

Modern Slavery Act Statement

INTRODUCTION

At Fundsmith LLP ("**Fundsmith**"), we believe we have a responsibility to ensure that our business is conducted in a responsible way and are committed to combating slavery and human trafficking risks in our business and supply chains. Part of our effort regarding anti-slavery and human trafficking is demonstrated through our screening of investments for sustainability in the widest sense, including in relation to social and governance issues. Please see our Stewardship 2020 Report and our Responsible Investment Policy which can be found on our website for further details.

ORGANISATION'S STRUCTURE

Fundsmith was established in 2010 by Terry Smith and is owned, managed and controlled by its Partners. Fundsmith is a small investment management firm focussed on delivering its services primarily through a limited range of funds. From the outset, Fundsmith's philosophy has been to deliver to investors superior investment performance at a reasonable cost with the operational support of market leading service providers, who deliver the highest quality service. The firm is headquartered in London.

As at 31 December 2020, Fundsmith managed £33bn on behalf of wealth managers, private banks, families, charities, endowments and individuals invested in our various funds.

Fundsmith operates as a limited liability partnership. The Partners are responsible for the day-to-day management of the firm. This statement is published on behalf of Fundsmith in line with the Modern Slavery Act 2015 and references to "we", "us", "our" or "the firm" are to Fundsmith LLP.

SUPPLY CHAIN

As a firm, we take a zero-tolerance approach to slavery and human trafficking in our business or supply chains. As can be expected of an office-based investment management services business, our direct supply chains are fairly limited and low-risk from a slavery and human trafficking perspective.

We use market leading service providers based in the UK to help us provide a high-quality infrastructure for our fund operations. These include firms which provide shareholder administration services, fund accounting services and investment dealing services. All of these firms are professional services firms authorised and regulated in the UK.

We also have a number of suppliers who provide relevant technology, computers systems, information services and communications systems. We also receive services from professional advisers and have a range of service providers for the maintenance of our office premises. With regards to one of our office suppliers, Fundsmith made the decision to voluntarily pay the London Modern Living wage as opposed to the national minimum wage to the employees of this particular office suppliers. In addition, we have ensured that our contracts with office premises suppliers contain anti-slavery clauses.

UNDERSTANDING OUR SUPPLY CHAIN

In summary, as part of our initiative to identify and manage risk, we are looking to build and improve our systems to better:

- a) identify, assess and monitor potential higher risk areas in our supply chains;
- b) mitigate the risk of slavery and human trafficking occurring in our supply chains through enhanced contract term controls (to the extent appropriate and obtainable);

- c) train our employees as to these risks and the need to manage them and;
- d) protect whistle blowers (see further information on our Whistleblowing Policies below).

WHISTLEBLOWING

On becoming aware that there has been or is likely to have been some wrongdoing of the kind referred to in section 3.1 above, you should report this to the Chief Compliance Officer or one of the other Partners. If having raised a concern with a Partner, you are not satisfied with the response, you should discuss this with the Chief Compliance Officer or the Head of Compliance.

A disclosure should not be made to the Chief Compliance Officer or a Partner if they are involved or believed to be involved in the wrongdoing. In this situation the disclosure should be made to another Founding Partner.

Fundsmith is required to comply with detailed regulations in relation to anti-money laundering and terrorist financing and the combatting of financial crime generally. If you have any concerns in relation to these issues, you should report them without delay to the Chief Compliance Officer as the firm's Money Laundering Reporting Officer or the Head of Compliance as the Deputy Money Laundering Reporting Officer. Under no circumstances should you make the person you suspect of wrongdoing in this way aware of your concerns or the fact that you have reported them to the Money Laundering Reporting Officer. For more information on this please refer to our Financial Crime Policy.

We hope that staff will feel able to voice whistleblowing concerns openly under this policy. However, if you want to raise your concern confidentially, we will make every effort to keep your identity secret. If it is necessary for anyone investigating your concern to know your identity, we will discuss this with you.

We do not encourage staff to make disclosures anonymously. Proper investigation may be more difficult or impossible if we cannot obtain further information from you. Fundsmith is a small business but if you are concerned about possible reprisals if your identity is revealed we will take appropriate measures to preserve confidentiality. If you are in any doubt you can seek advice from Public Concern at Work, the independent whistleblowing charity, who offer a confidential helpline.

NON-RETALIATION

In order to ensure compliance with non-retaliation provisions of applicable US whistle-blower laws and regulations (including, but not limited to, Securities Exchange Act Rule 21F-17) nothing in this policy should be construed as limiting in any way an employee's right under applicable U.S. state or federal whistle-blower laws and regulations to report violations of such laws and regulations (as applicable) to a US state or federal governmental agency (as applicable) with or without prior notice to the Chief Compliance Officer or another Founding Partner, or approval from, Fundsmith or any affiliate thereof.

Where possible, we build long-standing relationships with our key suppliers and ensure that expectations of business behaviour are clear and consistent.

IMPLEMENTATION

Our Chief Operating Officer takes responsibility for implementing the objectives considered in this statement.

The Chief Operating Officer will monitor progress of our efforts in this area, take responsibility for handling any issues (should they arise) and will report on this to the Partners directly.

EFFECTIVENESS

We use the following key performance indicators ("KPIs") to measure how effective we have been to deal with slavery and human trafficking in any part of our business or supply chains:

- training on modern slavery (see below);
- modern slavery provisions in our contracts with third party suppliers;
- reviewing our existing supply chains

POLICIES

In addition to this MSA Statement, Fundsmith has in place an Anti-Bribery and Corruption and Whistleblowing Policies, which provides details and guidance on how employees and third parties can raise issues in a confidential manner.

TRAINING

Modern slavery and human trafficking training will be provided to relevant staff (via online training modules) to educate them on the importance of implementing and enforcing effective systems to ensure slavery and human trafficking is not taking place in our business or supply chain.

MONITORING AND REPORTING

If issues are identified in relation to modern slavery, these will be immediately reported to the Chief Operating Officer. The Chief Operating Officer will raise any issues or concerns in relation to slavery and human trafficking in our supply chains with the Partners.

This statement will be reviewed annually and published on our website.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Company's slavery and human trafficking statement for the financial year ending March 2020.

Last Updated: March 2021

Next Review: March 2022

Signed: 

Date: 16.3.21

Fundsmith LLP operates as a limited liability partnership ("LLP"), it has no board of directors. The Members of the Partnership have approved this statement in accordance with Fundsmith LLP's partnership agreement.