

**Price Data 31<sup>st</sup> December 2021**

| Share Class | OCF*  | Minimum | Price p |
|-------------|-------|---------|---------|
| T Class Acc | 1.06% | £1,000  | 150.73  |
| T Class Inc | 1.06% | £1,000  | 150.40  |
| I Class Acc | 0.96% | £5m     | 188.83  |
| I Class Inc | 0.96% | £5m     | 185.99  |

**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                       |
| Depository             | State Street Trustees Ltd. |
| Auditor                | Deloitte LLP               |
| Dealing                | Daily at Noon              |
| Dividend Dates         | On or about 28/2 & 31/8    |
| Structure              | OEIC                       |

**Key Facts**

| As at 31 Dec 2021      |               |
|------------------------|---------------|
| Fund Size              | £709.7m       |
| Gross / Net Yield<     | 1.11% / 0.15% |
| 2020 PTR^              | -2.6%         |
| 7 Day Fund Liquidity>  | 100%          |
| No. Holdings           | 25            |
| Average Co. Founded    | 1933          |
| Median Market Cap      | £101bn        |
| 2020 Transaction Costs | 0.04%         |

**Geographic Split**

| As at 31 Dec 2021, by Country of Listing | %    |
|--|------|
| US                                       | 74.1 |
| Denmark                                  | 8.9  |
| France                                   | 5.6  |
| UK                                       | 3.8  |
| Spain                                    | 2.2  |
| Finland                                  | 1.8  |
| Cash                                     | 3.6  |

**Sector Split**

| As at 31 Dec 2021, GICS® Categories | %    |
|-------------------------------------|------|
| Consumer Staples                    | 30.8 |
| Healthcare                          | 29.2 |
| Technology                          | 22.9 |
| Consumer Discretionary              | 8.1  |
| Communication Services              | 3.5  |
| Industrials                         | 1.8  |
| Cash                                | 3.6  |

\* 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 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 less the OCF.

N.B. When a position is being built for the fund the company name is not disclosed in factsheet data.

**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;
- ▶ 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
- ▶ Metals & Mining
- ▶ Casinos and Gaming
- ▶ Gas and Electric Utilities
- ▶ Oil, Gas and Consumable Fuels
- ▶ Brewers, Distillers and Vintners
- ▶ 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**

|                            | Since FSEF Launch |       |       |       |      | Simulated Portfolio Prior to FSEF Launch |                        |                     |                        |
|----------------------------|-------------------|-------|-------|-------|------|--|------------------------|---------------------|------------------------|
|                            | Dec 2021          | 2021  | 2020  | 2019  | 2018 | Inception to 31.12.21                    | Annualised to 31.12.21 | 6.10.14 to 31.10.17 | Annualised to 31.10.17 |
| Fundsmith SEF <sup>1</sup> | +4.0              | +23.2 | +18.0 | +23.4 | +4.5 | +88.8                                    | +16.5                  | -                   | -                      |
| Simulated <sup>2</sup>     | -                 | -     | -     | -     | -    | -  | -                      | +100.5              | +25.4                  |
| Equities <sup>3</sup>      | +1.9              | +22.9 | +12.3 | +22.7 | -3.0 | +67.1                                    | +13.1                  | +55.0               | +15.3                  |
| UK Bonds <sup>4</sup>      | -1.0              | -4.5  | +4.6  | +3.8  | +1.2 | +6.1                                     | +1.4                   | +12.5               | +3.9                   |
| Cash <sup>5</sup>          | +0.0              | +0.1  | +0.3  | +0.8  | +0.7 | +2.0                                     | +0.5                   | +1.5                | +0.5                   |

The Fund is not managed with reference to any benchmark, the above comparators are provided for information purposes only. <sup>1</sup>Fundsmith Sustainable Equity Fund I Acc, total return, net of fees priced at midday UK time, in sterling. Inception 1st November 2017. <sup>2</sup>Simulated 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. <sup>3</sup>MSCI World Index (£ Net) priced at close of business US time. The MSCI World Index is a developed world index of global equities across all sectors and, as such, is a fair comparison given the Company's investment objective and policy. source: www.msci.com. <sup>4</sup>Bloomberg/Barclays Bond Indices UK Govt 5-10 yr, source: Bloomberg. <sup>5</sup>Interest Rate, source: Bloomberg.

**Portfolio Comment for December 2021**

There were no outright sales or purchases of holdings made in the month. The top 5 contributors in the month were McCormick, Stryker, Zoetis, Visa and Procter & Gamble. The top 5 detractors were Intuit, an as yet undisclosed new position, Microsoft, Home Depot and Unilever.

**Top 10 holdings**

- ▶ L'Oréal
- ▶ Intuit
- ▶ Microsoft
- ▶ Novo Nordisk
- ▶ Church & Dwight
- ▶ Zoetis
- ▶ Home Depot
- ▶ McCormick
- ▶ Waters
- ▶ Procter & Gamble

**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**

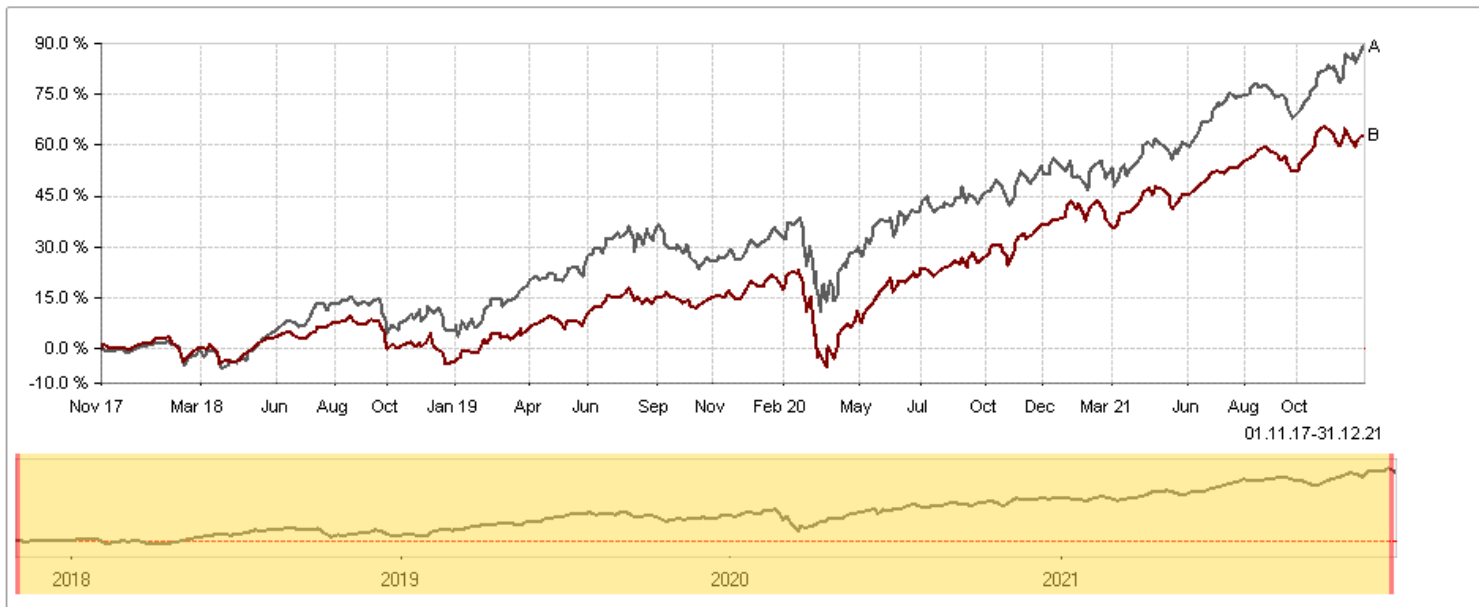
Just a small number of high quality, resilient, global growth companies that are good value and which we intend to hold for a long time, and in which we invest our own money.

## Security Identification Codes

| Share Class | SEDOL   | ISIN         | MEXID  |
|-------------|---------|--------------|--------|
| T Acc       | BK5MT47 | GB00BK5MT475 | FUAACM |
| T Inc       | BK5MT58 | GB00BK5MT582 | FUAACL |
| I Acc       | BF0V6P4 | GB00BF0V6P41 | FUOWA  |
| I Inc       | BF0V6Q5 | GB00BF0V6Q57 | FUOGA  |

## Performance chart

All performance is shown in GBP currency.



### CUMULATIVE PERFORMANCE (%)

| Key Chart | Instrument | YTD | 1m | 3m | 6m | 1yr | 3yrs | 5yrs | 10yrs | Since launch | Since launch ann. | Del |
|-----------|------------|-----|----|----|----|-----|------|------|-------|--------------|-------------------|-----|
|-----------|------------|-----|----|----|----|-----|------|------|-------|--------------|-------------------|-----|

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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 |
| 2021 | -2.9 | +1.6 | +2.3 | +4.3 | -1.0 | +5.2  | +3.7 | +1.8 | -2.5 | +1.0 | +3.9 | +4.0 |

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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