

## 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.

### 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 2017, Fundsmith managed £14bn 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 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.

### 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.

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 to educate 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 current financial year.*

**Last Updated:** June 2018

**Partners' Meeting approved on:** 26 June 2018

**Next Review:** June 2019