

RepRisk Indicators (RRI)

As at 31st January	FSEF	S&P 500
Environmental	2.0	4.2
Social	8.8	11.3
Governance	8.3	11.1
Total RRI	19.1	26.6
1 month RRI Change	-1.0	+0.1

Peak 24 Month RRI	34	42
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RepRisk Rating (RRR)	BBB	BB
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Innovation

As at 31st January	FSEF	S&P 500
R&D as % of sales*	6.9%	4.2%
Organic Growth [†]	4.9%	n/a
Capital Impact [‡]	0.58	0.15

Environmental*

As at 31st January	FSEF	S&P 500
Waste tns/£m FCF	22.1	79.6
Hazard's Waste tns/£m FCF	1.9	4.5
Water m ³ /£m FCF	2,796	10,820
GHG/CO2 tns/£m FCF	149	1,287
Energy MWh/£m FCF	0.5	2.6

Social*

As at 31st January	FSEF	S&P 500
Women Executives	21%	15%
Women Directors	29%	22%

Governance*

As at 31st January	FSEF	S&P 500
UN Global Compact Sign's.	30%	10%
Independent Directors	82%	89%

Least RepRisk

As at 31st January	RRI
IDEXX	0
Intertek	0
Sage	0
Waters	0

Most RepRisk

As at 31st January	RRI
Johnson & Johnson	66
Marriott Intl.	63
Unilever	51
Microsoft	31

Proxy Voting

12 Months ending 31st January	%
Proxies voted	100
Voted against an item	72
Voted against remuneration policy	60

*Source: Bloomberg. Median numbers except R&D as % of sales which is a mean.
[†]Organic Growth is the mean sales growth excluding M&A and FX.
[‡]Capital Impact[™] is the Productive Asset Investment Ratio (capex/depreciation) multiplied by Return on Invested Capital (EBIT/invested capital) as last reported. The more productive the capital investment the higher the number.

RepRisk Data is sourced from RepRisk ESG Business Intelligence www.reprisk.com. RepRisk Indicator (RRI) uses an algorithm to access the risk of reputational damage to companies from 28 ESG issues and a variety of specific and thematic "hot topics". E.g. Coral reef damage, human trafficking or threats to endangered species. 0-25 denotes low risk exposure, 26-49 medium risk exposure, 50-59 high risk exposure, 60-74 very high risk exposure and 75-100 extremely high risk exposure. We use the RRI to calculate our most/least sustainable portfolio firms. E, S and G scores are the weighted average percentage of the news stories about the related topic categories respectively. RRI change is how much the weighted average RRI score has changed in the last 30 days with best/ worst performer the largest movers. Peak RRI score is the highest weighted average RRI score in the last 2 years. RepRisk Rating (RRR) takes the RRI and combines it with the ratings of the countries/sectors it is involved in to calculate the rating, which is ranked AAA to D.

RepRisk Data

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	-	-	-	-	-	-	-	-	21.7	23.3	21.8	23.7
2018	22.9	21.6	22.1	21.2	19.5	20.3	21.8	19.9	18.7	21.6	20.0	20.1
2019	19.1											

Data/factsheets prior to Nov 2017 relate to the Comic Relief Segregated Account

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January Commentary

Environmental

- Johnson & Johnson has announced a recycling programme for soft contact lenses in the UK. Used lenses of any brand, as well as their packaging can be taken to Boots Opticians and various independent practices for recycling. Contact lens wearers can also request free home collection of used lenses.
- Corporate Knights ranked Kone the 43rd most sustainable company in the world; the only elevator and escalator company in the top 100. Kone's CEO also mentioned recently that they have the most energy efficient products on the market and were the first company to achieve an A-class energy efficiency classification for elevator installation from the ISO.
- L'Oréal received a AAA score from the Carbon Disclosure Project making them one of only two companies to receive As in all categories (climate change, water security and forest protection). The other was Firmenich, a Swiss fragrance and flavour company.
- Unilever and Bio-on have launched a new brand called My Kai and are set to release their first product, a sun cream made of "micro powders made with the revolutionary minerv bio cosmetics bioplastic, obtained from renewable plant sources making it 100% biodegradable." The name My Kai comes from the Hawaiian words "kai" meaning "sea" and "makai" meaning "to the sea."

Social

- Marriott released an update statement on its data breach, claiming the number of guest details stolen was lower than the initial estimate of 500m. The current number of hacked records is said to be 383m, although this number likely contains a number of duplicates. The number of unencrypted passport details stolen are now estimated at around 5.25m, along with 8.6m encrypted payment card details.
- Sage's Intacct business, which provides accounting software, was included on Fortune's list of the "best workplaces for diversity."
- Estée Lauder has been added to the Bloomberg Gender-Equality Index for the second year in a row. The index "distinguishes companies committed to transparency in gender reporting and advancing women's equality."
- Visa has launched "She's Next, Empowered by Visa", which is a global initiative to encourage female, small business owners. According to Visa, 163m women have founded a small business globally since 2014.
- Microsoft has announced that it is committing \$500m towards affordable housing solutions in Washington State. The company says it will invest \$225m at "lower than market rate returns" to subsidise the preservation and construction of middle-income housing in 6 cities near its HQ and will invest \$250m at market rate returns to support low income housing in King County, Washington state. The remaining \$25m will be used as grants to address homelessness in Seattle.

Innovation

- A group of US Army veterans have filed a lawsuit against 3M in Minnesota claiming that faulty earplugs are to blame for their hearing loss. The earplugs named in the law suit were made by Aearo Technologies, which 3M acquired in 2003. One of the plaintiffs claimed that in order to win the contract with the Army, Aearo falsified test results for its Combat Arms Earplugs-Version 2.
- Intuit's TurboTax has launched a "new Hispanic integrated marketing communications campaign" aimed at empowering the Latino community to "take control of their finances." A TurboTax employee makes the good point that taxes are complicated at the best of times, and even more so when a lot of the information and form-filling is not in your first language.

Last Month RRI Change

Biggest Decrease	Change	Biggest Increase	Change
PepsiCo	-14	Microsoft	+6

- A report published by the European Network of Corporate Observatories (ENCO) in Spain accused EU institutions of complicity in corporate impunity by obstructing a UN treaty on corporate responsibility, which was proposed as part of the Global Campaign to Dismantle Corporate Power and Stop Impunity. Microsoft was cited in the report as pursuing "aggressive lobbying practices" in Europe. As well as Microsoft, Google, Airbus, Deutsche Telekom, Facebook Ireland, Basf, Siemens, Royal Dutch Shell, ExxonMobil, Goldman Sachs Group and Volkswagen Group were also mentioned.