



# Key Information Document

**Purpose:**

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of investing in this investment product and to help you compare it with other products.

## Ordinary Shares in Smithson Investment Trust plc

**ISIN: GB00BGJWTR88**

**Manufacturer: Fundsmith LLP**

**Competent Authority: Financial Conduct Authority**

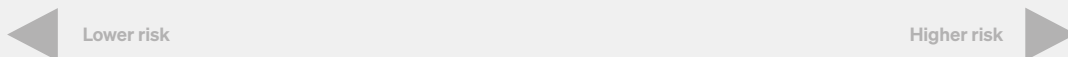
Contact Details: [www.smithson.co.uk](http://www.smithson.co.uk); call 020 3551 6337 for more information

This key information document is issued on 31 December 2023.

### What is this product?

<b>Type</b>	Smithson Investment Trust plc ("the Company") is a public limited company incorporated in England and its shares are listed and traded on the main market of the London Stock Exchange. The company qualifies as an investment trust for United Kingdom tax purposes. Investors invest by acquiring shares in the Company. Except for payments of dividends made in accordance with its dividend policy or other returns (e.g. on a winding up), the Company does not expect to pay investors. Fundsmith LLP also has no obligations to pay investors. Investors may divest and generate a return through selling their shares in the market. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it. The price at which you can sell your shares will vary depending on market conditions and will not necessarily reflect the net asset value of the Company. The share price could be at a premium or a discount to the Company's net asset value.
<b>Objective</b>	<p>The Company's investment objective is to provide Shareholders with long term growth in value through exposure to a diversified portfolio of shares issued by listed or traded companies.</p> <p>The Company's investment policy is to invest in shares issued by small and mid-sized listed or traded companies globally with a market capitalisation (at the time of initial investment) of between £500 million to £15 billion. The Company's approach is to be a long-term investor in its chosen stocks. It will not adopt short-term trading strategies. Accordingly, it will pursue its investment policy by investing in approximately 25 to 40 companies.</p> <p>The Company may also invest cash held for working capital purposes and awaiting investment in cash deposits and money market funds.</p>
<b>Intended Investor</b>	This product is intended for institutional and experienced retail investors who wish to invest for at least 5 years in global equity markets and who understand and are willing to take the potential risk of loss of their entire original capital.
<b>Maturity</b>	There is no prescribed maturity date for this product. Fundsmith LLP cannot unilaterally terminate the Company. There are no prescribed events which would automatically terminate the Company.

### What are the risks and what could I get in return?



**!** The risk indicator assumes you keep the product for five years. The actual risk can vary significantly if you cash in or sell your shares in the market at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. The risk category reflects the significance of the Company's share price fluctuations based on historical data. Historical data may not be a reliable indication of the future risk profile of the Company. The risk category of the Company is not guaranteed and may change over time.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level and poor market conditions could impact your returns. This product does not include any protection from future market performance so you could lose some or all of your investment. The whole amount of your investment in the Company is at risk and there can be no guarantee that you will get back any or all of the amount invested on a sale of shares in the Company. The price at which shares in the Company are sold in the market has not historically exactly tracked the Company's net asset value per share, at times trading at a premium to the net asset value and, at times, a discount.

There are a number of other risks that are materially relevant to the product which are not taken into account in the summary risk indicator including:

**Currency risk:** The net asset value of and the price of shares in the Company may rise or fall as a result of exchange rate movements.

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**Smithson**  
Investment Trust

## Investment Performance Information

As a publicly traded company which invests in globally listed or traded companies, the Company’s returns are linked in part to the performance of the shares of the companies in which it invests and in part to the performance of its own shares relative to the underlying value of its portfolio. The Company is exposed to the inherent associated risks of investing in a portfolio of listed shares. The main factors which are likely to affect your future returns are those: (i) which may directly affect the price at which you would be able to sell your shares in the Company, for example, if there is a less liquid market in the shares or if members of the Board, key manager or other significant shareholders sold their shares in the Company; and (ii) which may indirectly affect the price at which you would be able to sell your shares in the Company by having a material impact on the Company’s performance, for example, a significant increase or decrease in the value of the Company’s investments.

The Company uses the MSCI World SMID Cap Index on a net sterling adjusted basis (the “Index”) as a reference index against which the Company’s performance is measured. Since the Index includes investment trusts from all sectors, and not just those with investment policies or objectives which are similar to those of the Company, factors which affect the performance or volatility of the Company’s ordinary shares may not affect all of the companies included in the Index equally.

## What could affect my return positively?

Your return will be positively affected if the Company’s share price increases and you are able to sell your ordinary shares at a price higher than the price you paid for such shares on acquisition. The Company’s share price performance is likely to be improved if general market conditions are positive and the Company’s overall performance (which will be set out in respect of each financial year in the Company’s annual report and financial statements) is also positive, for example, if the Company’s investments increase in value. The Company’s investments may increase in value because the portfolio companies become more profitable, because there is more demand for their shares or because investors in those companies are willing to pay a higher price for their shares.

## What could affect my return negatively?

Conversely, your return will be negatively affected if the Company’s share price decreases and you are not able to sell your ordinary shares for more than the price you paid for them on acquisition. In severely adverse market conditions, it is likely that the Company’s ordinary shares could trade at a significant discount to the net asset value of the Company’s underlying investments. In addition, the Company’s investments may decrease in value because the portfolio companies become less profitable or loss making or because demand for their shares decline or investors in those companies are only willing to pay lower prices for their shares.

The Company may also in the future issue new ordinary shares or C shares on a non-pre-emptive basis, which may dilute shareholders’ equity.

The Company may also face significant competition from a growing number of funds and other strategic investors targeting similar investment opportunities, which could lead to higher prices for the shares in which the Company invests which could affect the Company’s ability to further invest on terms which the Company considers attractive.

Finally, the Company may fail to maintain its status as an ‘investment trust’ under section 1158 of the Corporation Tax Act 2010 and the Investment Trust Regulations 2011, which would expose the Company to normal rates of corporation tax on chargeable gains arising on the transfer or disposal of investments and other assets, which could adversely affect the Company’s financial performance and its ability to provide returns to investors.

The Company has not yet faced severely adverse market conditions. A global equity market crash could significantly reduce the capital value of the Company’s portfolio or significantly reduce the demand for the Company’s shares such that the only buyers of the Company’s shares would only be willing to pay a price per share which represented a significant discount to the net asset value per share.

## What happens if the Company or Fundsmith LLP is unable to pay out?

As a shareholder in the Company, you would not be able to make a claim to the Financial Services Compensation Scheme or other compensation body in the event that the Company is unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. Fundsmith LLP has no obligation to make payments to investors in the Company. If you sell your shares on the London Stock Exchange, your bank or stockbroker will receive the sale proceeds in cash on the delivery of shares and should pass this cash to you. If your bank or stockbroker defaults in paying you, you may be able separately to claim from the Financial Services Compensation Scheme.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

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**Smithson**  
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## What are the costs? (continued)

**Table 1:** Costs over time

The person selling you or advising you about this product may charge you other costs (for example broker commissions, platform fees or stamp duty). If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment Scenarios (£10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended period of 5 years
Total costs	£101	£331	£603
Impact on return (RIY) per year	0.93%	0.93%	0.93%

**Table 2:** Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

One-off costs	Entry costs	0%	The impact of the costs you pay when entering your investment. This is the most you will pay and you could pay less.
	Exit costs	0%	The impact of the costs of exiting your investment when it matures.
Recurring costs	Portfolio transaction costs	0.03%	The impact of the costs of us buying and selling underlying investments for the product, including tax where applicable.
	Other ongoing costs	0.90%	The impact of the costs that we take each year for managing your investments and other operating costs of the Company, including tax where applicable.
Incidental costs	Performance fees/carried interest	0%	This product does not have any performance fee or carried interest costs.

## How long should I hold it and can I take my money out early?

The recommended holding period is 5 years. Shares in the Company should be regarded as long term investments and you should be prepared to invest for at least 5 years. The investments held within the Company's portfolio may be subject to short term volatility which can negatively impact the Company's net asset value, over a short period, compared to the Company's performance over the longer term.

However, there is no required minimum holding period. The Company's shares are listed on the London Stock Exchange, and you can expect to sell them at any time through your bank or stockbroker. There are no costs or penalties imposed by the Company when you sell your shares, although your bank or stockbroker may impose charges for their services.

## How can I complain?

As a shareholder of the Company you do not have the right to complain to the Financial Ombudsman Service about the management of the Company.

If you have any complaints about the Company or about the conduct of the manufacturer, you may send your complaint in writing to Fundsmith LLP, 33 Cavendish Square, London, W1G 0PW or to [smithson@fundsmith.co.uk](mailto:smithson@fundsmith.co.uk)

If you have a complaint about your financial adviser or the bank or stockbroker through whom you bought or sold your shares, you should contact them directly.

## Other relevant information

Further information and documentation, such as the Company's Prospectus, the latest annual and semi-annual report and Investor Disclosure Document is available online at [www.smithson.co.uk](http://www.smithson.co.uk)