Fundsmith Sustainable Equity Fund

PRICE DATA AS AT 31 DECEMBER 2020

| OCF* | Minimum | Price p |
|-------|-------------------------|---|
| 1.09% | £1,000 | 122.48 |
| 1.09% | £1,000 | 122.32 |
| 0.98% | £5m | 153.30 |
| 0.98% | £5m | 151.24 |
| | 1.09% 1.09% 0.98% | 1.09% £1,000 1.09% £1,000 0.98% £5m |

STANDING DATA

| Since Inception | |
|------------------------|---------------------------|
| Portfolio Manager | Terry Smith |
| Inception (I, T Class) | 1.11.17/ 1.3.20 |
| AMC (I, T Class) | 0.9%/ 1.0% |
| Registrar | SS&C |
| Auditor | Deloitte |
| Dealing | Daily at noon |
| Dividend Dates | On or about 28/2 & 31/8 |
| Depository | State Street Trustees Ltd |
| Structure | OEIC |

KEY FACTS

| As at 31 Dec 2020 | |
|--------------------------|---------------|
| Fund Size | £428.8m |
| Gross Yield / Net Yield< | 1.37% / 0.39% |
| 2019 PTR^ | 4.8% |
| 7 Day Fund Liquidity> | 100% |
| No. Holdings | 26 |
| Average Co. Founded | 1926 |
| Average Market Cap | £140.0bn |
| 2019 Transaction Costs | 0.04% |

GEOGRAPHIC SPLIT

| As at 31 Dec 2020, By Country of Listing | % |
|--|------|
| US | 75.1 |
| Denmark | 6.3 |
| France | 5.3 |
| UK | 4.0 |
| Spain | 4.0 |
| Finland | 3.4 |
| Cash | 1.8 |

SECTOR SPLIT

| As at 31 Dec 2020, GICS [®] Categories | % |
|---|------|
| Healthcare | 29.6 |
| Technology | 28.0 |
| Consumer Staples | 27.4 |
| Consumer Discretionary | 9.2 |
| Industrials | 4.1 |
| Cash | 1.8 |

TOP 10 HOLDINGS

| As at 31 Dec 2020 |
|---------------------------|
| Paypal |
| L'Oréal |
| Microsoft |
| Intuit |
| Starbucks |
| Automatic Data Processing |
| McCormick |
| ldexx |
| Waters |
| Stryker |

SECURITY IDENTIFICATION CODES

| SHARE CLASS | SEDOL | ISIN | MEXID |
|-------------|---------|--------------|--------|
| I ACC £ | BF0V6P4 | GB00BF0V6P41 | FUOWA |
| I INC £ | BF0V6Q5 | GB00BF0V6Q57 | FUOGA |
| T ACC £ | BK5MT47 | GB00BK5MT475 | FUAACM |
| T INC £ | BK5MT58 | GB00BK5MT582 | FUAACL |

FUND FACTSHEET

Investment Objective

The Company will invest in equities on a global basis. The Company's approach is to be a long term investor in its chosen stocks. It will not adopt short-term trading strategies. The Company has stringent investment criteria which the ACD and Investment Manager adhere to in selecting securities for the Company's investment portfolio. These criteria aim to ensure that the Company invests in high quality businesses which in the opinion of the ACD and Investment Manager are those:

- high quality businesses that can sustain a high return on operating capital employed;
- businesses whose advantages are difficult to replicate;

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- businesses which do not require significant leverage to generate returns;
- businesses with a high degree of certainty of growth from reinvestment of their cash flows at high rates of return;
- businesses that are resilient to change, particularly technological innovation;
- businesses whose valuation is considered to be attractive.

Investors should be aware that the application of these investment criteria significantly limits the number of potential investments for the Company's portfolio. It is envisaged that the investment portfolio will be concentrated, generally comprising between 20 and 30 stocks. The Company will not invest in businesses which have substantial interests in any of the following sectors:

- · Aerospace and Defence
- · Brewers, Distillers and Vintners
- Casinos and Gaming
- · Gas and Electric Utilities
- Metals and Mining
- $\cdot\,$ Oil, Gas and Consumable Fuels
- Pornography
- Tobacco

In addition, the ACD and the Investment Manager apply further criteria to screen investments in accordance with the ACD's sustainable investment policy. The ACD evaluates sustainability in the widest sense, taking account not only the companies handling of environmental, social and governance policies and practices but also their policies and practices on research and development, new product innovation, dividend policy and the adequacy of capital investment.

PERFORMANCE, % TOTAL RETURN

| | | | Si | Simulated Portfolio Prior to FSEF Launch | | | | |
|-------------------------------|-------------|-------|-------|---|-----------------------|------------------------|------------------------|------------------------|
| | Dec 2020 | 2020 | 2019 | 2018 | Inception to 31.12.20 | Annualised to 31.12.20 | 6.10.14 to 31.10.17 | Annualised to 31.10.17 |
| Fundsmith SEF ¹ | +1.5 | +18.0 | +23.4 | +4.5 | +53.3 | +14.4 | - | - |
| Simulated ² | - | - | - | - | - | - | +100.5 | +25.4 |
| Equities ³ | +1.8 | +12.3 | +22.7 | -3.0 | +35.9 | +10.2 | +55.0 | +15.3 |
| UK Bonds ⁴ | +0.8 | +4.6 | +3.8 | +1.2 | +11.0 | +3.4 | +12.5 | +3.9 |
| Cash ⁵ | +0.0 | +0.3 | +0.8 | +0.7 | +1.9 | +0.6 | +1.5 | +0.5 |

The Fund is not managed with reference to any benchmark. Above are a number of comparisons of the Fund's performance: ¹Fundsmith Sustainable Equity Fund I Acc, total return, net of fees priced at midday UK time, in sterling. Inception 1st November 2017. ²Simulated portfolio is based upon a segregated account mandate, dividends reinvested pari passu, ex cash, net of fees. Inception was 6th October 2014, source: Fundsmith LLP ³MSCI World Index (£ Net) priced at close of business US time. The MSCI World Index is a market capitalisation weighted index of developed world equities and, as such, is a fair comparison given the Company's investment objective and policy. source: www.msci.com. ⁴Bloomberg/Barclays Bond Indices UK Govt 5-10 yr, source: Bloomberg. ⁵3 Month £ LIBOR Interest Rate, source: Bloomberg.

PORTFOLIO COMMENT FOR DECEMBER 2020

During the month we sold our stake in an as yet undisclosed position and started a new position in Procter & Gamble, the world's largest consumer non-durables business. The top 5 contributors in the month were Paypal, Idexx, Waters, Starbucks and Johnson & Johnson. The top 5 detractors were Kone, Unilever, Automatic Data Processing, an as yet undisclosed new position and Sage.

OUR VALUES

- No Fees for Performance
- No Up Front Fees
- No Nonsense
- No Debt or Derivatives
- No Shorting
- No Market Timing
- No Index Hugging
- No Trading
- No Hedging

FUNDSMITH KNOWS

Just a small number of high quality, resilient, global growth companies that are good value and which we intend to hold for a long time, and in which we invest our own money.

* The OCF (Ongoing Charges Figure) is the total expenses paid by the fund (excluding bank overdraft interest), annualised, against its average net asset value. The OCF will fluctuate as the average net assets and costs change. The OCF is updated following the publication of accounts for the periods ending 30th June and 31st December. ^ The PTR (Portfolio Turnover Ratio) has been calculated in accordance with the methodology laid down by the FCA. This compares the total share purchases and sales less total creations and liquidations with the average net asset value of the fund. > 7 Day Fund Liquidity is calculated based upon 30% of trailing 20 day average volume. < Gross Yield reflects the historic dividend income received by the master fund in the preceding 12 months before the deduction of all expenses including management fees. Net yield is Gross Yield less the deduction of all expenses including management fees i.e. Gross Yield sections are compared by the master fund in the preceding 12 months before the deduction of all expenses including management fees. Net yield is Gross Yield less the deduction of all expenses including management fees i.e. Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including management fees. Net yield is Gross Yield less the deduction of all expenses including management fees i.e. Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including management fees. Net yield is Gross Yield less the deduction of all expenses including management fees i.e. Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including management fees. Net yield is Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including management fees. Net yield is Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including management fees. Net yield is Gross Yield precedent for the fund. > 10 months before the deduction of all expenses including ma

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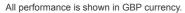


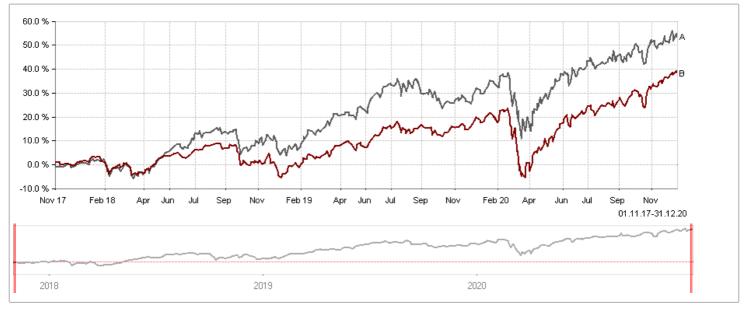


Add to chart

PERFORMANCE CHART

CHART BASIS TIME PERIOD **EVENTS**





CUMULATIVE PERFORMANCE (%)

| | | | | | | | | | | Pe | erformance | data as at 31 | 1.12.20 |
|-----|--------------|------------------------------------|-------|------|------|-------|-------|-------|-------|--------|-----------------|-------------------------|---------|
| Key | Chart | Instrument | YTD | 1m | 3m | 6m | 1yr | 3yrs | 5yrs | 10yrs | Since launch | Since launch ann. | Del |
| A | \checkmark | Fundsmith Sustainable Equity I Acc | 17.97 | 1.53 | 5.38 | 10.03 | 17.97 | 52.19 | - | - | 53.30 | 14.45 | |
| В | \checkmark | Sector:Equity - Ethical | 17.56 | 2.98 | 9.15 | 14.69 | 17.56 | 36.20 | 84.52 | 129.97 | - | 6.90 | |

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MONTHLY PERFORMANCE TABLE, % TOTAL RETURN, I CLASS, ACCUMULATION SHARES

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|------|------|------|------|------|-------|------|------|------|------|------|------|
| 2014 | | | | | | | | | | +5.5 | +4.9 | +0.2 |
| 2015 | +2.7 | +1.0 | +1.4 | -1.3 | +1.9 | -6.0 | +6.3 | -3.4 | +0.3 | +3.5 | +2.3 | +2.6 |
| 2016 | +1.6 | +2.9 | +2.9 | -1.0 | +1.9 | +11.4 | +3.3 | +1.3 | +1.9 | +1.1 | -4.4 | +4.4 |
| 2017 | -0.2 | +6.7 | +2.4 | +2.4 | +6.2 | -1.8 | +1.0 | +3.2 | -2.7 | +5.9 | -1.1 | +1.8 |
| 2018 | +1.3 | -2.5 | -3.6 | +3.8 | +6.1 | +1.8 | +3.4 | +2.9 | +0.0 | -5.8 | +4.3 | -6.4 |
| 2019 | +2.2 | +4.8 | +5.7 | +2.2 | +1.4 | +4.6 | +4.4 | +0.2 | -3.4 | -2.6 | +1.8 | +0.4 |
| 2020 | +2.6 | -6.6 | -3.8 | +8.5 | +6.6 | +0.5 | +0.6 | +3.1 | +0.7 | -1.8 | +5.7 | +1.5 |

Simulated return prior to 31.10.17

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The past performance shown prior to November 2017 is based on simulated returns of a more concentrated segregated account run for a single client adjusted to show total return, ex cash with dividends reinvested pari passu. Simulated past performance is not a reliable indicator of future performance, in particular the segregated account was more concentrated than will be permissible for the Fundsmith Sustainable Equity Fund. The value of investment and the income from them can fall as well as rise. You may not get back the amount originally invested. This document has been issued and approved by Fundsmith LLP which is authorised and regulated by the Financial Conduct Authority.

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