|---|---|---|---|
| 31/07/13 | 35.2 | 36.5 | 36.0 | 24.3 | 26.3 |
| 31/07/14 | 1.2 | 0.8 | 4.1 | 5.6 | 4.6 |
| 31/07/15 | 14.4 | 13.5 | 9.6 | 5.4 | 12.3 |
| 31/07/16 | 8.5 | 10.8 | 7.1 | 3.8 | 18.0 |
| 31/07/17 | 19.8 | 19.4 | 24.6 | 14.9 | 18.2 |

Source: Thomson Datastream. Note: All % on a total return basis in GBP.

## Investment strategy: Structured bottom-up process

Co-managers Gries and Sam Vecht are able to draw on the resources of BlackRock's experienced investment teams to select a concentrated portfolio of stocks in both developed and emerging Europe. Idea generation is the first step of the process, driven by the knowledge of the investment team, which conducts more than 1,000 company meetings a year. Potential investments form a research pipeline to ensure the best ideas are implemented in the most efficient manner.

## Market outlook: Improving European economy

The outlook for Europe is looking more favourable based on improving economic growth estimates, which is filtering through to positive company earnings estimate revisions. However, investors should be mindful that equity prices are reflecting this improvement to some extent as valuations are now less attractive than in late-2016; in aggregate, on a forward P/E multiple, stocks are trading at a 23% premium to their 10-year average. Investors seeking exposure to the region may therefore be interested in an actively managed fund with a disciplined stock selection approach.

## Valuation: Discount broadly in line with averages

BRGE's current 5.3% share price discount to cum-income NAV is broadly in line with the 4.9% average over the last 12 months (range of 2.5% to 9.5%) and compares to the averages of the last three, five and 10 years of 4.3%, 4.0% and 4.5% respectively. The board actively manages the discount via share repurchases and discretionary semi-annual tender offers. BRGE has a progressive dividend policy and has increased its annual dividend every year since the fund was launched; its current dividend yield is 1.7%.

**11 August 2017**

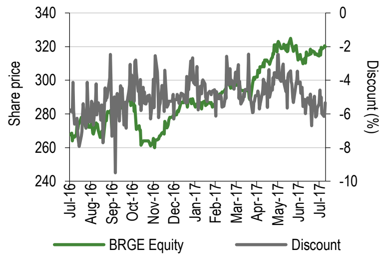
| | |
|---|---|
| **Price** | **320.0p** |
| **Market cap** | **£305.0m** |
| **AUM** | **£335.8m** |

| | |
|---|---|
| NAV* | 334.2p |
| Discount to NAV | 4.3% |
| NAV** | 338.0p |
| Discount to NAV | 5.3% |

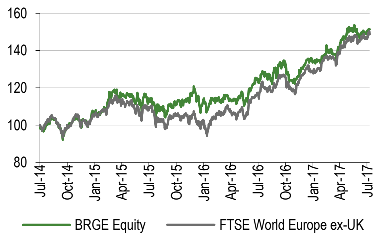
*Excluding income. **Including income. As at 9 August 2017.

| | |
|---|---|
| Yield | 1.7% |
| Ordinary shares in issue | 95.3m |
| Code | BRGE |
| Primary exchange | LSE |
| AIC sector | Europe |
| Reference index | FTSE World Europe ex-UK |

### Share price/discount performance




### Three-year performance vs index




| | | |
|---|---|---|
| 52-week high/low | 325.0p | 260.0p |
| NAV** high/low | 341.1p | 271.4p |

**Including income.

### Gearing

| | |
|---|---|
| Gross* | 4.9% |
| Net* | 4.9% |

*As at 31 July 2017.

### Analysts


Mel Jenner +44 (0)20 3077 5720

Sarah Godfrey +44 (0)20 3681 2519

investmenttrusts@edisongroup.com

Edison profile page

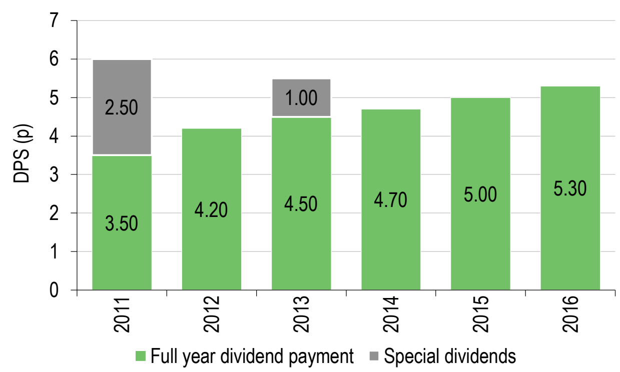

***BlackRock Greater Europe Investment Trust is a research client of Edison Investment Research Limited***

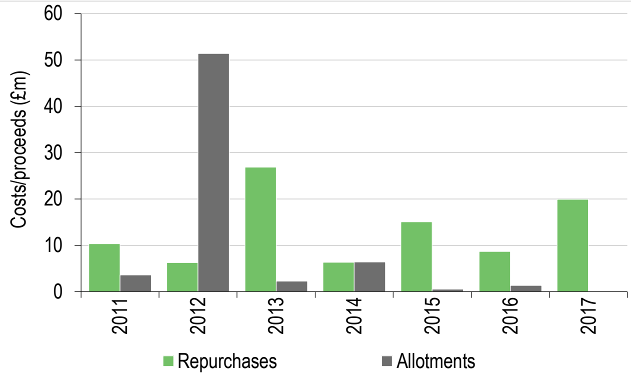
## Exhibit 1: Trust at a glance

| Investment objective and fund background | Recent developments |
|---|---|
| BlackRock Greater Europe Investment Trust's objective is achieving capital growth, primarily through investment in a focused portfolio of large, mid- and small-cap European companies, together with some investments in the developing markets of Europe. It aims to achieve a net asset value total return in excess of the FTSE World Europe ex-UK index (in sterling terms). | ■ 27 July 2017: Announcement of the appointment of non-executive director Dr Paola Subacchi with immediate effect.<br>■ 20 June 2017: Announcement that Stefan Gries has replaced Vincent Devlin as co-portfolio manager.<br>■ 26 April 2017: Six-month report ending 28 February 2017. NAV TR +5.9% versus reference index TR +9.4%. Share price TR +6.0%. Interim dividend of 1.75p announced (+6.1% versus H116). |

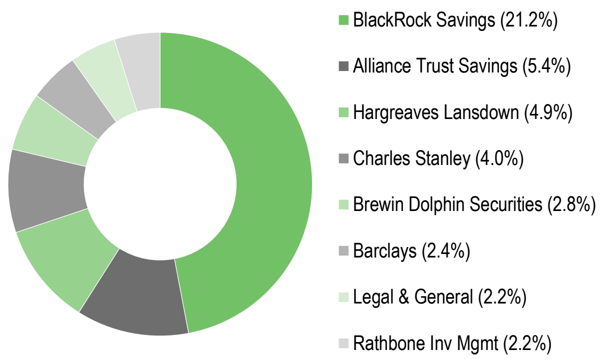
| Forthcoming | | Capital structure | | Fund details | |
|---|---|---|---|---|---|
| AGM | November 2017 | Ongoing charges | 1.07% (as at 31 August 2016) | Group | BlackRock Investment Mgmt (UK) |
| Final results | October 2017 | Net gearing | 4.9% | Manager | Stefan Gries, Sam Vecht |
| Year end | 31 August | Annual mgmt fee | 0.85% | Address | 12 Throgmorton Avenue, |
| Dividend paid | May, December | Performance fee | None | | London, EC2N 2DL |
| Launch date | 20 September 2004 | Trust life | Indefinite | Phone | +44 (0) 20 7743 3000 |
| Continuation vote | None | Loan facilities | £20m overdraft facility | Website | blackrock.co.uk/brge |

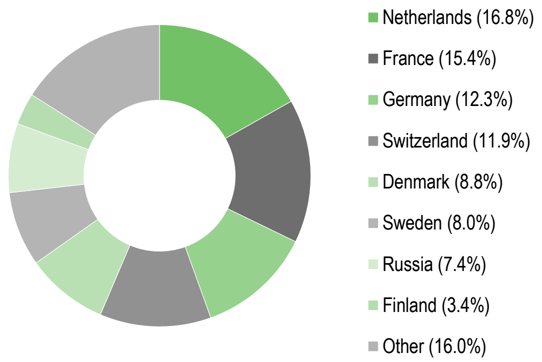
| Dividend policy and history (financial years) | Share buyback policy and history (financial years) |
|---|---|
| BRGE pays two dividends a year in April and October. Ordinary dividends have increased every year since trust launch. | To help manage the discount, the board has the authority (alongside normal buyback powers) to implement a twice-annual tender for up to 20% of shares outstanding, renewed annually. 2012 allotments include the acquisition of Charter European Trust. |




| Shareholder base (as at 30 June 2017) | Portfolio exposure by geography (as at 31 July 2017) |
|---|---|




**Top 10 holdings (as at 31 July 2017)**

| | | | Portfolio weight % | |
|---|---|---|---|---|
| **Company** | **Country** | **Sector** | **31 July 2017** | **31 July 2016*** |
| Bayer | Germany | Chemicals | 4.7 | N/A |
| Unilever | Netherlands | Personal goods | 4.2 | N/A |
| Richemont | Switzerland | Personal goods | 4.0 | N/A |
| ASML | Netherlands | Technology hardware & equipment | 3.8 | N/A |
| SAP | Germany | Software & computer services | 3.8 | N/A |
| Wartsila | Finland | Industrial machinery | 3.4 | N/A |
| Lonza Group | Switzerland | Pharmaceuticals & biotechnology | 3.3 | N/A |
| Fresenius Medical Care | Germany | Healthcare equipment & services | 3.3 | N/A |
| RELX | Netherlands | Media | 3.2 | 2.8 |
| CRH | Ireland | Building materials & fixtures | 3.2 | N/A |
| **Top 10 (% of holdings)** | | | **31.7** | **29.1** |

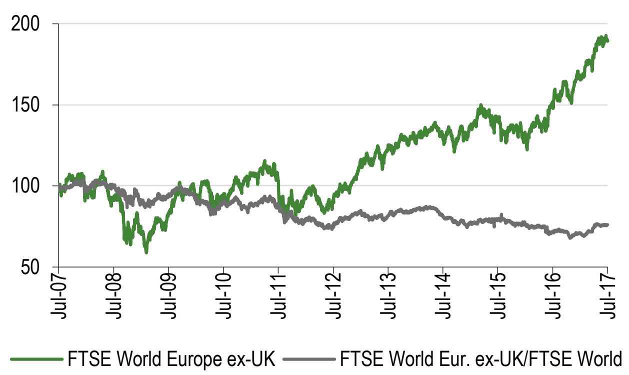
Source: BlackRock Greater Europe Investment Trust, Edison Investment Research, Bloomberg, Morningstar. Note: *N/A where not in July 2016 top 10.

## Market outlook: Improving economic outlook in Europe

Exhibit 2 (left-hand side) shows both the absolute and relative performance of European ex-UK equities (sterling-adjusted) over the last 10 years. Over the last year, currency weakness has boosted absolute returns for sterling-based investors. The European economy has been slower to recover compared to other major markets following the global financial crisis; this is reflected in the underperformance of European ex-UK versus world equities. However, in the recent July 2017 update to its World Economic Outlook, the International Monetary Fund revised up its forecasts for annual growth in the euro area by 0.2pp and 0.1pp to 1.9% and 1.7% for 2017 and 2018 respectively. This contrasts with the US where growth was reduced by 0.2pp and 0.4pp to 2.1% in both 2017 and 2018 as President Trump is finding resistance to his fiscal stimulus proposals. European fund managers point to the improved earnings outlook in Europe, where estimates are generally being revised upwards; this has not been a feature of the European stock market in recent years. However, while the economic outlook for Europe is looking more positive, investors should be aware that stock prices have anticipated a recovery, and valuations now look less attractive than in late-2016. Compared to our last published note in November 2016, on a forward earnings basis, Europe ex-UK equities are now trading on a higher multiple (14.4x versus 13.4x), which is a 23% premium to the 10-year average (from a 15% premium); although European equity valuations remain relatively attractively valued compared with those in the US. For investors seeking exposure to European equities, an actively managed fund with a broad geographic remit and a disciplined stock selection process may therefore appeal.

**Exhibit 2: Market performance and valuation**

**Performance of FTSE World Europe ex-UK index over 10 years (£)**




**Valuation multiples of global Datastream indices**

| | Last | High | Low | 10-year average | Last as % of average |
|---|---|---|---|---|---|
| **Forward P/E (x)** | | | | | |
| Europe ex-UK | 14.4 | 15.6 | 7.4 | 11.7 | 123 |
| UK | 14.6 | 15.6 | 7.4 | 12.0 | 121 |
| US | 18.3 | 18.3 | 9.4 | 14.5 | 126 |
| World | 15.7 | 16.0 | 8.8 | 14.1 | 112 |
| **Price-to-book (x)** | | | | | |
| Europe ex-UK | 14.4 | 15.6 | 7.4 | 11.7 | 123 |
| UK | 14.6 | 15.6 | 7.4 | 12.0 | 121 |
| US | 18.3 | 18.3 | 9.4 | 14.5 | 126 |
| World | 15.7 | 16.0 | 8.8 | 14.1 | 112 |

Source: Thomson Datastream, Edison Investment Research. Note: Valuation data as at 1 August 2017.

## Fund profile: Bottom-up, broad European exposure

BRGE was launched in September 2004 and is managed by Stefan Gries (since June 2017; he is a member of BlackRock's European equity team covering developed markets) and Sam Vecht (since 2004; he is head of BlackRock's Emerging Europe and Frontiers equity team). The managers adopt a bottom-up investment process to construct a portfolio of 30-70 securities aiming to generate long-term capital growth. The majority of the portfolio is invested in larger companies, with a market cap greater than €5bn. Investment limits are in place, including a maximum 25% of the risk allocation in emerging Europe and up to 5% in unquoted investments – together these two exposures may not exceed 25%. Up to 15% of emerging European exposure may be via funds, and direct investment in Russia is limited to 10% of the portfolio. Up to 20% may be held in bonds, although in practice this does not occur. Derivatives are permitted for efficient portfolio management. Gearing of up to 15% of NAV at the time of drawdown is permitted; 4.9% at end-July 2017.

# The fund managers: Stefan Gries, Sam Vecht

## The manager's view: Return to a fundamental-driven market

Gries, who manages BRGE's developed Europe exposure, says 2016 was a top-down driven market, where stock prices did not necessarily react to fundamental earnings revisions. He says that the market was dominated by a reflation trade led by oil, material and financial stocks, but now investors are once again trading on company fundamentals, suggesting that it is now a more normal stock picking environment. Gries points to some of the portfolio companies which have seen share prices reacting positively to better-than-expected earnings year-to-date, such as Dutch semiconductor manufacturer ASML and Swiss healthcare company Lonza.

While stocks are selected on a bottom-up basis, Gries says that there are certain themes represented in the portfolio. They include exposure to:

- EU construction and infrastructure – stocks in the portfolio include CRH, Vinci and Eiffage. The sector is a later-cycle play and there are signs of increasing global business activity. In France in particular, there is evidence of improving order books within both the construction and infrastructure sectors aided by government spending on projects such as 'Le Grand Paris'.
- Emerging market consumer – the manager notes an inflexion point in emerging market demand, which is benefiting companies such as Richemont and Kering. Kering has a portfolio of brands including Gucci, which had been a poor performer for some time, but is now growing strongly; H117 comparable sales growth was 43%. The manager believes that Kering can grow earnings at a 20% compound annual growth rate for the next three years.
- The agricultural cycle – the manager notes that following an industry downturn as a result of lower emerging market demand, the outlook for the sector appears more favourable. He says that consolidation should make for a firmer pricing environment, and thus an improvement in profitability. Bayer is held in the portfolio; it is in the process of acquiring Monsanto, while ChemChina is acquiring Syngenta.

Gries believes that he and Vecht have complementary investment styles; he says he has more of a focus on quality growth, looking for companies with positive earnings revisions, while Vecht has more of a value and anti-stock-price momentum focus. Gries believes that the combination of skills can lead to a more positive investment performance for BRGE. He says that both managers have experience of running long/short funds, so are happy to avoid large-cap stocks which they believe have downside risk, even if they have a meaningful weighting in the reference index.

# Asset allocation

## Investment process: Bottom-up stock selection

The managers are able to draw on the wider resources of BlackRock's European and emerging markets equity teams to construct a relatively concentrated portfolio of European equities, aiming to generate long-term capital growth. BlackRock's European equity team currently comprises 20 portfolio managers/sector analysts, who have specific research responsibilities across seven individual sectors. While Gries conducts research across the market in his portfolio management role, his primary sector focus is on business services. Stocks are selected on a bottom-up basis, but the team will also consider macro dynamics that could influence stocks and sectors within the market. In the developed Europe portfolio, Gries has four primary investment criteria: he looks for a quality management team with a strong track record of value creation; a company with high and importantly predictable returns; which generates strong cash flow; and possesses options to deploy this cash flow in areas of growth. In addition, the in-depth research process can help highlight companies which exhibit something unique, such as a product, brand or contract structure, which can shield a business and allow it to generate sustainable returns. The team looks for these characteristics within companies, which are not fully reflected in the current stock price, and can offer potential for earnings upgrades. The idea generation process, supported by the team's collaborative process and access to company management, helps highlight companies worthy of further fundamental research, which includes financial modelling. Company visits are therefore a key part of the investment process, which is flexible in nature, with no inherent growth, value or income bias. Stocks are sold when they have met the analysts' price targets, if the investment case changes from that originally defined or if there is a better opportunity available. BlackRock adopts a proprietary risk management system, both to mitigate risk, and help maximise shareholder returns. For a more detailed description of the investment process, see our March 2016 initiation report.

## Current portfolio positioning

Since Gries' appointment, the total number of developed Europe holdings has been reduced to c 35 versus the more typical historical range of 45-65, to increase the portfolio concentration (including meaningful changes to the portfolio in July 2017). He says that every holding has to be a compelling investment idea in order to earn its place in the portfolio. Stocks that have been sold recently are those where the manager believes that returns and cash flow are unpredictable, which includes some companies in the materials sector. Within financials, Gries is underweight banks as he believes the market is uncompetitive as the ECB has not allowed enough of the weaker players to fail, creating industry overcapacity. He highlights the mismatch between available liquidity and loan demand, which is leading to low pricing for banks and hence low returns. There is significant pressure on net interest margins because as loans roll over, the interest rate the bank is able to charge on new loans is sequentially lower. BRGE's bank holdings are companies that operate in consolidated markets, such as the Nordic region, where the banks have strong market positions and are generating attractive returns.

**Exhibit 3: Portfolio sector exposure vs reference index (% unless stated)**

| | Portfolio end-July 2017 | Portfolio end-July 2016 | Change (pp) | Index weight | Active weight vs index (pp) | Trust weight/ index weight (x) |
|---|---|---|---|---|---|---|
| Industrials | 27.4 | 25.5 | 1.9 | 15.1 | 12.3 | 1.8 |
| Consumer services | 14.5 | 10.4 | 4.1 | 4.9 | 9.7 | 3.0 |
| Financials | 13.4 | 17.8 | (4.4) | 24.0 | (10.6) | 0.6 |
| Consumer goods | 13.0 | 13.6 | (0.6) | 18.9 | (5.9) | 0.7 |
| Healthcare | 11.1 | 13.0 | (1.9) | 12.7 | (1.6) | 0.9 |
| Technology | 9.1 | 8.3 | 0.8 | 4.8 | 4.3 | 1.9 |
| Basic materials | 6.8 | 4.3 | 2.5 | 7.7 | (0.9) | 0.9 |
| Oil & gas | 4.9 | 0.0 | 4.9 | 4.2 | 0.7 | 1.2 |
| Telecommunications | 0.0 | 2.6 | (2.6) | 3.9 | (3.9) | 0.0 |
| Utilities | 0.0 | 0.0 | 0.0 | 3.9 | (3.9) | 0.0 |
| Net current assets/liabilities | (0.2) | 4.5 | (4.7) | 0.0 | (0.2) | N/A |
| | **100.0** | **100.0** | | **100.0** | | |

Source: BlackRock Greater Europe Investment Trust Edison Investment Research, FTSE Russell

At end-July 2017, 10.5% of the portfolio was invested in emerging Europe; this is much higher than the average c 6-8% over the last four years. Vecht says that there are attractive opportunities in the region following a 10-year period of relative underperformance, such as in Russia, which is now approaching its 10% maximum permitted exposure. Favoured names include energy companies, which are trading on more attractive valuations than in those in developed Europe and have the potential for positive earnings revisions leading to a rerating.

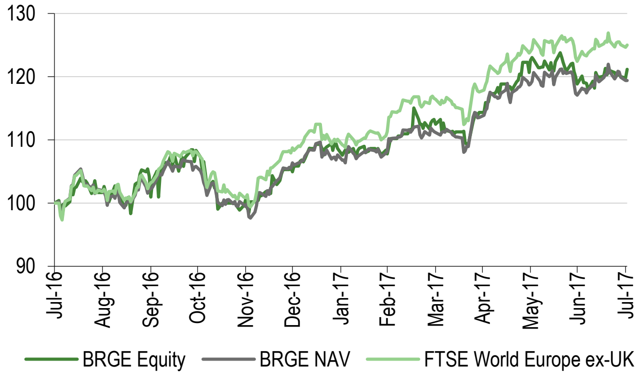
# Performance: Near-term underperformance

BRGE has underperformed its reference index year-to-date. In the six months ending 30 June, on a sector basis the largest positive contribution was healthcare (+1.14pp), while the largest detractor was consumer goods (-0.92pp). On a stock-specific basis, the largest positive contributors were

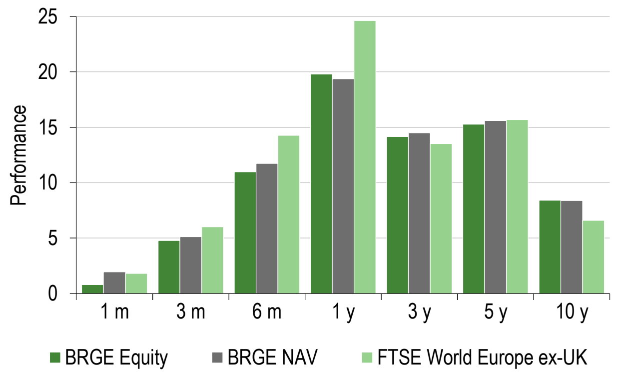
Straumann (a Swiss medtech company, +0.46pp), Mail.Ru (a Russian internet company, +0.46pp) and Powszechny Zaklad Ubezpieczen (PZU, a Polish insurance company, +0.45pp). The largest detractors were Tenaris (an Italian metal pipe manufacturer, -0.72pp) and Gazprom (a Russian gas producer and pipeline, -0.70pp).

**Exhibit 4: Investment trust performance to 31 July 2017**

**Price, NAV and index total return performance, one-year rebased**




**Price, NAV and index total return performance (%)**




Source: Thomson Datastream, Edison Investment Research. Note: Three, five and 10-year performance figures annualised.

BRGE's relative returns are shown in Exhibit 5. Despite its NAV total return underperforming the reference index over the last 12 months, the trust has maintained its record of outperformance over three and 10 years, and its NAV total return is broadly in line over five years. Of interest to UK investors, BRGE's NAV total return has outperformed the FTSE All-Share index over all periods shown; this is particularly evident over three, five and 10 years.

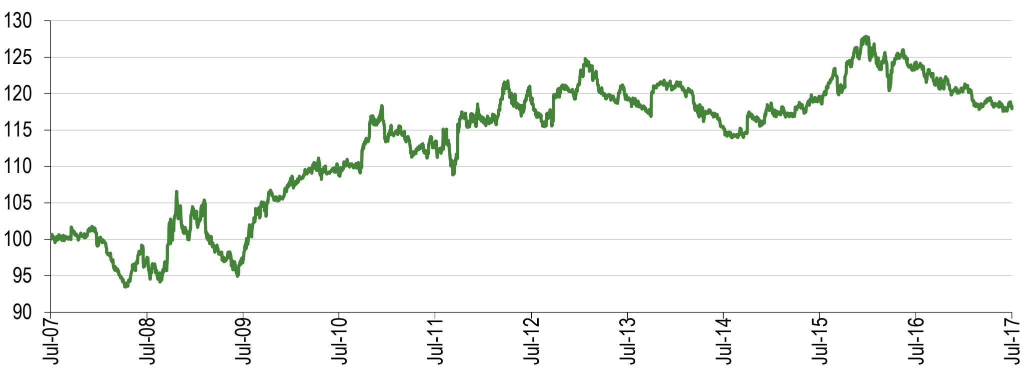
**Exhibit 5: Share price and NAV total return performance, relative to indices (%)**

| | One month | Three months | Six months | One year | Three years | Five years | 10 years |
|---|---|---|---|---|---|---|---|
| Price relative to FTSE World Europe ex-UK | (1.0) | (1.2) | (2.9) | (3.9) | 1.7 | (1.8) | 18.7 |
| NAV relative to FTSE World Europe ex-UK | 0.1 | (0.8) | (2.2) | (4.2) | 2.6 | (0.3) | 18.3 |
| Price relative to FTSE All-Share | (0.4) | 1.7 | 3.6 | 4.3 | 18.4 | 23.3 | 27.4 |
| NAV relative to FTSE All-Share | 0.8 | 2.1 | 4.4 | 3.9 | 19.4 | 25.1 | 27.0 |
| Price relative to FTSE World | (0.3) | 1.3 | 4.3 | 1.4 | (5.0) | (1.7) | (9.7) |
| NAV relative to FTSE World | 0.9 | 1.7 | 5.0 | 1.0 | (4.1) | (0.2) | (10.1) |

Source: Thomson Datastream, Edison Investment Research. Note: Data to end-July 2017. Geometric calculation.

As shown in Exhibit 6, BRGE's relative performance has been in a downward trend since late 2015. Gries attributes this to the stock market being driven by macro events, such as firmer commodity prices, the UK's EU referendum and the election of US President Trump. He notes that in 2016, the seven sectors in the STOXX Europe 600 index in positive territory were all cyclical, led by basic resources (+66.1%) and oil & gas (+30.2%), while 12 sectors declined over the year. The manager notes that quality European stocks had their worst annual performance in 20 years.

**Exhibit 6: NAV total return performance relative to reference index over 10 years**



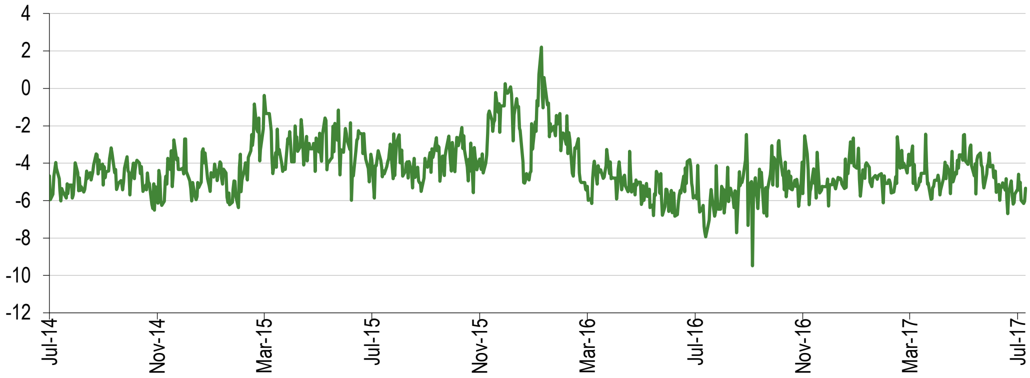

Source: Thomson Datastream, Edison Investment Research

## Discount: Broadly in line with historical averages

BRGE's current 5.3% share price discount to cum-income NAV is only a little wider than the averages of the last one, three, five and 10 years (range of 4.0% to 4.9%).

The trust's board actively manages the discount; in addition to share repurchases when considered to be in the interests of shareholders, at its discretion the board may implement semi-annual tender offers for up to 20% of shares outstanding. On 27 March 2017, it was announced that the board had decided not to implement a semi-annual tender offer in May 2017. The last tender offer was on 30 November 2016, when 6.6m (6.45% of ordinary shares outstanding) were tendered at a price of 272.08p (the prevailing cum-income NAV minus 2% to cover costs).

**Exhibit 7: Share price premium/discount to NAV (including income) over three years (%)**




Source: Thomson Datastream, Edison Investment Research

## Capital structure and fees

Following the final conversion of subscription shares in FY16, BRGE has one class of share; there are currently 95.3m ordinary shares in issue, with a further 15.0m shares held in treasury. The trust has a £20m overdraft facility and a maximum permitted level of gearing of 15% of NAV at the time of drawdown. At end-July 2017, net gearing was 4.9%. Gries comments that gearing will be deployed more actively and opportunistically going forward; given the strength in equities in recent months, he is looking to increase gearing on a market pullback.

BRGE's fee structure changed on 1 September 2015 from an annual management fee of 0.70% plus a three-year rolling performance fee of 15% of outperformance up to a maximum of 1.15%, to a base 0.85% of NAV. In FY16, ongoing charges were 1.07%, which was an 18bp increase versus the prior year; although in FY15 the award of a performance fee meant that total charges were 1.22% rather than 0.89%.

## Dividend policy and record

Since 2014, dividends have been paid twice a year in May and December, having historically been paid once a year. BRGE's board adopts a progressive dividend policy. Annual dividends have increased every year since the trust was launched in 2004; over the last five years they have compounded at an annual rate of 8.65%.

In FY16, the annual dividend of 5.30p was a 6% increase versus the prior financial year and was 1.06x covered by income. At end-FY16, BRGE had distributable reserves of just over 3x the annual dividend. Based on the current share price, the trust has a dividend yield of 1.7%.

## Peer group comparison

There are eight investment trusts in the AIC Europe sector. BRGE's NAV total returns are behind the peer group weighted averages over the periods shown. Its discount and net gearing are average. BRGE's ongoing charge of 1.07% is the second highest in the group, but no performance fee is payable. Despite its focus on capital growth rather than income, its dividend yield is in line with the sector average.

**Exhibit 8: AIC Europe peer group as at 10 August 2017***

| % unless stated | Market cap £m | NAV TR 1 year | NAV TR 3 year | NAV TR 5 year | NAV TR 10 year | Discount (ex-par) | Ongoing charge | Perf. fee | Net gearing | Dividend yield (%) |
|---|---|---|---|---|---|---|---|---|---|---|
| BlackRock Greater Europe | 301.6 | 18.0 | 57.5 | 104.0 | 130.1 | (4.7) | 1.1 | No | 105 | 1.7 |
| European Investment Trust | 392.6 | 31.5 | 44.9 | 100.2 | 52.1 | (8.3) | 0.6 | No | 100 | 2.4 |
| Fidelity European Values | 907.6 | 20.0 | 56.8 | 101.7 | 116.2 | (7.4) | 1.0 | No | 105 | 1.9 |
| Henderson European Focus Trust | 291.6 | 23.9 | 62.2 | 135.8 | 181.5 | 2.4 | 0.9 | Yes | 109 | 1.9 |
| Henderson EuroTrust | 241.5 | 22.4 | 65.1 | 128.6 | 172.0 | (3.8) | 0.9 | Yes | 100 | 1.9 |
| JPMorgan European Growth Pool | 236.5 | 24.5 | 62.6 | 123.0 | 94.0 | (10.8) | 1.1 | No | 111 | 2.2 |
| JPMorgan European Income Pool | 156.6 | 27.1 | 64.8 | 138.7 | 141.8 | (8.2) | 1.1 | No | 112 | 3.0 |
| Jupiter European Opportunities | 783.3 | 21.5 | 75.5 | 133.8 | 246.2 | (2.3) | 1.0 | Yes | 106 | 0.8 |
| **Weighted average** | | **22.7** | **61.7** | **117.6** | **150.1** | **(5.2)** | **0.9** | | **105** | **1.7** |
| **BRGE rank in sector** | **4** | **8** | **6** | **6** | **5** | **4** | **2** | | **6** | **7** |

Source: Morningstar, Edison Investment Research. Note: *Performance to 9 August 2017. TR=total return. Net gearing is total assets less cash and equivalents as a percentage of net assets.

## The board

There are five members on BRGE's board; all are non-executive and independent of the manager. Chairman Eric Sanderson was appointed in April 2013 and assumed his current role following the December 2016 AGM. Other directors and their dates of appointment are former chairman Carol Ferguson, who has announced her intention to retire at the December 2017 AGM (June 2004), Davina Curling (December 2011) and Peter Baxter (April 2015). On 27 July 2017, BRGE announced the appointment of non-executive director Dr Paola Subacchi, effective immediately. She is an economist, writer and commentator on the functioning and governance of the international financial and monetary system, and is also on the board of Scottish Mortgage Investment Trust.



Frankfurt +49 (0)69 78 8076 960
Schumannstrasse 34b
60325 Frankfurt
Germany

London +44 (0)20 3077 5700
280 High Holborn
London, WC1V 7EE
United Kingdom

New York +1 646 653 7026
295 Madison Avenue, 18th Floor
10017, New York
US

Sydney +61 (0)2 8249 8342
Level 12, Office 1205
95 Pitt Street, Sydney
NSW 2000, Australia