

## Price Data as at 31 July 2018

Share Class	Est. OCF#	Minimum	Price p
I Acc £	1.01%	£5m	111.31
I Inc £	1.01%	£5m	110.84

## Standing Data

Since Inception	
Portfolio Manager	Terry Smith
Strategy / Fund Inception	6.10.14 / 1.11.17
AMC	0.9%
Administrator	DST
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 Jul 2018	
Fund Size	£138.6m
Est. Gross Yield / Net Yield<	1.56% / 0.51%
7 Day Fund Liquidity>	100%
No. Holdings	24
Average Co. Founded	1929
Average Market Cap	£90.9bn

## Geographic Split

As at 31 Jul 2018, By Country of Listing	
US	60.9
UK	17.1
Denmark	8.7
Spain	5.4
Finland	3.8
France	3.5
Cash	0.7

## Sector Split

As at 31 Jul 2018, GICS Categories	
Technology	29.3
Healthcare	27.9
Consumer Staples	25.7
Industrials	12.7
Consumer Discretionary	3.7
Cash	0.7

## Top 10 Holdings

As at 31 Jul 2018	
Pepsico	
Amadeus	
Idexx	
Paypal	
Reckitt Benckiser	
Microsoft	
Intertek	
Novo Nordisk	
Visa	
Estée Lauder	

## Security Identification Codes

SHARE CLASS	SEDOL	ISIN	MEXID
I ACC £	BFOV6P4	GB00BFOV6P41	FUOWA
I INC £	BFOV6Q5	GB00BFOV6Q57	FUOGA

# 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 at launch is estimated for the year ending 31st Dec 2018.

> 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 less the OCF.

For professional investors only. 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. © 2017 Fundsmith LLP All rights reserved. It is entered on the Financial Conduct Authority's register under registered number 523102. Fundsmith LLP is a limited liability partnership registered in England and Wales with number OC354233. Its registered office address is 33 Cavendish Square, London, W1G 0PW.

## 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;
- 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
- 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

	Since FSEF Launch			Simulated Portfolio Prior to FSEF Launch					
	Jul 2018	2018 to 31.7.18	Inception to 31.7.18	2017*	2016	2015	2014**	Inception to 31.10.17	Annualised to 31.10.17
Fundsmith <sup>1</sup>	+3.4	+10.5	+11.3	-	-	-	-	-	-
Simulated <sup>2</sup>	-	-	-	+25.1	+29.8	+11.4	+10.9	+100.5	+25.4
Equities <sup>3</sup>	+3.8	+6.8	+8.6	+10.0	+28.2	+4.9	+4.8	+55.0	+15.3
UK Bonds <sup>4</sup>	-0.2	-0.6	+0.4	+0.3	+6.5	+1.0	+4.3	+12.5	+3.9
Cash <sup>5</sup>	+0.1	+0.4	+0.5	+0.3	+0.5	+0.6	+0.1	+1.5	+0.5

<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, source: Bloomberg <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, source: www.msci.com <sup>4</sup>Bloomberg/Barclays Bond Indices UK Govt 5-10 yr, source: Bloomberg <sup>5</sup>3 Month £ LIBOR Interest Rate, source: Bloomberg \*\*2014 is from 6.10.14. \*2017 is to 31.10.17, the closing day before FSEF launched.

## Portfolio Comment for July 2018

There were no outright sales or purchases of holdings made in the month. The top 5 contributors in the month were Amadeus, Idexx, Reckitt Benckiser, Novo Nordisk and Coloplast. The top 5 detractors were Estée Lauder, Stryker, Sage, Waters and Intuit.

## 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.

## 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					

Simulated return prior to 31.10.17

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