

RepRisk Index (RRI)

As at 30 th April	FSEF	MSCI World
Environmental	2.7	5.3
Social	14.1	13.7
Governance	12.9	12.8
Total RRI	29.8	31.9
1 Month RRI Change	-0.8	0.2
Peak 24 Month RRI	41	41

Innovation

As at 30 th April	FSEF	MSCI World
R&D as % of sales*	6.0%	5.5%
TTM Organic Growth"	6.8%	n/a
Capital Impact™	0.82	0.20

Environmental*

As at 30 th April	FSEF	MSCI World
Waste tns/£m FCF	30.0	608
Hazard's Waste tns/£m FCF	0.6	21
Water m ³ /£m FCF	1,787	23,614
GHG/CO2 tns/£m FCF	176	396
Energy MWh/£m FCF	610	1,329
Paris Aligned (2°)	65%	n/a
Net Zero commitment	82%	n/a

Social*

As at 30 th April	FSEF	MSCI World
Employees who are women	42%	39%
Management who are women	34%	31%
Executives who are women	29%	21%
Directors who are women	37%	33%

Governance*

As at 30 th April	FSEF	MSCI World
UN Global Compact Sign's.	42%	34%
Independent directors	78%	71%
Executives holding shares	60%	47%
Reporting to CDP	92%	77%
Reporting scope 1&2 GHG emissions	96%	92%
Reporting water withdrawal	77%	64%
Reporting waste generated	69%	63%

Least Reprisk

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

Most Reprisk

As at 30 th April	RRI
Alphabet	64
Microsoft	59
Novo Nordisk	58
McDonald's	55

Proxy Voting

12 months ending 28 th March	%
Proxies voted	100
Voted against management	10
Voted against executive remuneration	88

April 2024 commentary

Environmental

- ▶ Microsoft announced a collaboration with Norwegian carbon capture specialist Aker Carbon Capture and carbon removal developer CO280. The group aims to scale up carbon removal systems, focusing on the physical and digital carbon removal chains in the U.S. and Canada.
- ▶ LanzaJet, a sustainable aviation fuel (SAF) developer and producer, announced that Microsoft's Climate Innovation Fund had invested in the company. LanzaJet has developed technology that enables the creation of SAF and renewable diesel from waste-based and sustainable ethanol sources, such as low-carbon sugarcane, energy crops, forest residuals, agricultural waste, and organic waste. Microsoft's investment aims to enable LanzaJet to continue building its capability and capacity to deploy its sustainable fuel process technology worldwide.
- ▶ Otis announced that the Science Based Targets initiative (SBTi) had approved its near-term greenhouse gas emissions reduction targets. The company pledged to reduce its scope 1 and 2 emissions by 55% by 2033 and scope 3 emissions from purchased goods and services, business travel, and use of sold products by 33% over the same period.
- ▶ Renewable Power Capital (RPC), a London-based renewable energy company, announced that it had secured a 140 MW offtake agreement with Procter & Gamble. Under the 10-year power purchase agreement (PPA), P&G has agreed to buy more than 90% of the energy produced by one of RPC's projects at the High Coast wind cluster.
- ▶ Fifth Third Bank announced it had joined Mastercard's Priceless Planet Coalition. The Coalition aims to restore 100 million trees worldwide by 2025. As signatories to the Coalition, Fifth Third aims to restore 10,000 trees, focusing its efforts on a reforestation project in Appalachia, Kentucky.

Social

- ▶ Home Depot announced this year's winners of its annual 'Retool Your School' program. The company gave nearly \$3 million in grants to 42 Historically Black Colleges and Universities (HBCUs) to improve their campuses. Since the inception of the Retool Your School program in 2009, Home Depot has given more than \$12 million to HBCUs.
- ▶ Procter & Gamble issued a recall of more than 8 million bags of its Tide, Gain, Ace, and Ariel laundry detergent packets sold in the U.S. and Canada. The product's packaging was found to have a defect in its child safety feature, causing the packs to split by the zipper track. At the time of the recall, there were no confirmed injuries resulting from the defect.
- ▶ In April, the European Union's drug regulator, the European Medicines Agency (EMA), concluded that there was no causal link between Novo Nordisk's semaglutide-based drugs and suicidal or self-harm thoughts and actions. The EMA initiated the probe in July last year following reports that some people taking the medicines had experienced suicidal thoughts.

Last Month RRI Change

Biggest Decrease	Biggest Increase
Visa -11	PepsiCo +5

PepsiCo's RepRisk Index increased by 5 in April because the company was criticised in two separate articles in Peru. The first summarised an investigation by a charity that showed that the company still had links to palm oil company Ocho Sur. The company has been accused of destroying 17,000 hectares of forest and violating the rights of indigenous communities. PepsiCo claims that its supply chain has been 100% deforestation-free since 2022. The second article accused the company's Santa Anita Plant of failing to provide compensation and take responsibility for an explosion that killed three workers and injured three others. The explosion was caused by excessive hydraulic pressure. The authorities fined the factory after the accident and closed it for five days.

*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 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.