

Fundsmith Equity Fund SICAV

(formerly named "Fundsmith Equity Fund Feeder")

Société d'Investissement à Capital Variable

Unaudited semi-annual report for the period from 1 January 2020
to 30 June 2020

R.C.S. Luxembourg B 164404

Subscriptions can only be made on the basis of the current Prospectus, the Key Investor Information Document ("KIID") supplemented by the most recent annual report and audited accounts and interim reports and unaudited accounts, if published after such annual report and audited accounts.

Fundsmith Equity Fund SICAV

TABLE OF CONTENTS

| | |
|---|----|
| Organisation of the SICAV | 2 |
| Directors' Report | 4 |
| Governance Report | 6 |
| Statement of Net Assets | 7 |
| Statement of Operations and Changes in Net Assets | 8 |
| Statistical Information | 9 |
| Statement of Changes in Shares | 10 |
| Statement of Investments and Other Net Assets | 11 |
| Notes to the Financial Statements | 12 |
| Appendix I – Securities Financing Transactions and of Reuse ("SFTR") Disclosure | 17 |
| Appendix II – Risk Information | 18 |
| Appendix III – Portfolio Turnover Ratio | 19 |

Fundsmith Equity Fund SICAV

ORGANISATION OF THE SICAV

REGISTERED OFFICE

49, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

MANAGEMENT COMPANY

FundRock Management Company S.A.
33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

INVESTMENT MANAGER, DISTRIBUTOR AND SPONSOR

Fundsmith LLP
33, Cavendish Square
London, W1G 0PW
United Kingdom
Authorised and regulated by The Financial Conduct Authority
FCA Registration Number 523102

BOARD OF DIRECTORS OF THE SICAV

Directors

Mr. Terry Smith
Fundsmith LLP (Resigned as Chairman and Director in August 2020)
Mr. Simon Godwin
Fundsmith LLP
Mr. Garry Pieters
Independent Director
Ms. Sheenagh Joy Gordon-Hart
Independent Director (Appointed 15 April 2020)

CABINET DE REVISION AGRÉÉ

Deloitte Audit, Société à responsabilité limitée
20 Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISER

Elvinger Hoss Prussen, S.A.
2, place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg

Fundsmith Equity Fund SICAV

ORGANISATION OF THE SICAV (continued)

INVESTMENT ADVISOR

Fundsmith Investment Services Limited

c/o Griffon Solutions Ltd
C2-401, 4th Floor, Grand Baie La Croisette
Grand Baie
Mauritius

DEPOSITARY AND ADMINISTRATOR (CENTRAL ADMINISTRATION AGENT, DOMICILIARY AND CORPORATE AGENT, REGISTRAR AND TRANSFER AGENT)

**State Street Bank International GmbH,
Luxembourg Branch**

49, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Fundsmith Equity Fund SICAV

DIRECTORS' REPORT

The table below shows the performance of the Fund during the first half of 2020 and since inception and other comparators:

| | 01.01.20- 30.06.20 % | SINCE INCEPTION CUMULATIVE % | ANNUALISED % |
|---------------------------------|-------------------------------------|---|-------------------------|
| Fundsmith Equity Fund SICAV EUR | -0.7 | +319.3 | +18.0 |
| MSCI World Index EUR | -5.8 | +172.6 | +12.3 |
| Fundsmith Equity Fund SICAV CHF | -2.5 | +220.3 | +15.2 |
| MSCI World Index CHF | -7.4 | +118.0 | +9.9 |
| Fundsmith Equity Fund SICAV USD | -0.8 | +164.4 | +14.2 |
| MSCI World Index USD | -5.8 | +77.2 | +8.2 |
| Fundsmith Equity Fund SICAV GBP | +6.8 | +203.4 | +19.6 |
| MSCI World Index GBP | +1.0 | +104.5 | +12.2 |
| European Bonds EUR | +4.7 | +113.0 | +9.1 |
| Cash EUR | -0.2 | -0.5 | -0.1 |

Our Fund outperformed what is perhaps the most obvious comparator - the MSCI World Index - by approximately 5% during the first half of 2020 across the four currencies where we have share classes.

The main contributors to our performance in the first half of 2020:

| Top Five | Contribution %* |
|--------------------|------------------------|
| PayPal | +2.27 |
| Microsoft | +1.30 |
| IDEXX Laboratories | +0.83 |
| Coloplast | +0.75 |
| Clorox | +0.60 |

PayPal and Microsoft both find themselves in ideal positions to benefit from the digital transformation which the pandemic has accelerated.

Fundsmith Equity Fund SICAV

DIRECTORS' REPORT (continued)

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

| Bottom Five | Contribution %* |
|-------------------------|------------------------|
| Amadeus | -1.63 |
| Intercontinental Hotels | -0.92 |
| Diageo | -0.81 |
| Philip Morris | -0.74 |
| Waters | -0.72 |

*Contribution to Return in euros

Our dialogue with the management of Amadeus and Intercontinental Hotels suggests that both are correctly focused on survival and in a position to continue operating for 18 months to two years even if there is no improvement in the travel and hospitality industry. Moreover, they believe that their market positions may be strengthened by these events.

We sold our position in Clorox, the US consumer goods company which largely operates in the household cleaning products segment. This was unusual for us as we had only purchased the shares in 2019 but the rise in demand for disinfectant products produced such a strong share price performance that we thought this presented an opportunity to switch our investment into two other companies which we wished to own and whose share prices had been significantly reduced by events - Nike and Starbucks. They are the world's leading sportswear brand and coffee retailer. We believe that both have better growth prospects than Clorox and are likely to emerge from the pandemic with strengthened market positions.

Our portfolio turnover was -17.7%. Voluntary dealing (dealing not caused by redemptions of subscriptions) cost €368,147 during the half year (0.9bps). For the T Class, the Ongoing Charges Figure was 1.11% and with the cost of dealing added, the Total Cost of Investment was 1.14%.

Fund liquidity is a subject which has attracted a lot of attention recently and we thought we should offer some observations about our Fund in an effort to answer any queries you might have. The Fundsmith Equity Fund Sicav never invests nor will it ever invest in unquoted companies. Nor does it own any small or mid cap companies. The smallest companies from a market value perspective that the Fundsmith Equity Fund Sicav invests in are all members of the FTSE 100 Index. We have published a liquidity measure on our monthly factsheet since January 2012, as we have always regarded this as an important subject, and, at the end of June, it showed that we could liquidate 96% of our Fund (c. €4.5bn) in 7 days (based on trading 30% of the trailing 20 day average volume).

We face an uncertain outlook given recent events, but 'twas ever thus. We have no crystal ball unlike the commentators who tell us that the recovery from the pandemic and resulting closure of economic activities deemed non-essential will be shaped like a V, a U, a W, a bathtub or the Nike swoosh (we're not making this up). No one knows - as the economist J K Galbraith said 'The only function of economic forecasting is to make astrology look respectable'. However, what we know is that we have assembled a portfolio of high quality companies which have to date proven to be resilient. If you are a long term investor that is the most certain determinant of your future returns.

GOVERNANCE REPORT

During the first half of 2020, a year that started positively, the world was shocked in March by the COVID-19 pandemic. Regulators around the world responded by providing leeway to the markets, such as postponement of filing deadlines, and opportunities to work from home (under strict conditions) etc. Central Banks responded by providing liquidity.

Your Board responded by ensuring business continued to be conducted 'as usual'; we believe that this will remain the case under these exceptional circumstances. The service providers to the fund, such as the management company, central administrator and depositary have taken sufficient measures to continue operations without disruption.

The Board met twice during the period, once physically and once by means of teleconference.

We are encouraged by the performance of the fund, as well as by your loyalty, for which we thank you.

Fundsmith Equity Fund SICAV

STATEMENT OF NET ASSETS AS AT 30 JUNE 2020

Fundsmith Equity Fund SICAV

EUR

| Assets | |
|---|----------------------|
| Investments at market value (Note 2) | 4,504,119,332 |
| Cash at bank (Note 2) | 173,151,794 |
| Receivable on subscriptions | 9,910,532 |
| Receivable for investment securities sold | 6,794,230 |
| Other assets | 131,602 |
| Total assets | 4,694,107,490 |
| Liabilities | |
| Management fees payable (Note 4) | 7,353,628 |
| Payable for investment securities purchased | 4,706,419 |
| Depositary and Administration fees payable (Note 6) | 1,097,241 |
| Taxe d'abonnement payable (Note 3) | 311,165 |
| Professional fees payable | 48,639 |
| Other liabilities | 35,164 |
| Total liabilities | 13,552,256 |
| Total Net Assets | 4,680,555,234 |

The accompanying notes form an integral part of these financial statements.

Fundsmith Equity Fund SICAV

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2020

Fundsmith Equity Fund SICAV

| | EUR |
|---|----------------------|
| Net assets at the beginning of the period | 4,112,138,884 |
| Income | |
| Dividend income (Note 2) | 30,979,685 |
| Interest income | 379,224 |
| Total income | 31,358,909 |
| Expenses | |
| Management fees (Note 4) | 20,120,586 |
| Depository and Administration fees (Note 6) | 1,278,914 |
| Taxe d'abonnement (Note 3) | 378,339 |
| Professional fees | 34,530 |
| Directors fees (Note 7) | 18,000 |
| Bank charges | 463,344 |
| Other expenses | 10,409 |
| Total expenses | 22,304,122 |
| Net investment income | 9,054,787 |
| Net realised loss on | |
| - Investments (Note 2) | (2,060,245) |
| - Currencies (Note 2) | (1,758,830) |
| Change in unrealised appreciation/(depreciation) on | |
| - Investments | (18,316,683) |
| - Currencies | 63,334 |
| Net result of operations for the period | (13,017,637) |
| Subscriptions for the period | |
| | 1,639,358,109 |
| Redemptions for the period | |
| | (1,057,075,586) |
| Distribution paid for the period (Note 9) | |
| | (848,536) |
| Total of Subscription, Redemption and Distribution | 581,433,987 |
| Net assets at the end of the period | 4,680,555,234 |

The exchange rates used as at 30 June 2020 are:

- 1 EUR = 1.065472 CHF
- 1 EUR = 7.452418 DKK
- 1 EUR = 0.913492 GBP
- 1 EUR = 1.1209 USD

Fundsmith Equity Fund SICAV

STATISTICAL INFORMATION AS AT 30 JUNE 2020

| | Currency | Total Net Assets As at 30 June 2020 | Net Asset Value/Share As at 30 June 2020 | Total Net Assets As at 31 Dec 2019 | Net Asset Value/Share As at 31 Dec 2019 | Total Net Assets As at 31 Dec 2018 | Net Asset Value/Share As at 31 Dec 2018 |
|------------------------------------|------------|---|--|--|---|--|---|
| Fundsmith Equity Fund SICAV | | | | | | | |
| Euro Classes | | | | | | | |
| T Class Accumulation | EUR | | 41.93 | | 42.22 | | 31.86 |
| T Class Income | EUR | | 39.62 | | 39.93 | | 30.18 |
| R Class Accumulation | EUR | | 40.28 | | 40.66 | | 30.85 |
| R Class Income | EUR | | 39.54 | | 39.92 | | 30.27 |
| I Class Accumulation | EUR | | 42.36 | | 42.63 | | 32.12 |
| I Class Income | EUR | | 39.76 | | 40.06 | | 30.27 |
| Swiss Franc Classes | | | | | | | |
| I Class Accumulation | CHF | | 32.03 | | 32.84 | | 25.69 |
| I Class Income | CHF | | 30.00 | | 30.80 | | 24.16 |
| US Dollar Classes | | | | | | | |
| I Class Accumulation | USD | | 26.44 | | 26.65 | | 20.49 |
| I Class Income | USD | | 25.03 | | 25.27 | | 19.48 |
| GB Pound Classes | | | | | | | |
| I Class Accumulation | GBP | | 30.34 | | 28.41 | | 22.60 |
| I Class Income | GBP | | 29.04 | | 27.23 | | 21.71 |
| Total Net Assets | EUR | 4,680,555,234 | | 4,112,138,884 | | 2,034,772,341 | |

The accompanying notes form an integral part of these financial statements.

Fundsmith Equity Fund SICAV

STATEMENT OF CHANGES IN SHARES FOR THE PERIOD ENDED 30 JUNE 2020

| | Currency | Balance at 1 January 2020 | Subscriptions | Redemptions | Balance at 30 June 2020 |
|------------------------------------|----------|------------------------------|-------------------|-------------------|----------------------------|
| Fundsmith Equity Fund SICAV | | | | | |
| Euro Classes | | | | | |
| T Class Accumulation | EUR | 11,816,775 | 9,028,603 | 5,349,198 | 15,496,180 |
| T Class Income | EUR | 1,435,573 | 1,137,664 | 546,693 | 2,026,544 |
| R Class Accumulation | EUR | 3,639,230 | 2,806,825 | 1,806,772 | 4,639,283 |
| R Class Income | EUR | 564,545 | 486,752 | 160,626 | 890,671 |
| I Class Accumulation | EUR | 27,673,687 | 12,743,452 | 8,817,334 | 31,599,805 |
| I Class Income | EUR | 4,912,693 | 1,337,435 | 858,039 | 5,392,089 |
| Swiss Franc Classes | | | | | |
| I Class Accumulation | CHF | 4,829,142 | 683,637 | 656,108 | 4,856,671 |
| I Class Income | CHF | 1,249,005 | 204,871 | 147,885 | 1,305,991 |
| US Dollar Classes | | | | | |
| I Class Accumulation | USD | 51,329,134 | 15,282,049 | 10,151,608 | 56,459,575 |
| I Class Income | USD | 7,747,942 | 2,364,228 | 1,050,164 | 9,062,006 |
| GB Pound Classes | | | | | |
| I Class Accumulation | GBP | 9,321,559 | 2,109,211 | 1,389,274 | 10,041,496 |
| I Class Income | GBP | 3,839,704 | 1,207,278 | 1,111,418 | 3,935,564 |
| Total | | 128,358,989 | 49,392,005 | 32,045,119 | 145,705,875 |

The accompanying notes form an integral part of these financial statements.

Fundsmith Equity Fund SICAV

STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT 30 JUNE 2020

Transferable securities admitted to an official exchange listing

| Quantity | Description | Currency | Acquisition Cost EUR | Market Value EUR | % of Net Assets |
|---|-----------------------------------|----------|-------------------------|----------------------|--------------------|
| Equity | | | | | |
| Denmark | | | | | |
| 1,015,974 | Coloplast A/S - B | DKK | 99,610,429 | 138,645,683 | 2.96 |
| 3,247,319 | Novo Nordisk A/S - B | DKK | 148,629,634 | 186,997,964 | 4.00 |
| | Total | | 248,240,063 | 325,643,647 | 6.96 |
| Finland | | | | | |
| 3,015,845 | Kone OYJ - B | EUR | 147,394,440 | 185,655,418 | 3.97 |
| | Total | | 147,394,440 | 185,655,418 | 3.97 |
| France | | | | | |
| 699,564 | L'Oreal SA | EUR | 170,230,280 | 200,169,519 | 4.27 |
| | Total | | 170,230,280 | 200,169,519 | 4.27 |
| Spain | | | | | |
| 2,293,255 | Amadeus IT Group SA | EUR | 159,525,335 | 107,186,739 | 2.29 |
| | Total | | 159,525,335 | 107,186,739 | 2.29 |
| United Kingdom | | | | | |
| 5,005,408 | Diageo PLC | GBP | 180,132,446 | 147,903,248 | 3.16 |
| 1,623,182 | InterContinental Hotels Group PLC | GBP | 87,997,941 | 64,536,912 | 1.38 |
| 2,281,742 | Intertek Group PLC | GBP | 134,590,790 | 135,282,093 | 2.89 |
| 1,784,446 | Reckitt Benckiser Group PLC | GBP | 130,143,245 | 144,983,801 | 3.10 |
| 16,776,963 | Sage Group PLC | GBP | 137,272,303 | 123,968,755 | 2.65 |
| 2,751,826 | Unilever PLC | GBP | 143,086,626 | 132,817,771 | 2.84 |
| | Total | | 813,223,351 | 749,492,580 | 16.02 |
| United States | | | | | |
| 1,021,957 | Automatic Data Processing Inc | USD | 145,513,455 | 133,458,851 | 2.85 |
| 626,600 | Becton Dickinson and Co | USD | 137,811,182 | 130,233,708 | 2.78 |
| 1,387,288 | Brown-Forman Corp - B | USD | 77,089,398 | 78,269,310 | 1.67 |
| 965,642 | Estee Lauder Cos Inc - A | USD | 147,669,457 | 159,935,220 | 3.42 |
| 955,191 | Facebook Inc - A | USD | 145,688,955 | 188,021,486 | 4.02 |
| 610,731 | IDEXX Laboratories Inc | USD | 127,256,749 | 178,658,792 | 3.82 |
| 704,059 | Intuit Inc | USD | 165,552,702 | 180,848,079 | 3.86 |
| 1,304,873 | Johnson & Johnson | USD | 160,546,649 | 161,860,552 | 3.46 |
| 1,153,335 | McCormick & Co Inc | USD | 157,210,441 | 184,570,591 | 3.94 |
| 1,401,673 | Microsoft Corp | USD | 146,923,416 | 248,146,947 | 5.30 |
| 1,934,566 | Nike Inc | USD | 154,762,513 | 165,462,389 | 3.54 |
| 1,777,752 | Paypal Holdings Inc | USD | 165,122,093 | 267,003,717 | 5.70 |
| 1,258,343 | PepsiCo Inc | USD | 142,661,501 | 147,152,784 | 3.14 |
| 2,981,905 | Philip Morris International Inc | USD | 219,448,458 | 187,576,111 | 4.01 |
| 2,315,039 | Starbucks Corp | USD | 149,904,607 | 151,761,102 | 3.24 |
| 900,055 | Stryker Corp | USD | 159,833,748 | 142,544,134 | 3.05 |
| 918,314 | Visa Inc - A | USD | 131,376,528 | 156,790,869 | 3.35 |
| 467,582 | Waters Corp | USD | 101,927,514 | 73,676,787 | 1.57 |
| | Total | | 2,636,299,366 | 2,935,971,429 | 62.72 |
| Total for transferable securities admitted to an official exchange listing | | | 4,174,912,835 | 4,504,119,332 | 96.23 |
| Total Equity | | | 4,174,912,835 | 4,504,119,332 | 96.23 |
| Total Investments | | | 4,174,912,835 | 4,504,119,332 | 96.23 |
| Other Net Assets | | | | 176,435,902 | 3.77 |
| Total Net Assets | | | | 4,680,555,234 | 100.00 |

The accompanying notes form an integral part of these financial statements.

Fundsmith Equity Fund SICAV

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Fundsmith Equity Fund SICAV (formerly named Fundsmith Equity Fund Feeder) is an open-ended investment company incorporated under the laws of Luxembourg as a *Société d'Investissement à Capital Variable* in accordance with the provisions of Part I of the amended Law relating to Undertakings for Collective Investment of 17 December 2010 (UCI Law). The SICAV was incorporated for an unlimited period on 28 October 2011. The Articles of Incorporation were published in the *Mémorial C* on 14 November 2011. The SICAV changed its name to Fundsmith Equity Fund SICAV on 29 March 2019 and the Articles were amended on 22 March 2019. The SICAV is registered with the Luxembourg Trade and Companies Register under number B164404.

On 29 March 2019 the structure of the SICAV was changed from a feeder fund to a standalone fund. As part of this transition the Fundsmith Equity Fund SICAV appointed FundRock Management Company S.A. to serve as its management company within the meaning of the UCI Law. The Management Company is responsible for the provision of investment management services, administrative services and marketing services to the SICAV, subject to the overall supervision of the Board of Directors of the SICAV.

The Investment Advisor will provide advice to the Investment Manager in relation to the SICAV's investment strategy. The recommendations of the Investment Advisor shall not be binding on the Investment Manager.

The investment objective of the SICAV is to achieve long term growth in value. The SICAV will invest in equities on a global basis. The SICAV's approach is to be a long-term investor in its chosen stocks. It will not adopt short-term trading strategies. The SICAV has stringent investment criteria which the Investment Manager adheres to in selecting securities for the SICAV's investment portfolio.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounts of the SICAV are maintained in Euros. The SICAV's financial statements were prepared in accordance with Luxembourg legal and regulatory requirements and generally accepted accounting principles relating to UCITS and in particular using the following valuation rules:

a) *Valuation of cash and cash equivalents*

Cash on hand or on deposit is valued at its nominal / face value plus accrued interest, where applicable, to the end of the relevant Valuation Day.

b) *Valuation of investments*

The Board of Directors of the SICAV may adjust the value of any investment if they have concerns with regards to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, and deem such adjustment as required to reflect the fair value thereof.

Fundsmith Equity Fund SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Where the value of an investment is not ascertainable as described in the Articles, the value shall be the probable realisable value determined by the Board of Directors of the SICAV, or by a competent person, with care and in good faith.

If the Board of Directors of the SICAV deem it necessary, a specific investment may be valued under an alternative method of valuation chosen by the Board of Directors of the SICAV.

c) Net realised profit/(loss) on investments

The Net realised profit/(loss) on investments is recorded in the "Statement of Operations and Changes in Net Assets".

Realised and unrealised profits on investments are significantly higher than expected due to the change of the structure of the Fund and the in specie transfers.

d) Cost of purchase of investments

For investments in currencies other than the Reference Currency (EUR) the purchase price is calculated according to the closing exchange rate on the day of purchase.

e) Income

Dividends are recognised on the date on which the shares concerned are quoted ex-dividend, net of withholding tax.

f) Conversion of items expressed in foreign currencies

Assets and liabilities in foreign currencies are converted into the Reference Currency (EUR) of the SICAV at the closing exchange rate on the last day of the financial year.

Income and expenses in foreign currencies are converted into the Reference Currency (EUR) of the SICAV at the closing exchange rate in force on the day of the transaction.

The Net realised profit/(loss) on currencies as well as the exchange rates as at 30 June 2020 are included in the "Statement of Operations and Changes in Net Assets".

g) Total Net Asset Value

The Total Net Asset Value is equal to the difference between the total assets and the total liabilities of the SICAV.

Fundsmith Equity Fund SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Total Net Asset Value of each class is expressed in the relevant Reference Currency of the relevant class.

The Net Asset Value per Share is calculated as of each Valuation Day by dividing the Total Net Asset Value attributable to a Class by the total number of Shares in issue or deemed to be in issue in that Class as of the relevant Valuation Day and rounding the resulting total to two decimal places or such number of decimal places as the Board of Directors of the SICAV may determine.

h) Use of Estimates

The preparation of the financial statements in conformity with the Luxembourg legal and regulatory requirements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. The Board of Directors of the SICAV may also disclose certain contingent assets and liabilities at the date of the financial statements which can affect income and expenses during the reported years. Actual results could differ from those estimates.

3. TAXE D'ABONNEMENT

Under current Law and practice, the SICAV is not liable to any Luxembourg tax on profits or income.

The SICAV is, however, liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.01% per annum of its Total Net Asset Value for institutional shares and of 0.05% per annum of its Total Net Asset Value for retail shares, such tax being payable quarterly on the basis of the value of the aggregate Total Net Asset Value of the SICAV at the end of the relevant calendar quarter.

No Luxembourg tax is payable on the realised capital appreciation of the assets of the SICAV.

Dividends and interest received by the SICAV on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

4. MANAGEMENT FEES

The SICAV will remunerate the Management Company and the Investment Manager for their services out of an aggregate management fee, as specified for each Class of Shares in the following table, which is payable monthly in arrears and accrued as of each Valuation Day.

| Annual Management Fee rate by Share Class: | | |
|--|-------|-------|
| I | R | T |
| 0.90% | 1.50% | 1.00% |

5. PERFORMANCE FEES

The SICAV is not subject to performance fees.

Fundsmith Equity Fund SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. DEPOSITARY AND ADMINISTRATION FEES

The SICAV pays to the Depositary out of the assets of the SICAV an annual fee, accrued as of each Valuation Day and payable monthly in arrears, which is expressed as a percentage of the Total Net Assets, as specified in the following table:

| Total Net Assets | Rate |
|-------------------------------|--------|
| EUR 0 - EUR 1 billion | 0.012% |
| EUR 1 billion - EUR 2 billion | 0.007% |
| From EUR 2 billion | 0.000% |

The SICAV pays the Administrator an annual fee of 0.05% of the Net Asset Value. The fee is accrued each Valuation Day and paid monthly in arrears.

7. DIRECTORS FEES

Mr. Garry Pieters and Ms. Sheenagh Joy Gordon-Hart receive, as compensation for services as Independent Director, an annual fee of EUR 30,000; subject to approval by the general meeting of shareholders of the SICAV. Mr Terry Smith and Mr. Simon Godwin, who are Partners of Fundsmith LLP, do not receive a fee for acting as a Director.

8. SHARE CAPITAL

The Share Classes available as at 30 June 2020 are the following:

| | Currency | Minimum Subscription |
|-----------------------------|----------|----------------------|
| Class T Accumulation Shares | EUR | EUR 2,000 |
| Class T Income Shares | EUR | EUR 2,000 |
| Class R Accumulation Shares | EUR | EUR 2,000 |
| Class R Income Shares | EUR | EUR 2,000 |
| Class I Accumulation Shares | EUR | EUR 5,000,000 |
| Class I Income Shares | EUR | EUR 5,000,000 |
| Class I Accumulation Shares | CHF | CHF 6,000,000 |
| Class I Income Shares | CHF | CHF 6,000,000 |
| Class I Accumulation Shares | USD | USD 6,000,000 |
| Class I Income Shares | USD | USD 6,000,000 |
| Class I Accumulation Shares | GBP | GBP 5,000,000 |
| Class I Income Shares | GBP | GBP 5,000,000 |

9. DISTRIBUTION PAID

A total amount of EUR 848,536 was distributed over the period.

Fundsmith Equity Fund SICAV

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. TRANSACTION COSTS

For the period ended 30 June 2020, the Fundsmith Equity Fund SICAV incurred transaction costs of EUR 704,125.

11. SIGNIFICANT EVENTS

The Fundsmith Equity Fund SICAV has largely recovered from the lows experienced in March 2020 due to the ongoing Covid-19 pandemic. Period to date (24 August 2020) the SICAV is up 5% versus 4.6% for the MSCI World. Period to date net inflows to the SICAV were 70million EUR.

12. SUBSEQUENT EVENTS

Mr. Terry Smith resigned as Chairman and Director in August 2020. Apart from this, there were no material events which occurred after the end of the financial period, which would have a bearing on the understanding of the financial statements.

Fundsmith Equity Fund SICAV

APPENDIX I – Securities Financing Transactions and of Reuse ("SFTR") DISCLOSURE

The SICAV does not use any instruments falling into the scope of Securities Financing Transactions and of Reuse ("SFTR") as per the European Regulation 2015/2365.

Fundsmith Equity Fund SICAV

APPENDIX II – RISK INFORMATION

As part of the risk-management process, the global exposure of the SICAV is measured and monitored by the absolute value at risk (VaR) approach.

Fundsmith Equity Fund SICAV

APPENDIX III – PORTFOLIO TURNOVER RATIO

The portfolio turnover ratio compares the total share purchases and sales less total creations and liquidations with the average net asset value of the fund. The turnover of the Fundsmith Equity Fund SICAV for the period 1 January 2020 until 30 June 2020 was -17.68%.