MARTIN CURRIE
A Legg Mason Company

PILLAR THREE DISCLOSURE

November 2020

For the financial period ended 31 March 2020

1. OVERVIEW

For the purposes of this disclosure, Martin Currie Limited (‘MCL’, ‘Martin Currie’) is considered to be the UK consolidation group consisting of three firms regulated by the FCA: Martin Currie Investment Management Limited, Martin Currie Fund Management Limited, and Martin Currie Inc.

1.1 Background to disclosure requirements

On 1 January 2014, the fourth iteration of the Capital Requirements Directive (‘CRD IV’) implemented the Basel III accord. This also resulted in the Capital Requirements Regulation (‘CRR’).

The CRD / CRR mandates three ‘pillars’ of risk-based capital management and disclosure:

- Pillar 1 sets out the minimum capital requirements to meet credit, market and operational risk;
- Pillar 2 requires firms (and their regulators) to consider whether additional capital should be held to cover risks not adequately covered by the Pillar 1 requirements; and
- Pillar 3 requires firms to publish certain details of their policies for managing risk and their capital resources.

The Pillar 3 disclosure requirements relevant to Martin Currie are established via CRR, Part Eight – Disclosure by Institutions. Pillar 3 also incorporates FCA provisions of Systems and Controls (SYSC 19A) related to remuneration.

1.2 Basis of disclosure

This disclosure has been prepared by Martin Currie in accordance with the requirements of Articles 431 to 455 in Part Eight of CRR. The disclosures included in this document relate to MCL on a consolidated basis.

The direct parent company of the ‘UK consolidation group’ company of MCL is the offshore ‘holding company’, Martin Currie (Holdings) Limited (‘MCHL’), whose board of directors are charged with the responsibility for providing oversight of the activities and internal controls within the company. The make-up of the Board of MCHL is identical to that of MCL. Key governance bodies, including the Risk and Audit committees, are constituted as sub-committees of MCHL to ensure maximum coverage of the group.

MCHL is an independently-managed investment affiliate of Legg Mason Incorporated.

1.3 Materiality

Article 432 of CRR prescribes that a firm may omit one or more of the required disclosures if it believes that the information provided would not be regarded as material.

Information is considered to be material if an omission or misstatement would be likely to change or influence the assessment or decision of a user relying on that information for the purposes of making economic decisions.

MCL have made limited use of this provision but where an individual disclosure is considered to be immaterial, this has been stated.

1.4 Frequency of disclosure

In accordance with Article 433 of CRR, disclosure is required on an annual basis at a minimum, and where appropriate, some disclosures will be made more frequently. MCL has an accounting year end date of 31 March and disclosures will be published in conjunction with the date of publication of the MCL individual company financial statements.

1.5 Verification, media and location of disclosure

These disclosures have been produced to describe the adopted approach for the management of risk and disclose certain capital requirements. They are not subject to audit except where information is equivalent to that prepared under accounting requirements for inclusion in group financial statements, or equivalent as specified in section 2.1.

These disclosures are published on the Martin Currie website: www.martincurrie.com

2. SCOPE OF APPLICATION

2.1 Accounting consolidation

MCL is part of the Legg Mason group and is the highest-level UK parent company of the Martin Currie group. The disclosures included in this document relate to the relevant subsidiaries of MCL for the year ended 31 March 2020 and meet the disclosure requirements of CRR Part Eight 'Disclosure by Institutions'. The disclosures exclude non-EU based subsidiaries who are excluded from the consolidation, on the grounds of not being institutions, financial institutions or ancillary service undertakings providing services to a regulated company.

All subsidiaries are solely owned by MCL and are considered to be 100% controlled by MCL thereby meeting the criteria for consolidation.

Under section 401 of the Companies Act 2006 MCL has taken exemption from preparing consolidated financial statements, by virtue of the fact the group results are included in its ultimate parent company, Legg Mason Inc.'s publicly available consolidated financial statements.

MCL has, however, prepared special purpose financial information which has been subject to audit. This sets out the consolidated position of the prudential consolidated supervision group of MCL. The special purpose financial information comprises:

- consolidated Balance Sheet as at 31 March 2020;
- consolidated Profit and Loss Account for the period then ended; and
- the notes to the special purpose financial information, which include a summary of significant accounting policies and other explanatory information.

2.2 Prudential consolidation

Within this information there is no difference between the accounting consolidation applied and the prudential consolidation.

The MCL consolidated supervision group consists of the three firms regulated by the FCA:

Group Company	FCA Register	Prudential Category
Martin Currie Investment Management Limited	119289	IFPRU limited licence firm (125k)
Martin Currie Fund Management Limited	119358	Alternative Investment Fund Manager
Martin Currie Incorporated	122023	Non-MiFID Investment Firm

MCL operates as a financial holding company and does not, itself, undertake any regulated investment activity.

3. GOVERNANCE STRUCTURE

3.1 Corporate governance

Martin Currie embraces good practice in corporate governance and, as such, its immediate parent company, Martin Currie (Holdings) Limited, has appointed a board of directors charged with the responsibility for providing oversight of the activities and internal controls within the company ('the Board'). The Board meets at least quarterly to review financial performance and strategy, and has a formal schedule of matters reserved for its decision, which includes the setting of company goals, objectives, budgets and other plans.

The Board comprises the Chairman, and a combination of non-executive and executive directors. The non-executive directors hold the majority of the voting rights on board resolutions. All directors are subject to annual re-appointment by the sole shareholder. Each contributes to the Company's strategy and enhances the Board's capabilities and expertise.

The number of directorships held by members of the management body are disclosed in the financial statements of Martin Currie (Holdings) Limited each year.

Non-executive directors chair the Audit, Risk and Nominations and Remuneration committees of the Board. The Executive committee meets monthly, the Audit committee meets bi-annually and the Risk committee meets on a quarterly basis. The Nominations and Remuneration Committee meets annually.

The key responsibilities for each committee are as follows:

Audit committee

- Oversight and challenge of financial reporting
- Oversight of external auditors

Risk committee

- Maintaining the effectiveness of the firm's risk management and risk culture
- Overseeing the procedures in place to identify and control risks
- Advising the Board on the firm's risk profile and risk appetite
- Oversight of internal audit function (provided by a professional services firm)

Nominations and Remuneration committee

- Advising the Board on appointment of new board directors
- Succession planning at board level
- Determining executive directors' pay and bonuses
- Reviewing the ongoing appropriateness of the firm's remuneration policy

3.2 Management information

The management body and committees described above receive on a regular basis a suite of management information so that they can discharge their responsibilities as set out in their terms of reference.

Management information is provided in line with their schedule of meetings and on an ad hoc basis should the need materialise.

Actions arising from these meetings are minuted and followed up to conclusion.

3.3 Board composition and diversity

Board composition

The Chief Executive has responsibility for considering the overall make-up of the Board, complimenting current skill sets and, in conjunction with the Executive Committee, for ensuring that appropriate individuals are put forward to the Nominations Committee for appointment. Executive Board membership and succession planning draws upon a range of criteria including relevant collective knowledge, skills and expertise, to understand the company's activities and risks, and is mindful of the business benefits of diversity to maintain a balanced board capable of discharging its responsibilities effectively. All the Executive Board undergo induction training on appointment.

Diversity

At Martin Currie we are committed to providing equal opportunities in all aspects of employment and in the management and governance of our business.

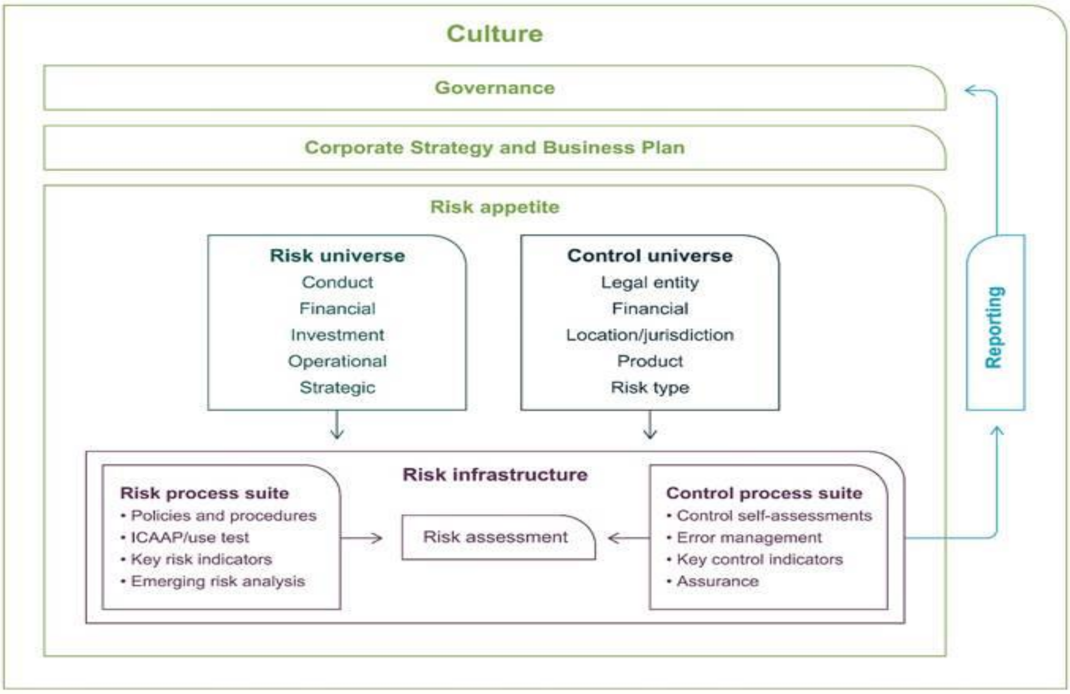
We are committed to fostering a clear and inspiring culture and we recognise that diversity of thought is hugely beneficial to everything we do. It's a characteristic often associated with highly innovative organisations - the ability to challenge assumptions and conventional thinking, through actively promoting differing ideas and experiences. Consequently, without having set targets in place, those responsible for appointments to our boards and business assess the qualities, attributes, knowledge, qualifications, experience and understanding of our business held by candidates in the context of the specification of the role and business with a view to ensuring the right recruitment decision is reached.

4. RISK MANAGEMENT FRAMEWORK AND KEY POLICIES

4.1 Risk management policy

Risk is an inherent part of Martin Currie's business and the extent to which risks are properly identified, assessed, managed and monitored is critical to Martin Currie's reputation and commercial success and to ensuring good outcomes for Martin Currie's clients.

To achieve this, a robust risk management framework is in place that includes the design, by management, of suitable systems and controls that facilitates informed risk-based decision making, as depicted in the following diagram:



At Martin Currie, the objective of effective risk management is not to eliminate risk altogether but to ensure that risk is taken or accepted knowingly and within the limits of the group's tolerance or appetite for risk. Further, the decision to accept / tolerate risk should be informed by an understanding of how those risks align with Martin Currie's business strategy and the associated rewards, so that risks are appropriately 'priced'.

The Board has ultimate responsibility for the governance of risk in Martin Currie, including the design of the group's risk management framework.

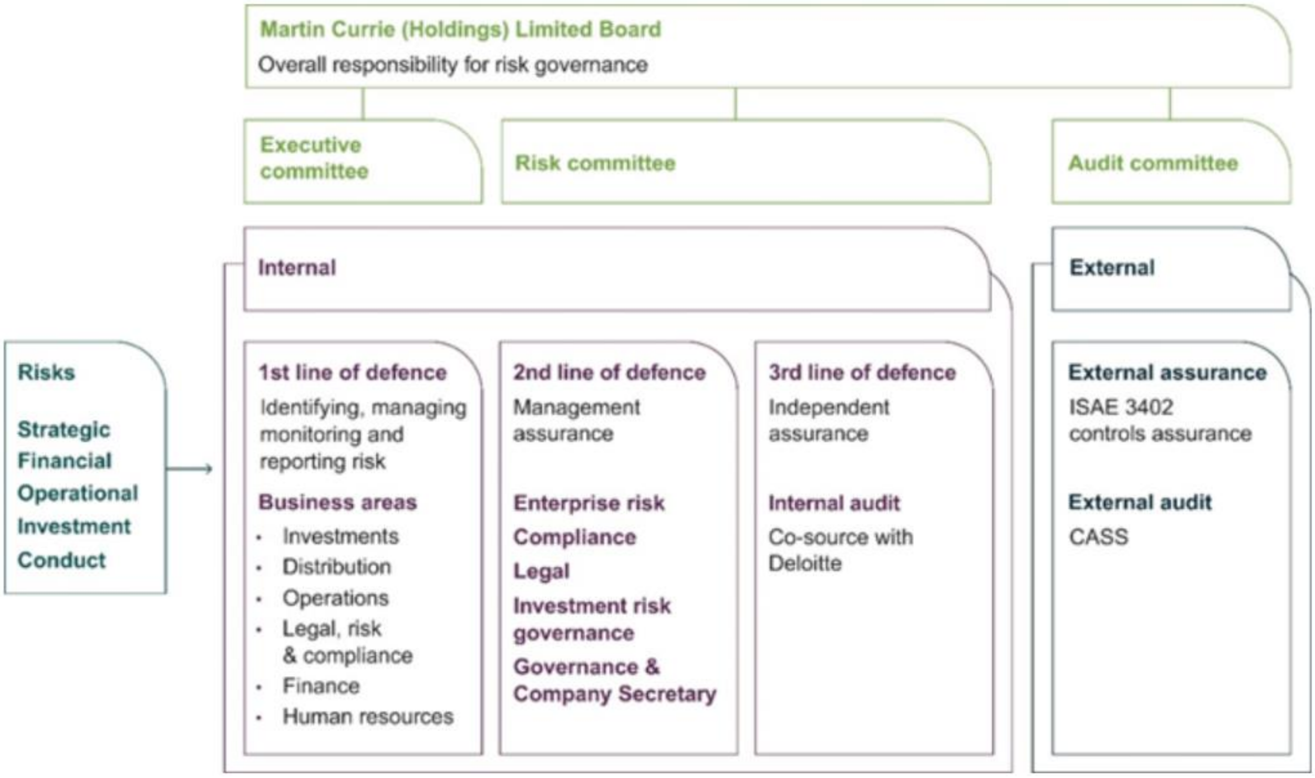
The firm's risk appetite statements, which have been approved by the Board, cover a number of broad risk types inherent in the firm's business strategy. Risk appetite statements define the types and aggregate level of risk the firm is willing to assume to achieve its strategic objectives and business plan.

The Board receives reporting regarding key measures of the firm's risk profile including revenue, cashflow and capital. The Risk Committee also receives reporting from the investment risk framework which includes measures of tracking error, volatility, VaR and liquidity limits. The Risk & Compliance team provide information covering top risks, risk assessments, horizon scanning, risk culture and framework effectiveness on a quarterly basis so that the Board is apprised of the main issues facing the firm.

Overall, the Board is satisfied that the risk management framework employed adequately manages the risk profile of the firm.

4.2 Risk governance model

In support of the risk management framework, the Board has established a ‘three lines of defence’ risk governance model providing clear assignment of responsibilities with respect to risk, as described below:



4.3 Capital management

The Board is ultimately responsible for the internal capital adequacy assessment process (‘ICAAP’), which requires that they formally review, challenge and approve the ICAAP document at least annually or more frequently if changes to the business require. A scenario-based approach has been taken to the ICAAP, which involves key risk owners from across the business to review the enterprise risk register and stress test various severe but plausible risk events. The output of this analysis determines the minimum regulatory capital requirement for Martin Currie.

The ICAAP also incorporates the firm’s reverse stress testing (‘RST’) exercise and wind-down analysis. The RST identifies a range of scenarios that could cause the firm’s business model to fail and assesses the likelihood of those scenarios materialising. The wind-down model has the purpose of ensuring that capital resources are adequate to manage the closure of the firm in a stressed scenario without adversely impacting customers, market counterparties or other stakeholders.

5. KEY RISK EXPOSURES

The material risks to which Martin Currie is exposed are set out below. For completeness, a comparison has been made against the risk categories prescribed in the IFPRU sourcebook (2.2.7R), and a number of risk categories excluded on the grounds of materiality. Those risk categories deemed relevant for the purposes of this disclosure are expanded upon in section 7.

Risk category	Materiality to MCL	Reference
Operational risk	The risk of losses arising through inadequate or failed processes, people and systems, or from internal or external events is relevant to Martin Currie and to the ICAAP in particular. A number of operational risk scenarios have been modeled as part of the ICAAP.	7.2
Market risk	Market risk is relevant to Martin Currie to the extent that volatility in global equity markets can impact on revenues. The scenario of a severe equity market downturn has been modeled as part of the ICAAP.	7.3
Credit risk	MCL operates on an 'agency' basis, meaning it does not deal on its own account or underwrite financial instruments. Further, although the firm does not seek to administer or take custody of client assets, it does arrange third party custody for a subset of clients. Accordingly, MCL has limited exposure to credit risk. Nonetheless, credit risk is accounted for in the ICAAP.	7.4
Concentration risk	Client, product and geographical concentration is partially mitigated through a diversified product range within the boundaries of active equities. The Board remains alert to this risk and so it was incorporated into ICAAP scenario analysis.	7.5
Pension obligation risk	MCL has some exposure to pension risk through its guarantee to the trustees of the (now closed) corporate defined benefit pension scheme. A funding plan is in place, with annual payments scheduled and factored into the wind-down analysis in the ICAAP.	-

6. CAPITAL RESOURCES

6.1 Capital resources

Common Equity Tier 1 capital is the highest ranking form of capital. Included in Common Equity Tier 1 capital are permanent share capital, retained profits and other reserves.

The consolidated supervision group of Martin Currie Limited currently has no innovative Tier 1 capital instruments and all capital is Common Equity Tier 1 capital.

As at 31 March 2020 the own funds of the Martin Currie Limited consolidated supervision group were as follows:

	Martin Currie Limited Group
Common Equity Tier 1 Capital Resources	**At disclosure date 31 March 2020**
	£000
Core Equity Tier 1 Capital: Instruments and reserves (per audited accounts)	
Ordinary Share Capital	588
Capital Redemption Reserve	472
Share Premium	38,843
Retained earnings	(22,560)
Sub total - Common Equity Tier 1 capital before regulatory adjustments	**17,343**
Regulatory adjustments (deductions from audited assets)	
Unlisted investments	(42)
Own funds	**17,301**

6.2 Full reconciliation of own funds items to audited financial statements

In accordance with Article 437(1)(a), a reconciliation of regulatory own funds items to the balance sheet in the audited special purpose financial information as at 31 March 2020 is disclosed in Appendix 1. The reconciliation includes all items that are components of, or are deducted from own funds. Each item is referenced in the table and is also shown in Appendix 2, in line with the CRR disclosure requirements.

6.3 Disclosure of specific items on own funds

In order to meet the requirement for disclosure of additional items on own funds, the own funds disclosure template and alignment in accordance with the audited consolidated special purpose financial information is provided in Appendix 2.

6.4 Main features of Common Equity Tier 1 capital instruments

Article 437(1)(b) requires disclosure of the main features of Common Equity Tier 1 instruments. The capital instruments' main features template is attached in Appendix 3.

7. CAPITAL ADEQUACY

7.1 Group capital resources requirement

Capital is held to ensure MCL maintains a suitable buffer in excess of the capital requirement a) or b), whichever is the greater, below:

a) the Pillar 1 capital requirement;
b) the Pillar 2 capital requirement, which is MCL's own assessment of the minimum amount of capital to be held against the risks identified, as approved at Board level.

The Pillar 1 requirement for MCL for regulatory reporting purposes is the higher of:

- the Fixed Overhead Requirement ('FOR'); and
- the sum of the credit and market risk requirements.

As at 31 March 2020, the capital resources requirement of MCL under Pillar 1 was the FOR.

The Pillar 2 ICAAP assessment is carried out to quantify the impact of individual risks materialising at a point in time. Martin Currie holds capital against all material Pillar 2a risks.

7.2 Operational risk

Operational risk quantification is defined as the risk of reduction in earnings and/or value, through financial or reputational loss, from inadequate or failed internal processes and systems, or from people related or external events.

Workshops were held to assess severe but plausible scenarios for each operational risk category and the impact of those scenarios on Martin Currie should they materialise. These were all determined based on the relevant internal loss data and relevant experience in the industry. Capital is held against all material Pillar 2a risks.

7.3 Credit risk

Credit risk is defined as the risk that unexpected losses may arise as a result of Martin Currie's counterparties failing to meet their obligations to pay. The firm's credit risk arises in respect of cash balances held at the bank, debtors, intercompany receivables, prepayments and accrued income.

Martin Currie has limited credit risk exposure from client receivables as most income is related to annual management charges ('AMC') and performance fees that are paid directly from the funds. Martin Currie does not provide loans or any other credit to its counterparties.

Martin Currie's credit risk arises in respect of cash balances held at the bank, debtors, intercompany receivables prepayments and accrued income. Martin Currie currently deposits the majority of its cash with Barclays Bank Plc ('Barclays') which has a Barclays had a Moody's rating of P-1 per credit risk workings for 31 March 20.

Martin Currie's exposure to credit risk is very low, arising as it does from cash balances held at Barclays, and through exposure to institutional client debtors, all of whom have excellent credit records.

Martin Currie has adopted the standardised approach under CRR to calculate the credit risk capital requirement under Pillar 1 of the CRD.

Martin Currie does not apply any credit risk mitigation techniques as defined in IFPRU 4.

The credit risk requirement at 31 March 2020 was £3,107,000. The table below provides a breakdown of credit risk requirement by exposure class. Where applicable, the nominated External Credit Assessment Institution for each exposure class is Moody's. The majority of the exposure arises from the exposure class 'Corporates' and the credit quality step is 'Unrated' for the majority of this exposure class.

Exposure Class	Credit Risk Requirement (£'000)
Central governments or central banks	230
Institutions	3,059
Corporates	34,296
Retail	209
Other items	1,042
Total	**38,836**
Pillar 1 credit risk requirement (8% credit risk charge)	**3,107**

7.4 Market risk

Market risk is defined as the current or prospective risk to earnings or value arising from adverse movements in equity and commodity prices, interest and/or foreign exchange rates. This risk can arise from open positions in bonds, securities, currencies, commodities, or derivatives.

Martin Currie's primary exposure to market risk is through earnings volatility relating to equity markets. Further, the firm's focus on international equities means that a large proportion of its revenue is generated in non-sterling currencies. Fluctuations in exchange rates can therefore affect the value of the group's revenues. The market risk requirement at 31 March 2020 was £469,000.

This risk exposure is monitored regularly by management and, where appropriate, specific hedging of foreign currency exposures may be undertaken. At the time of writing, no active management or hedging strategies were in action.

7.5 Concentration risk

The Board of Martin Currie is aware of the risk of client, product and geographical concentration and monitor each through the provision of regular management information. The risk is accounted for in the ICAAP by modelling the loss of one or more large clients in a stressed scenario.

7.6 Asset encumbrance

MCL did not have any encumbered assets as at 31 March 2020. Article 1 of the Commission delegated regulation (EU) 2017/2295 of 4 September 2017 supplementing Regulation (EU) No 575/2013 with regard to regulatory technical standards for disclosure of encumbered and unencumbered assets requires disclosure of information on encumbered and unencumbered assets. This information is attached in Appendix 4.

8. REMUNERATION POLICY

8.1 Background

Martin Currie's remuneration policy is designed to reward every employee's performance and contribution, both as individuals and as team members. Employees are assessed against criteria that are relevant to their role and in all cases non-financial measures are a significant part of the assessment. Specific investment management market data, provided by an independent 3rd party on an annual basis, is used as a reference for determining base salaries and total compensation throughout the company.

Underpinning the policies is a set of principles that are consistent with and promote sound and effective risk management.

8.2 Remuneration Code Staff

Under the FCA's Remuneration Code, firms are required to apply certain measures to the remuneration of employees (designated as Code Staff) who under qualitative and/or quantitative criteria are designated as Material Risk Takers ('MRTs') and whose professional activities have a material impact on the risk profile of the firm:

Martin Currie's Code Staff list has been identified from the following categories of employees:

- Senior management
- Employees engaged in control functions
- Any other employee whose total remuneration designates them as MRT on a quantitative basis or takes them into the same remuneration bracket as senior management and whose role has a material impact on Martin Currie's risk profile.

The FCA's provisions under SYSC 19A.3.3.R permits firms to apply the Remuneration Code in a manner which is proportionate to their size and scope. To assist firms in this, the FCA devised three different categories of firms. Firms falling under the highest category are required to comply with all provisions of the Remuneration Code, with more flexibility being given to firms in lower categories. Martin Currie falls under tier 3, the lowest category. All disclosures in this document are made on that basis.

8.3 Remuneration Governance

The Martin Currie Remuneration Committee is responsible for the review and approval of Martin Currie's remuneration policy. The Committee also exercises independent oversight of how Martin Currie implements the remuneration policy.

The Remuneration Committee is constituted in majority by non-executive directors of Martin Currie to enable it to exercise independent oversight of the implementation of remuneration policy. The composition of the Committee is reviewed by the Chairman to ensure that the Committee has the skills and experience to fulfil its duties.

As well as performing an oversight function, the Committee is specifically responsible for agreeing the remuneration of the Chief Executive Officer, the Executive Directors, Code Staff and other members of executive management on an ongoing basis.

The Committee also approves the overall remuneration spend and salary increases and bonus awards for all employees as part of the annual review process.

Day to day operational management of remuneration activity for Martin Currie employees (with the exception of those roles which the Remuneration Committee is specifically responsible for as above) sits under the full governance of the Martin Currie Reward Committee. The Reward Committee is a delegated authority of the Remuneration Committee and is comprised of the Chief Executive Officer, Chief Compliance Officer, Chief Administrative Officer, Chief HR Officer and Reward Partner. The activities and decision making of the Reward Committee are managed against a defined Terms of Reference and a comprehensive Reward Governance Matrix.

8.4 Remuneration Process

The remuneration process has been built on a number of core principles. The principles promote risk management throughout the process. The principles are that remuneration should be:

- In line with the business strategy, objectives, values and long-term interests of Martin Currie and its clients.
- Performance focused.
- Benchmarked to the market.
- Designed to avoid conflicts of interest.

Remuneration is comprised of fixed pay (salary), variable pay (performance-related bonus) and workplace benefits.

Fixed pay (salary) is benchmarked against the market each year. Martin Currie obtains independent investment management sector market data which enables the company to compare its salaries against what other organisations pay for similar roles. Martin Currie's policy is to pay all employees in line with what the market suggests is an appropriate range for the role, subject to affordability and profitability. Salary reviews take place annually.

Variable pay (bonus) is designed to reflect individual and/or team performance against specific targets. The targets vary by function and role. Generally, however, there are three types of bonus scheme operated by Martin Currie:

Investment professionals – bonus typically based on investment excellence, taking into account relevant benchmarks and revenues as well as delivery of qualitative goals.

Distribution professionals – bonus typically based on achievement of sales as well as delivery of qualitative goals.

Support professionals – bonus based on delivery of individual objectives which support overall business objectives (typically qualitative goals).

Across all of the bonus scheme above, an element of the individual outcome will be determined based on risk and compliance behaviours and living our Martin Currie values. The Remuneration Committee may exercise judgment to apply a risk-based adjustment to team or individual bonus based on the assessment of risk, compliance or values performance. To assist the Committee in exercising any such judgement, the Chief Compliance Officer provides an annual report to the Committee which provides confirmation of the assessment undertaken jointly by Risk & Compliance and HR - and recommendation on whether any such adjustment should be applied at company, team or individual level.

Bonus schemes in Martin Currie are non-contractual and 20% - 40% of variable remuneration will typically be subject to a 4-year deferral schedule into Restricted Stock Units and/or Martin Currie-managed Funds, thus further aligning employee interest with the long-term interests of the company and its clients.

Deferred bonuses are subject to malus which allows for each employee's deferred award to be reduced, cancelled or further conditions imposed in the event of (but not limited to):

- a material misstatement of Martin Currie's audited financial results;
- a material failure of risk management by Martin Currie or a relevant business unit;

- a material sustained downturn in financial performance of Martin Currie;
- a material error by the employee which results in material financial loss;
- gross misconduct on the part of the employee; or
- material reputational damage to Martin Currie or a relevant business unit as a result of the employee's misconduct or otherwise.

8.5 Aggregate Remuneration for Code Staff

A total of 21 Martin Currie employees were identified as Code Staff during the reporting period. The aggregate remuneration of Martin Currie's Code Staff for the 12-month period 1 April 2019 to 31 March 2020 was £8.42m. Total Variable remuneration was £4.88m, of which £1.94m was deferred.

	Senior Management	Other code staff	Total
Number of Employees	8	13	21
Fixed remuneration	£1.51m	£2.02m	£3.54m
Variable remuneration	£2.18m	£2.70m	£4.88m
Total Remuneration	**£3.70m**	**£4.72m**	**£8.42m**

Fixed remuneration includes base salary, allowances and benefits. Variable remuneration reflects the award value of variable pay in the reporting period, including any deferred awards.

APPENDIX 1 - BALANCE SHEET RECONCILIATION AS AT 31 MARCH 2020

In order to meet the requirements for disclosure of a full reconciliation of own funds items to audited special purpose financial information, as described in point (a) of Article 437 (1) of Regulation (EU) No 575/2013, the table below shows an extract of the Martin Currie Limited consolidated balance sheet and all items that are components of or are adjusted for in own funds. The reference column links to the template in Appendix 2.

Balance sheet reconciliation as at 31 March 2020	Martin Currie Limited Group Balance Sheet*	Martin Currie Limited Group Own Funds Items	Cross-reference to Appendix 2
	£000	£000	
Fixed assets			
Tangible assets	1,042		
Unlisted investment	42	42	a
Current assets			
Trade debtors	1,305		
Amounts due by parent company	2,553		
Prepayments and accrued income	8,287		
Indirect taxes	366		
Overseas tax	8		
Cash at bank and in hand	15,292		
Creditors: amounts falling due within one year	(11,552)		
Net assets	17,343		
Capital and reserves			
Called-up share capital	588	588	b
Share premium	38,843	38,843	c
Capital redemption reserve	472	472	d
Profit and loss account	(22,560)	(22,560)	e
Total shareholders funds	17,343		

*from the audited special purpose financial information

APPENDIX 2 - OWN FUNDS DISCLOSURE TEMPLATE AS AT 31 MARCH 2020

In order to meet the requirements for disclosure of the specific items on own funds described in points (d) and (e) of Article 437 (1) of Regulation (EU) No 575/2013, institutions are required to disclose general own funds disclosure. Martin Currie Limited Group's disclosure of own funds on a consolidated basis are outlined below:

		£'000		£'000	
COMMON EQUITY TIER 1 CAPITAL: INSTRUMENTS AND RESERVES		(A) AMOUNT AT DISCLOSURE DATE	(B) REGULATION (EU) NO 575/2013 ARTICLE REFERENCE	(C) AMOUNTS SUBJECT TO PRE-REGULATION (EU) NO 575/2013 TREATMENT OR PRESCRIBED RESIDUAL AMOUNT OF REGULATION (EU) NO 575/2013	CROSS-REFERENCE TO APPENDIX 1
1	Capital instruments and the related share premium accounts	39,431	26 (1), 27, 28, 29, EBA list 26 (3)		
	of which: Ordinary shares	39,431	EBA list 26 (3)		b+c
	of which: Instrument type 2	-	EBA list 26 (3)		
	of which: Instrument type 3	-	EBA list 26 (3)		
2	Retained earnings	(22,560)	26 (1) (c)		e
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	472	26 (1)		d
3a	Funds for general banking risk	-	26 (1) (f)		
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	486 (2)		
	Public sector capital injections grandfathered until 1 January 2018	-	483 (2)		
5	Minority Interests (amount allowed in consolidated CET1)	-	84, 479, 480		
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	26 (2)		
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	17,343			
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments (negative amount)	-	34, 105		
8	Intangible assets (net of related tax liability) (negative amount)	-	36 (1) (b), 37, 472 (4)		
9	Empty Set in the EU				

10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	36 (1) (c), 38, 472 (5)		
11	Fair value reserves related to gains or losses on cash flow hedges	-	33 (a)		
12	Negative amounts resulting from the calculation of expected loss amounts	-	36 (1) (d), 40, 159, 472 (6)		
13	Any increase in equity that results from securitised assets (negative amount)	-	32 (1)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	33 (b)		
15	Defined-benefit pension fund assets (negative amount)	-	36 (1) (e), 41, 472 (7)		
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	36 (1) (f), 42, 472 (8)		
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially own funds of the institution (negative amount)	-	36 (1) (g), 44, 472 (9)		
18	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	-	36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	(42)	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)		a
20	Empty Set in the EU				
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	36 (1) (k)		
20b	of which: qualifying holdings outside the financial sector (negative amount)	-	36 (1) (k) (i), 89 to 91		
20c	of which: securitisation positions (negative amount)	-	36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258		
20d	of which: free deliveries (negative amount)	-	36 (1) (k) (iii), 379 (3)		
21	Deferred tax assets arising from temporary diff (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)	-	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)		
22	Amount exceeding the 15% threshold (negative amount)		48 (1)		
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	36 (1) (i), 48 (1) (b), 470, 472 (11)		
24	Empty Set in the EU				

25	of which: deferred tax assets arising from temporary diff	-	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)		
25a	Losses for the current financial year (negative amount)	-	36 (1) (a), 472 (3)		
25b	Foreseeable tax charges relating to CET1 items (negative amount)	-	36 (1) (l)		
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	-			
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	-			
	Of which: ...filter for unrealised loss 1	-	467		
	Of which: ...filter for unrealised loss 2	-	467		
	Of which: ...filter for unrealised gain 1	-	468		
	Of which: ...filter for unrealised gain 2	-	468		
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-	481		
	Of which: ...	-	481		
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	36 (1) (j)		
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(42)			
29	Common Equity Tier 1 (CET1) capital	17,301			
	Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	-	51, 52		
31	of which: classified as equity under applicable accounting standards	-			
32	of which: classified as liabilities under applicable accounting standards	-			
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	486 (3)		
	Public sector capital injections grandfathered until 1 January 2018	-	483 (3)		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	85, 86, 480		
35	of which: instruments issued by subsidiaries subject to phase out	-	486 (3)		
36	Additional Tier 1 (AT1) capital before regulatory adjustments	-			
	Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	-	52 (1) (b), 56 (a), 57, 475 (2)		
	Holdings of the AT1 instruments of financial sector entities		56 (b), 58,		

38	where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	475 (3)		
39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	-	56 (c), 59, 60, 79, 475 (4)		
40	Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10% threshold net of eligible short positions) (negative amount)	-	56 (d), 59, 79, 475 (4)		
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre- CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-			
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-	472, 472(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)		
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	477, 477 (3), 477 (4) (a)		
	Of which items to be detailed line by line, e.g. Reciprocal cross holdings in Tier 2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc	-			
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre-CRR	-	467, 468, 481		
	Of which: ...possible filter for unrealised losses	-	467		
	Of which: ...possible filter for unrealised gains	-	468		
	Of which: . . .	-	481		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	56 (e)		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-			
44	Additional Tier 1 (AT1) capital	-			
45	Tier 1 capital (T1 = CET1 + AT1)	17,301			
Tier 2 (T2) capital: instruments and provisions					
46	Capital instruments and the related share premium accounts	-	62, 63		
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	486 (4)		

	Public sector capital injections grandfathered until 1 January 2018	-	483 (4)		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	87, 88, 480		
49	of which: instruments issued by subsidiaries subject to phase out	-	486 (4)		
50	Credit risk adjustments	-	62 (c) & (d)		
51	Tier 2 (T2) capital before regulatory adjustments	-			
Tier 2 (T2) capital: regulatory adjustments					
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	63 (b) (i), 66 (a), 67, 477 (2)		
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	66 (b), 68, 477 (3)		
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold	-	66 (c), 69, 70, 79, 477 (4)		
54a	Of which new holdings not subject to transitional arrangements	-			
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements	-			
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	66 (d), 69, 79, 477 (4)		
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-			
	56a capital Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-	472, 472(3)(a), 472 (4), 472(6), 472 (8)(a), 472 (9), 472 (10) (a), 472 (11) (a)		
	Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses, etc.	-			

	56b Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	475, 475(2)(a), 475(3), 475(4)(a)		
	Of which items to be detailed line by line eg. Reciprocal cross holdings in AT1 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc. Amount to be deducted from or added to Tier 2.	-			
	56c Capital with regard to additional filters and deductions required pre-CRR	-	467, 468, 481		
	Of which:...possible filters for unrealised losses	-	467		
	Of which:... possible filters for unrealised gains	-	468		
	Of which:...	-	481		
57	Total regulatory adjustments to Tier 2 (T2) capital	-			
58	Tier 2 (T2) capital	-			
59	Total capital (TC = T1 + T2)	17,301			
	Risk weighted assets in respect of amounts subject to:				
	59a Pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-	472, 472(5), 472(8)(b), 472(10)(b), 472(11)(b)		
	Of which:...items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)	-	475, 475(2)(b), 475(2)(c), 475(4)(b)		
	Of which:...items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities, etc.)	-	477, 477(2)(b), 477(2)(c), 477(4)(b)		
60	Total risk weighted assets	114,310			
Capital ratios and buffers					
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	15%	92(2)(a), 465		
62	Tier 1 (as a percentage of risk exposure amount)	15%	92(2)(b), 465		
63	Total capital (as a percentage of risk exposure amount)	15%	92(2)(c)		

64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer plus the systemically important institution buffer (G-SII or O-SII buffer expressed as a percentage of risk exposure amount)	N/A	CRD 128, 129, 130		
65	of which: capital conservation buffer requirement	-			
66	of which: countercyclical buffer requirement	-			
67	of which: systemic risk buffer requirement	-			
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-	-	CRD 131		
68	Common Equity Tier 1 available to meet buffer (as a percentage of risk exposure amount)	N/A	CRD 128		
69	[non relevant in EU regulation]	-			
70	[non relevant in EU regulation]	-			
71	[non relevant in EU regulation]	-			
Amounts below the thresholds for deduction (before risk weighting)					
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	36 (1) (h), 45, 46, 472 (10) 56 (c), 59, 60, 475 (4) 66 (c), 69, 70, 477 (4)		
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	36 (1) (i), 45, 48, 470, 472 (11)		
74	Empty Set in the EU				
75	Deferred tax assets arising from temporary diff (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	-	36 (1) (c), 38, 48, 470, 472 (5)		
Applicable caps on the inclusion of provisions in Tier 2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	-	62		
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	-	62		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	62		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	62		
Capital instruments subject to phase-out arranagements (only applicable between 1 Jan 2013 and 1 Jan 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	-	484 (3), 486 (2)		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	484 (3), 486 (2)		
82	Current cap on AT1 instruments subject to phase out arrangements	-	484 (4), 486 (3)		

	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	484 (4), 486 (3)		
	Current cap on T2 instruments subject to phase out arrangements	-	484 (5), 486 (4)		
	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	484 (5), 486 (4)		

APPENDIX 3 - CAPITAL INSTRUMENTS' MAIN FEATURES TEMPLATE AS AT 31 MARCH 2020

In order to meet the requirements for disclosure of the main features of Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments issued by institutions, as described in point (b) of Article 437(1) of Regulation (EU) No 575/2013, Martin Currie Limited disclose the capital instruments main features as outlined below:

Capital instruments' main features template		Ordinary shares
1	Issuer	Martin Currie Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private	Private Placement
3	Governing law(s) of the instrument	Scottish law
	Regulatory treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	£39m
9	Nominal amount of instrument	10p and 0.001p
9a	Issue price	There have been various issues at prices set at each issue date
9b	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	Various dates since company formation
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons /dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	N/A
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Represents the most subordinate claim in liquidation
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

APPENDIX 4 – ENCUMBERED AND UNENCUMBERED ASSETS AS AT 31 MARCH 2020

		Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
		010	040	060	090
010	**Assets of the reporting institution**			27,371,050	
030	Equity instruments				
040	Debt securities				
050	of which: covered bonds				
060	of which: asset-backed securities				
070	of which: issued by general governments				
080	of which: issued by financial corporations				
090	of which: issued by non-financial corporations				
120	Other assets			27,371,050	
121	of which: …				