

Fundsmith Stewardship Fund

Short Form Report

For the six months ended 30 June 2025 (unaudited)

Profile of the Fund

Investment objective and policy

The objective of Fundsmith Stewardship Fund (formerly Fundsmith Sustainable Equity Fund) ("the Fund") is to achieve long-term growth (over 5 years) in value.

The Fund will invest in equities on a global basis. The Fund's approach is to be a long-term investor in its chosen stocks. It will not adopt short-term trading strategies.

The Fund has stringent investment criteria which the Authorised Corporate Director (ACD) and the appointed investment manager adhere to in selecting securities for the Fund's investment portfolio. These criteria aim to ensure that the Fund invests in businesses:

- that can sustain a high return on operating capital employed;
- whose advantages are difficult to replicate;
- which do not require significant leverage to generate returns;
- with a high degree of certainty of growth from reinvestment of their cash flows at high rates of return;
- that are resilient to change, particularly technological innovation; and
- whose valuation is considered by the Fund to be attractive.

The Fund 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; and
- tobacco.

In addition, the ACD and the Investment Manager apply further criteria to screen investments in accordance with the ACD's sustainable investment policy.

Risk profile

The Fund has no exposure to derivatives and no borrowings. Further, the investments are all in large publicly quoted companies where there is significant liquidity in the stock. The principal risk factor is the market price of the securities held by the Fund which is kept under review in light of the Fund's objective.

Currency risk: The Fund's portfolio is a global share portfolio and many of the investments are not denominated in Sterling. There is no currency hedging in place and the price may therefore rise or fall purely on account of exchange rate movements.

Concentration risk: The investment criteria adopted by the Fund significantly limits the number of potential investments. The Fund generally holds 20 to 30 stocks and so it is more concentrated than many other funds. This means that the performance of a single stock within the portfolio has a greater effect on the price of the shares of the Fund.

Operational risk: Failures or delays in operational processes may negatively affect the Fund. There is a risk that any company responsible for the safekeeping of the assets of the Fund may fail to do so properly or may become insolvent, which could cause loss to the Fund.

Sustainability risk: Environmental, social or governance conditions or events may occur that may have a material negative impact on the value of its investments.

Profile of the Fund (continued)

Risk warning

Any stock market investment involves risk. These risk factors are contained in the full Prospectus. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance.

Risk and reward profile

Lower risk

Typically lower rewards

Higher risk

Typically higher rewards

1	2	3	4	5	6	7
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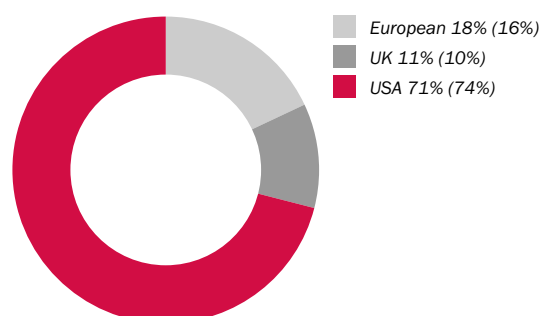
The risk category reflects the significance of the Fund's share price fluctuations based on historical data. Historical data may not be a reliable indication of the future risk profile of the Fund. The risk category of the Fund is not guaranteed and may change over time. Further, the lowest category of risk does not mean risk free.

Generally, the higher the risk category, the greater the potential for higher returns but also the higher the risk of losing money. This fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past. The underlying investments are, however, in large companies with shares that are highly liquid.

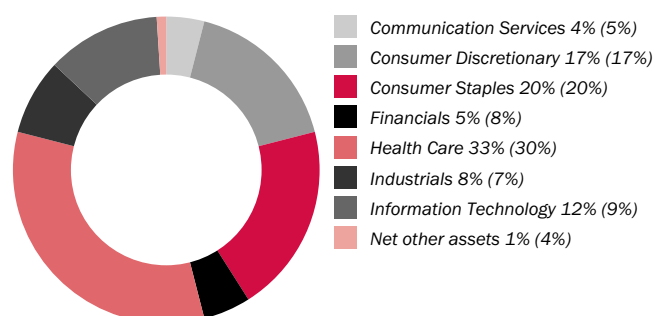
There are a number of other risks that are not covered by the indicator above. A full description is contained in the prospectus under the heading "Risk Factors". The most material are currency risk, concentration risk, operational risk and sustainability risk.

Information on the Fund

Breakdown by geography*
as at 30 June 2025



Breakdown by sector
as at 30 June 2025



The figures in brackets show comparative figures at 31 December 2024.

* Breakdown by geography is by country listing and not reflective of breakdown by operations.

Summary of Significant Changes

For the six months to 30 June 2025		For the six months to 30 June 2024	
Largest purchases	Cost (£)	Largest purchases	Cost (£)
EssilorLuxottica	10,245,760	Greggs	28,792,125
Greggs	8,165,625	Texas Instruments	4,060,805
Texas Instruments	5,040,545	Atlas Copco	3,033,826
Intuit	5,024,903	Fortinet	1,402,409
US Treasury Bill 15/06/2025	1,122,617	Unilever	258,120
Total	29,599,450	Total	37,547,285
Total purchases for the six months	30,157,215	Total purchases for the six months	37,547,285
Largest sales	Proceeds (£)	Largest sales	Proceeds (£)
Visa	16,809,926	Johnson & Johnson	26,981,478
Home Depot	13,382,194	PepsiCo	22,343,478
Microsoft	8,722,407	McCormick	19,401,804
Mastercard	8,472,310	Novo Nordisk	6,000,612
L'Oréal	5,028,517	Microsoft	4,008,004
Total	52,415,354	Total	78,735,376
Total sales for the six months	83,145,177	Total sales for the six months	83,532,724

Investment Manager's review

July 2025

Dear Fellow Investor,

The table below shows the performance of the Fundsmith Stewardship Fund ('Fund') and other comparators during the first half of 2025 and since inception.

% Total Return	1st Jan to 30th June 2025	Inception to 30th June 2025	
		Cumulative	Annualised
Fundsmith Stewardship Fund¹	-6.7	+84.8	+8.3
Equities ²	+0.1	+117.4	+10.7
UK Bonds ³	+3.8	-3.4	-0.4
Cash ⁴	+2.2	+16.1	+2.0

The Fund is not managed with reference to any benchmark, the above comparators are provided for information purposes only.

¹ T Class Accumulation shares, net of fees priced at midday UK time, source: Bloomberg.

² MSCI World Index, £ Net, priced at close of business US time, source: www.msci.com.

³ Bloomberg Series-E UK Govt 5-10 yr Bond Index, source: Bloomberg.

⁴ £ Interest Rate, source: Bloomberg.

Our Fund fell 6.7% in the first six months of the year, 6.8 percentage points less than what is perhaps the most obvious comparator – the MSCI World Index (£ net).

What did well for us in the first six months of 2025? Here are the five biggest positive contributors to performance:

Stock	Attribution
IDEXX	+0.7%
L'Oréal	+0.7%
Microsoft	+0.6%
Amadeus	+0.2%
Visa	+0.2%

Source: State Street.

As ever, we continue to make money with old friends.

The five biggest detractors from our Fund's performance during the period were:

Stock	Attribution
Novo Nordisk	-1.1%
Church & Dwight	-1.0%
Greggs	-1.0%
Coloplast	-0.7%
Procter & Gamble	-0.7%

Source: State Street.

Novo Nordisk alone accounted for almost one sixth of the underperformance during the period. Its ability to snatch defeat from the jaws of victory in respect of its leadership in weight loss drugs continues to be remarkable. Its inability to deal with the US legal and regulatory system's approach to its success would be interesting to observe from a safe distance.

Investment Manager's review (continued)

Another Danish medical company, Coloplast, was also amongst our largest detractors. Together with Novo they accounted for over a quarter of the underperformance. Coloplast was a company whose revenue growth rate was metronomic. Probably not coincidentally, following two major acquisitions, it has encountered a series of operational failures.

Both Novo and Coloplast are controlled by foundations which we have seen as a strength in terms of their ability to make good long-term decisions. Both have now fired their CEOs. We wait with increasingly thin patience to see whom they appoint as replacements and what changes they bring.

Another adverse factor affecting our Fund's performance has been the US Dollar. The majority of the companies we invest in are based in the United States, report in US Dollars and more importantly have the majority of their revenues in this currency. Therefore the move in the Dollar from \$1.25 at the beginning of the year to \$1.37 at the end of June (9% depreciation) has had a major effect. This can be seen in the fact that our US Dollar denominated fund was up by 6.3% in the first half of 2025. I doubt this performance by the Dollar relative to the Pound is a reflection of the strength of the UK economy, and in fact the USD Trade Weighted Index has fallen by a similar amount.

I have no clue if or when this will reverse but would merely observe that the apparent policy aims of the Trump administration — reducing the US trade deficit and lowering interest rates — are incompatible with a strong Dollar. But equally the course of events in the UK do not suggest to me that the Pound is likely to see continued strength either.

At this point in 2024, 68% of the portfolio had externally Science-Based Targets initiative (SBTi) approved emission reduction targets aligned with the goal of keeping global warming within 1.5°C of preindustrial levels, also known as the 'Business Ambition for 1.5°C'. This year, we are pleased to report that 73% of the portfolio is now aligned with that goal, with an additional

14% in the process of establishing targets with the SBTi. This compares to just 14% of listed companies globally¹. Further, 79% of the Fund's emissions are covered by a committed to reaching net zero emissions by 2050 at the latest. This is a decrease on last year's proportion as some of the Fund's companies had their commitments removed by the SBTi due to issues relating to scope 3 emission reductions. We continue to track the progress companies in the portfolio make toward their net zero goals and engage with those who still make a material contribution when necessary.

We prefer not to update the valuation at this stage of the year as although share prices are certain, the free cash flow ('FCF') on which we base our valuation has elements of seasonality so we will leave it until the year end to update the portfolio valuation.

During the period we began accumulating stakes in Intuit, the accounting software business and EssilorLuxottica the global eyewear manufacturer. No positions were exited. As a result our portfolio turnover in the first half was just 3.2% and the voluntary dealing (dealing not caused by redemptions or subscriptions) cost £96k during the half year (0.016% or 1.6 basis points). The Ongoing Charges Figure for the I Class Accumulation shares was 0.95% and with the cost of all dealing added, the Total Cost of Investment was 0.98%.

We continue to invest with the aim of long-term superior performance adjusted for risk and thank you for your continued support.

Yours sincerely,



Terry Smith

CEO

Fundsmith LLP

Fundsmith Sustainable Equity Fund became Fundsmith Stewardship Fund on 24th March 2025. The Fundsmith Stewardship Fund does not have a UK sustainable investment label as it does not have a sustainability goal. Sustainable investment labels help investors find products that have a specific sustainability goal.

Disclaimer: A Key Investor Information Document and an English language prospectus for the Fundsmith Stewardship Fund are available via the Fundsmith website or on request and investors should consult these documents before purchasing shares in the fund. Past performance is not necessarily a guide to future performance. The value of investments and the income from them may fall as well as rise and be affected by changes in exchange rates, and you may not get back the amount of your original investment. Fundsmith LLP does not offer investment advice or make any recommendations regarding the suitability of its product. This document is communicated by Fundsmith LLP which is authorised and regulated by the Financial Conduct Authority.

Sources: Fundsmith LLP & Bloomberg unless otherwise stated.

Portfolio turnover is a measure of the fund's trading activity and has been calculated by taking the total share purchases and sales less total creations and liquidations divided by the average net asset value of the fund.

MSCI World Index is the exclusive property of MSCI Inc. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or final products. This report is not approved, reviewed or produced by MSCI. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's and 'GICS®' is a service mark of MSCI and Standard & Poor's.

The MSCI World Index is a developed world index of global equities across all sectors and, as such, is a fair comparison given the fund's investment objective and policy.

¹MSCI Sustainability Institute Transition Finance Tracker – April 25

Performance Record

The per share net asset values in the table below are different from the published dealing prices that were available to investors. This is to comply with accounting rules that require the net asset values in this report to be based on close of day bid prices. The investment manager's review and factsheet uses dealing prices as the Fund could only be bought or sold at these prices.

	Share Class T - Accumulation			
	6 months to 30.06.25 (p)	12 months to 31.12.24 (p)	12 months to 31.12.23 (p)	12 months to 31.12.22 (p)
Change in net asset value per share				
Opening net asset value per share	157.14	145.00	135.08	150.02
Return before operating charges	(9.71)	13.78	11.39	(13.54)
Operating charges	(0.79)	(1.64)	(1.47)	(1.40)
Return after operating charges	(10.50)	12.14	9.92	(14.94)
Distributions	(0.24)	(0.25)	(0.28)	(0.15)
Retained distributions on accumulation shares	0.24	0.25	0.28	0.15
Closing net asset value per share	146.64	157.14	145.00	135.08
After direct transaction costs of:	0.03	0.05	0.01	0.01
Performance				
Return after operating charges	(6.68%)	8.37%	7.34%	(9.96%)
Other information				
	£	£	£	£
Closing net asset value	59,772,042	67,329,677	62,278,580	55,388,343
Closing number of shares	40,760,614	42,847,374	42,949,603	41,002,997
Ongoing charges figure*	1.05%	1.06%	1.06%	1.05%
Direct transaction costs	0.04%	0.03%	0.01%	0.01%
Prices				
	(p)	(p)	(p)	(p)
Highest share price	165.35	163.04	145.46	149.27
Lowest share price	135.54	143.17	132.92	122.15

*The Ongoing Charges Figure (OCF) is the share class's total annualised operating costs (excluding overdraft interest) expressed as a percentage of the average net assets of the share class.

Performance Record (continued)

The per share net asset values in the table below are different from the published dealing prices that were available to investors. This is to comply with accounting rules that require the net asset values in this report to be based on close of day bid prices. The investment manager's review and factsheet uses dealing prices as the Fund could only be bought or sold at these prices.

	Share Class T - Income			
	6 months to 30.06.25 (p)	12 months to 31.12.24 (p)	12 months to 31.12.23 (p)	12 months to 31.12.22 (p)
Change in net asset value per share				
Opening net asset value per share	156.08	144.26	134.65	149.69
Return before operating charges	(9.63)	13.70	11.34	(13.50)
Operating charges	(0.79)	(1.63)	(1.46)	(1.40)
Return after operating charges	(10.42)	12.07	9.88	(14.90)
Distributions	(0.24)	(0.25)	(0.27)	(0.14)
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	145.42	156.08	144.26	134.65
After direct transaction costs of:	0.03	0.05	0.01	0.01
Performance				
Return after operating charges	(6.68%)	8.37%	7.34%	(9.95%)
Other information	£	£	£	£
Closing net asset value	3,366,865	3,723,205	3,239,610	2,979,238
Closing number of shares	2,315,295	2,385,478	2,245,696	2,212,639
Ongoing charges figure*	1.05%	1.06%	1.06%	1.05%
Direct transaction costs	0.04%	0.03%	0.01%	0.01%
Prices	(p)	(p)	(p)	(p)
Highest share price	164.23	162.03	144.91	148.95
Lowest share price	134.62	142.43	132.42	121.88

*The Ongoing Charges Figure (OCF) is the share class's total annualised operating costs (excluding overdraft interest) expressed as a percentage of the average net assets of the share class.

Performance Record (continued)

The per share net asset values in the table below are different from the published dealing prices that were available to investors. This is to comply with accounting rules that require the net asset values in this report to be based on close of day bid prices. The investment manager's review and factsheet uses dealing prices as the Fund could only be bought or sold at these prices.

	Share Class I - Accumulation			
	6 months to 30.06.25 (p)	12 months to 31.12.24 (p)	12 months to 31.12.23 (p)	12 months to 31.12.22 (p)
Change in net asset value per share				
Opening net asset value per share	197.45	182.02	169.40	187.94
Return before operating charges	(12.20)	17.30	14.29	(16.94)
Operating charges	(0.90)	(1.87)	(1.67)	(1.60)
Return after operating charges	(13.10)	15.43	12.62	(18.54)
Distributions	(0.36)	(0.51)	(0.52)	(0.34)
Retained distributions on accumulation shares	0.36	0.51	0.52	0.34
Closing net asset value per share	184.35	197.45	182.02	169.40
After direct transaction costs of:	0.03	0.06	0.01	0.01
Performance				
Return after operating charges	(6.63%)	8.48%	7.45%	(9.86%)
Other information	£	£	£	£
Closing net asset value	267,619,787	326,271,906	379,132,966	363,242,394
Closing number of shares	145,168,356	165,243,316	208,291,167	214,429,462
Ongoing charges figure*	0.95%	0.96%	0.96%	0.95%
Direct transaction costs	0.04%	0.03%	0.01%	0.01%
Prices	(p)	(p)	(p)	(p)
Highest share price	207.79	204.85	182.59	187.01
Lowest share price	170.35	179.72	166.82	153.10

*The Ongoing Charges Figure (OCF) is the share class's total annualised operating costs (excluding overdraft interest) expressed as a percentage of the average net assets of the share class.

Performance Record (continued)

The per share net asset values in the table below are different from the published dealing prices that were available to investors. This is to comply with accounting rules that require the net asset values in this report to be based on close of day bid prices. The investment manager's review and factsheet uses dealing prices as the Fund could only be bought or sold at these prices.

	Share Class I - Income			
	6 months to 30.06.25 (p)	12 months to 31.12.24 (p)	12 months to 31.12.23 (p)	12 months to 31.12.22 (p)
Change in net asset value per share				
Opening net asset value per share	193.02	178.40	166.51	185.11
Return before operating charges	(11.92)	16.95	14.04	(16.70)
Operating charges	(0.88)	(1.83)	(1.64)	(1.57)
Return after operating charges	(12.80)	15.12	12.40	(18.27)
Distributions	(0.35)	(0.50)	(0.51)	(0.33)
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	179.87	193.02	178.40	166.51
After direct transaction costs of:	0.03	0.06	0.01	0.01
Performance				
Return after operating charges	(6.63%)	8.48%	7.45%	(9.87%)
Other information	£	£	£	£
Closing net asset value	199,850,242	247,021,980	238,979,980	238,995,006
Closing number of shares	111,107,986	127,976,231	133,955,409	143,532,688
Ongoing charges figure*	0.95%	0.96%	0.96%	0.95%
Direct transaction costs	0.04%	0.03%	0.01%	0.01%
Prices	(p)	(p)	(p)	(p)
Highest share price	203.13	200.50	179.33	184.20
Lowest share price	166.53	176.14	163.84	150.79

*The Ongoing Charges Figure (OCF) is the share class's total annualised operating costs (excluding overdraft interest) expressed as a percentage of the average net assets of the share class.

Further Information

Reports and accounts

Each year, the ACD will publish on its website (www.fundsmith.green) Annual and Interim Reports and Accounts for the Company discussing investment activity during the period and providing management commentary.

UK UCITS

The Company is an authorised Collective Investment Scheme constituted as a UK UCITS in accordance with the FCA rules.

Prospectus

The Fund Prospectus, an important document describing Fundsmith Stewardship Fund in detail, is available from the ACD, which is responsible for the management and administration of the Fund.

Also available are the Key Investor Information Document (KIID) and the Supplementary Information Document (SID).

The ACD for Fundsmith Stewardship Fund is Fundsmith LLP located at 33 Cavendish Square, London W1G 0PW.

All documents are available on the ACD's website.

Minimum investment

The Company has two different share classes:

I shares and T shares.

There are two types of share available in each class - Income shares or Accumulation shares.

The following table summarises the investment levels for T shares.

Minimum lump sum investment level	£1,000
Minimum regular sum investment level	£100
Minimum top-up investment amount	£250
Minimum holding level	£1,000

Publication of prices

The prices of shares are published daily on the ACD's website at www.fundsmith.green. Shareholders can also obtain the current price of their Shares by calling the ACD on 0330 123 1815.

Dealing Charges

There are no dealing charges on the purchase, sale or switching of shares.

Dilution Adjustment

The ACD may impose a dilution adjustment to the share price. The dilution adjustment aims to mitigate the costs to the Company of making investments (when additional cash is available following new investment into the Company) or selling investments in order to meet redemption requests.

Further information regarding the circumstances in which a dilution adjustment may be applied is set out in the Prospectus.

Task Force on Climate-Related Financial Disclosures (TCFD)/Sustainability Reporting

The TCFD product report prepared by the ACD is published on the ACD's website at fundsmith.co.uk/fsf/documents

The relevant public product-level sustainability report prepared by the ACD will be published here when due.

Change of Name

On 24 March 2025 the Company changed its name to Fundsmith Stewardship Fund.

Contact details

Dealing and enquiries

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FCA Reference Number 784191

Authorised Corporate Director

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