

RepRisk Index (RRI)

As at 29 th November	FSEF	MSCI World
Environmental	2.4	5.0
Social	14.3	14.5
Governance	12.6	14.3
Total RRI	29.3	33.8
1 Month RRI Change	0.2	0.3
Peak 24 Month RRI	41	43
RRR	BB	B

Innovation

As at 29 th November	FSEF	MSCI World
R&D as % of sales*	6.5%	5.6%
TTM Organic Growth [†]	7.0%	n/a
Capital Impact [™]	0.71	0.23

Environmental*

As at 29 th November	FSEF	MSCI World
Waste tns/£m FCF	20.6	586
Hazard's Waste tns/£m FCF	0.4	18
Water m ³ /£m FCF	1,803	23,428
GHG/CO2 tns/£m FCF	172	384
Energy MWh/£m FCF	696	1,283
Paris Aligned (2°)	69%	n/a
Net Zero commitment	89%	n/a

Social*

As at 29 th November	FSEF	MSCI World
Employees who are women	41%	38%
Management who are women	36%	31%
Executives who are women	30%	21%
Directors who are women	38%	33%

Governance*

As at 29 th November	FSEF	MSCI World
UN Global Compact Sign's.	42%	42%
Independent directors	79%	72%
Executives holding shares	60%	47%
Reporting to CDP	92%	77%
Reporting scope 1&2 GHG emissions	96%	93%
Reporting water withdrawal	75%	65%
Reporting waste generated	71%	65%

Least Reprisk

As at 29 th November	RRI
Waters	0
IDEXX	0
Amadeus	0
Mettler-Toledo	0

Most Reprisk

As at 29 th November	RRI
Alphabet	64
Microsoft	61
Novo Nordisk	53
P&G	46

Proxy Voting

12 months ending 30 th September	%
Proxies voted	100
Voted against management	6
Voted against executive remuneration	71

November 2024 commentary

Environmental

- ▶ The UK's Competition and Markets Authority (CMA) announced that it had closed its investigation into Unilever's environmental claims. The CMA launched its investigation in December 2023, highlighting potential greenwashing in relation to certain claims Unilever had made about its products. The investigation was closed following changes made by Unilever.
- ▶ Microsoft and the Royal Bank of Canada have agreed to buy 10,000 tons of carbon dioxide removal credits from Canadian start-up Deep Sky. Deep Sky plans to utilise multiple carbon removal technologies simultaneously, powered by a single renewable energy source, at its Deep Sky Labs site in Alberta, Canada.
- ▶ Los Angeles County announced that it had filed a lawsuit against PepsiCo and Coca-Cola, claiming that the companies play a significant role in the negative impacts plastic pollution has on the environment and public health, that they have misrepresented the recyclability of plastic beverage containers to the public, and that they have failed to disclose significant environmental and health harms associated with the use of plastic beverage containers.
- ▶ Google announced the opening of its new 1265 Borregas Avenue office building in Sunnyvale, California. The office is Google's first to be constructed using mass timber, a sustainable construction material made by layering and bonding wood elements together to create larger, solid panels and beams. According to Google, the materials used to construct 1265 Borregas have 96% lower embodied carbon than an equivalent steel and concrete structure.

Social

- ▶ Unilever's ice cream brand Ben & Jerry's has launched legal action against its parent company, claiming that Unilever prevented them from making public statements in support of Palestinian refugees displaced by the ongoing conflict in Gaza. Ben & Jerry's lawsuit claims that Unilever has breached the agreements between the businesses to "respect and acknowledge the Ben & Jerry's independent board's primary responsibility over Ben & Jerry's social mission".

Innovation

- ▶ Unilever announced a new partnership with Australian biotech company Nufarm. The partnership aims to replace petrochemical ingredients used in Unilever's cleaning products with plant-based oils developed through a new variety of sugar cane. Nufarm has already developed and commercialised a variety of sugar cane called energy cane, which generates significantly more plant matter and sugar compared to traditional sugar cane. Unilever's investment is aimed at leveraging breakthroughs in biotechnology to develop a new and commercially viable variety of energy cane that can also produce biomass oil.

Last Month RRI Change

Biggest Decrease

Otis -7

Biggest Increase

P&G +11

P&G's RepRisk Index score increased by 11 in November due to a report accusing the company of extracting too much water and river pollution in Mexico. P&G and Coca-Cola were criticised for withdrawing too much water from the municipality of Alvaro Obregon to the West of Mexico City. P&G's manufacturing subsidiary allegedly withdraws 765,000 cubic meters of water each year, which residents say has meant they had no water for a month. Locals say that the companies are also polluting the rivers.

*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.