

Reprisk Indicators (RRI)

As at 30th November	FSEF	MSCI World
Environmental	4.2	5.0
Social	12.3	12.6
Governance	14.1	11.6
Total RRI	30.6	29.1
1 month RRI Change	0.5	-0.2
Peak 24 Month RRI	40	41
RepRisk Rating (RRR)	BBB	BB

Innovation

As at 30th November	FSEF	MSCI World
R&D as % of sales*	7.1%	5.8%
TTM Organic Growth"	28.1%	n/a
Capital Impact™	0.36	0.13

Environmental*

As at 30th November	FSEF	MSCI World
Waste tns/£m FCF	23	1,322
Hazard's Waste tns/£m FCF	0.4	24
Water m³/£m FCF	1,535	43,884
GHG/CO2 tns/£m FCF	107	520
Energy MWh/£m FCF	323	2,167

Social*

As at 30th November	FSEF	MSCI World
Women Executives	25%	17%
Women Directors	36%	29%

Governance*

As at 30th November	FSEF	MSCI World
UN Global Compact Sign's.	40%	33%
Independent Directors	80%	70%

Least Reprisk

As at 30th November	RRI
IDEXX	0
Waters	0
ADP	16
Church & Dwight	17

Most Reprisk

As at 30th November	RRI
Johnson & Johnson	67
Undisclosed Holding	58
Unilever	57
P&G	51

Proxy Voting

12 Months ending 30th November	%
Proxies voted	100
Voted against an item	79
Voted against remuneration policy	71

November 2021 commentary

Environmental

- ▶ The Terra Carta Seal is a new award given by the Prince of Wales' Sustainable Markets Initiative for industry leading companies that are pursuing ambitious environmental targets. The Terra Carta Seal has been awarded to 45 companies including L'Oréal, McCormick, Novo Nordisk, PepsiCo, and Unilever.
- ▶ Estee Lauder has announced that it has already reached its 2025 goal to include 15% post-consumer recycled (PCR) material in its packaging. Having surpassed the goal, Estee Lauder has set a new 2025 goal aiming to reach 25% PCR material as well as reducing the use of virgin petroleum plastics in its packaging by 50% by 2030.
- ▶ Other highlights from Estee Lauder's Sustainability Report include the company's announcement that it has reduced its scope 1 & 2 emissions by 59% compared to 2018 levels.
- ▶ Intuit recently launched its Climate Action Marketplace, an online platform aimed at enabling small businesses to reduce their carbon emissions by finding sustainable alternatives to carbon intensive activities. Along with the launch of the marketplace, Intuit announced a commitment to help 1 million small businesses cut their carbon emissions by 50% by 2030.
- ▶ Visa has launched Visa Eco Benefits, a new package of sustainability benefits and features aimed at encouraging and enabling sustainable consumption by cardholders. Designed to help account issuers meet climate-conscious consumer demand, the new bundle is expected to include a carbon footprint calculator, allowing cardholders to estimate the carbon footprint of their spend, and a temperature score to determine the climate impact of their personal spending behavior.
- ▶ Microsoft has launched a new sustainable datacenter in Sweden, enabling businesses to host their cloud workloads in datacenters powered by 100% carbon-free energy. The launch of the new datacenter in the region follows a series of climate-focused commitments made by Microsoft this year, including new targets to increase the company's use of clean energy under the '100/100/0' vision. Under the vision, the company aims to match 100% of its electricity consumption, 100% percent of the time, with zero carbon energy purchases.

Social

- ▶ The French Ministry for Gender Equality, Diversity and Equal Opportunities presented the 8th edition of its 'Awards for the Feminisation of Governing Bodies'. L'Oréal won the 'Parité du Top 100' Special Award for having 51% of the top 100 positions in the Group occupied by women.
- ▶ A judge in California rejected claims by four municipal governments in California that Johnson & Johnson, Teva, Endo International and Allergan created a public health crisis by mismarketing opioids.
- ▶ Starting in November, shoppers using PayPal in the US, France, Germany and the UK who spend more than \$10 on purchases or donations will be automatically entered into a weekly prize draw. Prizes range from \$25 to \$250 to spend on future purchases and/or donations through PayPal. Additionally, each week PayPal will be awarding a cash prize of \$10,000 to a select number of PayPal shoppers across the countries mentioned.
- ▶ PepsiCo has announced a new goal of helping 50m people gain access to nutritious foods by 2030 through its food security program 'Food for Good' and the expansion of its affordable nutrition offerings as parts of its PepsiCo Positive (pep+) strategy. The company outlined some of its new investments including a \$1m grant to the World Food Programme to improve food security needs for communities affected by climate change, conflict, natural disasters, and humanitarian crises.

Last Month RRI Change

Biggest Decrease	Biggest Increase
Starbucks -10	Amadeus +16

- ▶ Amadeus's RepRisk increased by 16 this month due to a newspaper in the UAE reporting that the authorities in Iraq are investigating alleged bribery by the company in an effort to secure a contract with Iraqi airways. The bribe is alleged to be \$500,000.

*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. 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.