

RepRisk Index (RRI)

As at 30 th November	FSEF	MSCI World
Environmental	2.8	5.4
Social	13.8	13.8
Governance	12.8	11.4
Total RRI	29.4	30.6
1 Month RRI Change	-0.8	-0.2
Peak 24 Month RRI	43	41

Innovation

As at 30 th November	FSEF	MSCI World
R&D as % of sales*	6.7%	5.6%
TTM Organic Growth"	8.4%	n/a
Capital Impact™	0.43	0.10

Environmental*

As at 30 th November	FSEF	MSCI World
Waste tns/£m FCF	26	468
Hazard's Waste tns/£m FCF	0.4	15
Water m ³ /£m FCF	1,490	26,257
GHG/CO2 tns/£m FCF	63	284
Energy MWh/£m FCF	375	1,089
Paris Aligned (2°)	66%	n/a
Net Zero commitment	85%	n/a

Social*

As at 30 th November	FSEF	MSCI World
Employees who are women	44%	38%
Management who are women	31%	27%
Executives who are women	24%	15%
Directors who are women	32%	25%

Governance*

As at 30 th November	FSEF	MSCI World
UN Global Compact Sign's.	48%	43%
Independent directors	82%	72%
Executives holding shares	59%	49%
Reporting to CDP	92%	72%
Reporting scope 1&2 GHG emissions	100%	87%
Reporting water withdrawal	72%	65%
Reporting waste generated	74%	62%

Least Reprisk

As at 30 th November	RRI
Waters	0
ADP	0
Fortinet	0
Mettler-Toledo	0

Most Reprisk

As at 30 th November	RRI
Alphabet	63
McDonald's	55
Unilever	54
Microsoft	52

Proxy Voting

12 months ending 29 th September	%
Proxies voted	100
Voted against management	10
Voted against remuneration policy	54

November 2023 commentary

Environmental

- ▶ L'Oréal has announced it is working with the Great Barrier Reef Foundation to fund research into restoring and protecting coral reefs. L'Oréal's Fund for Nature Regeneration has committed to a decade-long investment to support research projects aiming to develop methods to calculate the value of coral reef biodiversity and to support the deployment of heat-tolerant corals.
- ▶ Otis has submitted greenhouse gas reduction targets to the Science Based Targets Initiative (SBTi) for evaluation. The company has committed to reductions covering scope 1, 2, and 3 emissions.
- ▶ Waters published their 2023 ESG Report, which included details on how the company was progressing towards its greenhouse gas emission reduction goals. The company has set itself the goal of reducing scope 1 and 2 emissions by 35% by 2025. So far, the company has achieved a 27% reduction in their emissions.

Social

- ▶ Fortinet will make its student curriculum available to more than nine million students from primary and secondary schools across the UK. The company's Chief Marketing Officer, John Maddison, commented, "By educating students on the importance of digital safety and best practices in the classroom, we want to help develop more cyber-aware individuals from a young age so they can keep themselves and their connected networks safe".
- ▶ Marriott and UNICEF have teamed up to launch 'Check Out for Children' to mark World Children's Day. The program invites guests to donate for each night of their stay across 500 of their hotels. Marriott hotels have raised \$50m for UNICEF over the past 3 decades.
- ▶ P&G's Pampers is again partnering with the Canadian Natal ICU to provide free diapers to premature babies. Pampers has also committed to donate 8 cents to the Canadian Premature Babies Foundation and Prema-Quebec for every Swaddlers diapers and Sensitive Wipes pack sold at Walmart Canada from 1st November to 31st December 2023.
- ▶ Otis invited 100 Hartford, Connecticut, Boys & Girls Club members to its Farmington Headquarters to participate in hands-on activities such as building circuitry and robot kits that were donated to the Club. Otis also donated \$50,000 to support club members' interest in science, technology, engineering, and maths (STEM) subjects.
- ▶ Zoetis has partnered with Adopt a Pet, North America's largest pet adoption website, to support more than 3.5 million animals across the US. The partnership aims to develop and implement grant programs benefitting shelters and rescuers within the Adopt a Pet network and provide additional educational resources for shelter staff and pet owners.

Last Month RRI Change

Biggest Decrease Coloplast -7	Biggest Increase PepsiCo +16
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PepsiCo's RepRisk Index increased by 16 in November after the company was mentioned in Rainforest Action Network's 'Keep Forests Standing 2023 Scorecard'. The Scorecard claimed that major international brands have made commitments to transform their supply chains but are still involved in deforestation and human rights abuses, particularly in Indonesia and Brazil. In Indonesia, these criticisms stem from buying palm oil, which is ubiquitous in consumer products, from companies such as the Royal Golden Eagle Group, who have been accused of environmental and social abuses. PepsiCo was also sued by a South African worker at its Simba crisp brand who is looking for 20m ZAR (£840k) in compensation for alleged abuse and discrimination.

*Source: Bloomberg and company reports. Weighted average numbers. The Environmental numbers presented above are a guide only as reporting is nascent with only c.75% of portfolio companies reporting comparable numbers. Where constituent numbers are not available these are estimated by Fundsmith LLP Research based upon nearest comparable sector numbers obtainable and scaling for company's assets. "Organic Growth" is the trailing twelve month, reported average sales growth excluding M&A and FX, using last reported numbers. 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 assess 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.