

Fundsmith Voting Summary

In our role as investment managers, we are required to have adequate and effective strategies in place for determining how and when any voting rights relating to our Funds' portfolios are to be exercised. These rights should be exercised to the exclusive benefit of the relevant Fund and its investors.

New European legislation in the form of the Shareholder Rights Directive II ("SRD II") has been introduced with the aim of strengthening corporate governance by encouraging long-term shareholder engagement with the aim of reducing excessive risk taking by companies and strengthening the position of shareholders. The regulation mandates transparency with regards to the way in which we exercise our voting rights as shareholders.

As we hope that you are aware, our investment philosophy is very much to be long term holders and we, as you would expect, have always taken our voting rights very seriously. It is key for us to vote whenever we can. Where we have voting authority, we will exercise voting rights in most circumstances, however, if we deem it appropriate, we may abstain from voting if we feel that is the correct response.

When we exercise voting rights, we always do so in a manner that is consistent with the best interests of our Funds and our investors or our client, as the case may be. We will always ensure that the exercise of voting rights is consistent with the investment objectives and policies of the relevant Fund.

In instances where a company's remuneration policy doesn't incentivise sustainable long-term growth we will typically vote against its remuneration policy and start engagement with the board's remuneration committee.

For further information on voting, please see our [Proxy Voting Policy](#).

The table below summarises voting activity for Fundsmith LLP for the year 2019 and the first half of 2020. This covers all of the Funds and Segregated Accounts we run as a firm.

Fundsmith LLP Voting Record	1 Jan 2019 – 31 Dec 2019	1 Jan 2020 – 30 Jun 2020
Voteable Proxies	2,873	3,193
Percentage of Proxies Voted	99%	98%
Percentage of Proxies Voted in Favour of Management	94%	92%
Percentage of Proxies Voted Against Management	5%	7%
Percentage of Proxies abstained from Voting	1%	1%

33 Cavendish Square
 London
 W1G 0PW
 UK

T 0330 123 1815
 E enquiries@fundsmith.co.uk
 W www.fundsmith.co.uk

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