

CORPORATE SOCIAL RESPONSIBILITY



ANNUAL REPORT 2017/18: GRI CONTENT INDEX



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102-1 Name of the organisation

Martin Currie

102-2 Activities, brands, products, and services

Martin Currie is an active equity specialist, offering high-conviction portfolios for client-focused solutions. Investment excellence is at the heart of our business. Central to this philosophy is a stock-driven approach, based on in-depth fundamental research, active ownership of companies and skilled portfolio construction.

Founded in Edinburgh in 1881, we began investing in global equities in the 1920s, developing our Asian and Emerging Market capabilities thereafter. Today, we manage active equity portfolios for a global client base of financial institutions, charities, pension funds, family offices, government agencies and investment funds.

Martin Currie's investment solutions are specifically designed to meet our clients' needs. Whether this is matching return objectives, risk tolerance, liability profiles or income requirements. We have distilled and refined our offering into four distinctive strategy types, each defined by their own risk framework and the outcomes they provide to our clients.



102-3 Location of headquarters

The table below details the functions undertaken in each of our office locations:

Location	Function	Opened	Investment team?
Edinburgh (HQ)	<ul style="list-style-type: none"> • Fund management • Research • Execution • Distribution • Operational platform 	1881	Yes
London	<ul style="list-style-type: none"> • Fund management • Research • Distribution 	1985	Yes
New York	<ul style="list-style-type: none"> • Distribution 	2005	No
Melbourne*	<ul style="list-style-type: none"> • Fund management • Research • Execution • Distribution 	2008	Yes
Singapore	<ul style="list-style-type: none"> • Fund management • Research • Execution 	2009	Yes

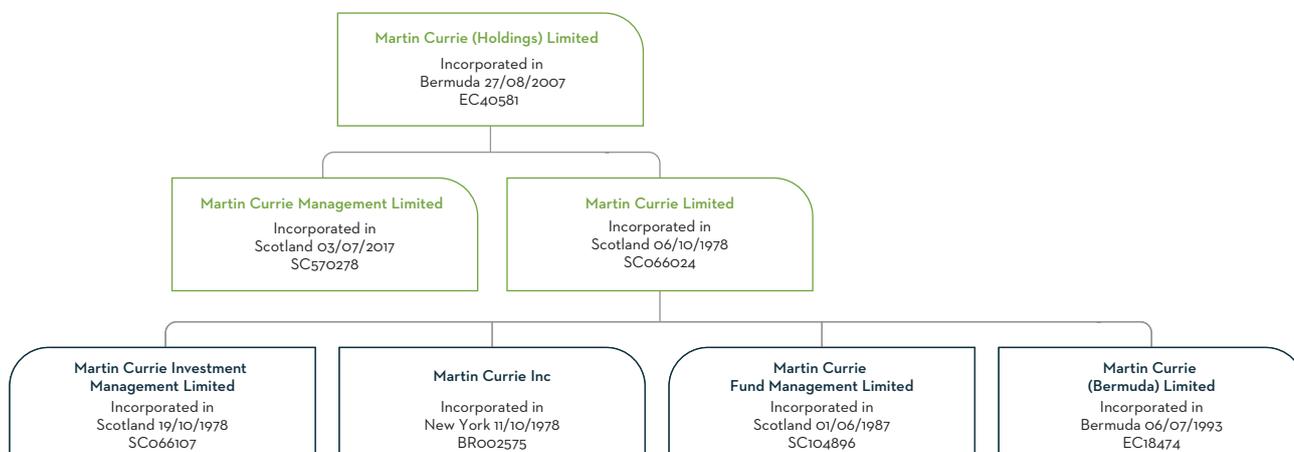
*Martin Currie is responsible for the oversight of Martin Currie Australia (MCA), the investment management division of Legg Mason Asset Management Australia Limited (LMAMAL).

In addition, as the international equity affiliate for Legg Mason, Martin Currie works collaboratively with its parent company to capitalise on its distribution capability.

102-5 Ownership and legal form

Martin Currie is a wholly-owned subsidiary of Legg Mason.

Martin Currie (Holdings) Limited is the direct parent company of Martin Currie Limited, the holding company of four wholly owned, fully operational subsidiaries, which includes Martin Currie Investment Management Limited. The diagram below demonstrates group structure from Martin Currie (Holdings) Limited level down:



Martin Currie's ultimate parent company, Legg Mason is a global asset management firm with over US\$700 billion in assets under management. Its autonomous affiliates provide active asset management in many major investment centres throughout the world and is headquartered in Baltimore, Maryland. Its common stock is listed on the New York Stock Exchange (symbol: LM).

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102-6/7 Markets served/Scale of the organisation

Geographical locations where products and services are offered:

Name	Type*	Location	Description of the Business
Martin Currie Investment Management	Head Office	Edinburgh	Within the Martin Currie group of companies, Martin Currie Investment Management (MCIM) is the main operating company of the group. MCIM performs investment management, trading, investment support, sales and marketing and platform functions for the Martin Currie group.
Martin Currie Investment Management	Regional Office	London	
Martin Currie Inc	Regional Office	New York	Martin Currie Inc. (MCI) provides the main sales and marketing services to US and Canadian clients, together with discretionary investment management services to US investors.
Martin Currie Australia	Regional Office	Melbourne	Investment manager of Australian and Asia Real investment strategies.
Martin Currie Asia	Regional Office	Singapore Shanghai	Martin Currie has a presence in these regions of Asia.

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Sectors served and types of customers & beneficiaries

Martin Currie manages active equity portfolios for a global client base of financial institutions, charities, foundations, endowments, pension funds, family offices, government agencies and investment funds.

Net sales

Martin Currie's parent company, Legg Mason, does not report revenue at the affiliate level. Legg Mason reports revenue, expenses and income on a consolidated basis.

The latest annual report for Legg Mason's fiscal year ended March 31, 2018 can be found here <https://www.leggmason.com/en-us/annual-report/annual-report-2018.html>

Location	Permanent staff no.	Function (i.e. Sales, Trading, Operations)
Melbourne	24	Investment, Operations, Trading, IT, Compliance, Sales, Marketing, Client service, Support
Edinburgh	143	All functions
London	9	Investment, Sales, Support
New York	3	Sales, Support
Singapore	3	Investment, Trading
Shanghai	1	
Total	183	

Source: Martin Currie as at 31 March 2018.

102-8 Information on employees and other workers

Total number of employees by employment contract (permanent and temporary), by gender

	Temporary	Permanent
Female	4	55
Male	2	128

Total number of employees by employment contract (permanent and temporary), by region

	Temporary	Permanent
Australia	0	24
USA	0	3
UK	5	152
Singapore	0	3
China	1	1

Total number of employees by employment type (full-time and part-time), by gender

	Full-time	Part-time
Female	49	10
Male	129	1

Our data has been compiled from HR system Workday. Employee numbers are expressed as head count figures throughout. Contract types are as per local employment laws, all part-time contracts are UK based only. All numbers as at 31 March 2018.

102-9 Supply chain

Martin Currie uses various outsourced third-party service providers to perform certain aspects of its operations. This is primarily to improve efficiency and achieve economies of scale where the specialist nature of the tasks requires specific expertise.

Martin Currie takes into account industry best practice and applicable regulatory requirements relating to outsourcing in the selection and continuous monitoring of third-party service providers. A written outsourcing agreement and a service level agreement are a mandatory requirement for ensuring that the respective rights and obligations of Martin Currie and of the service provider are clearly allocated.

While these service providers have responsibility for providing the services outlined, Martin Currie remains fully responsible for discharging all its obligations under the regulatory system, in particular that the best interests of clients are taken into account in all such arrangements.

Martin Currie's most significant supplier is State Street Bank & Trust Co (SSBT). The company's investment operations activities are outsourced to SSBT, which includes post execution trade matching, reconciliations and portfolio accounting.

102-10 Significant changes to the organisation and its supply chain

None

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102-11 Precautionary principle or approach

We have not used the precautionary principle, in that our operations are not such that they present threats of serious or irreversible environmental damage.

102-12 External initiatives

See *Taking Responsibility for Stewardship*.

102-13 Membership of associations

See *Taking Responsibility for Stewardship*.

102-14 Statement from senior decision maker

See *About this Report*.

102-16 Value, principles, standards and norms of behaviour

Our Values of Ambition, Integrity, Ownership and Respect are included as part of our Performance Coaching Reviews. All employees require to be familiar with the values and behaviours. Our values are undergoing review in FY2019 to ensure these are up to date and appropriate for our business.

102-18 Governance structure

Martin Currie embraces best practice in corporate governance and, as such, its 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.

David Sheasby, Head of Stewardship and ESG, is responsible for the oversight of Martin Currie's policies on corporate governance and responsible investment and, specifically, the integration of ESG analysis into the investment process across the investment teams. As such, the Responsible Investment Policy, the Global Corporate Governance Principles and the Proxy Voting Policy, set the framework for ESG-related investment activities.

Responsibility for carrying out ESG analysis and active ownership resides with individual analysts and portfolio managers. All stock research is required to consider the material and relevant governance, social and environmental factors that could impact the ability of a company to generate sustainable returns. These factors are recorded in a standard dedicated section of our proprietary stock analysis template. This includes a specific section requiring an explanation on how these factors have been incorporated into the analysis. In addition, we have established industry frameworks that provide guidance on the material factors to consider when looking at each industry, reflecting the wide variation in what may be material and relevant across different industries.

The overall research process is overseen by the Investment Development Forum (IDF), whose prime goal is to support the investment teams to work effectively and efficiently. The group's specific ESG objective is to ensure best practice is followed and that we continuously evolve and develop this analysis. The IDF feeds into the Investment Executive, where ESG best practice is also a top priority.

There are also two ESG-focused committees:

- The Martin Currie Stewardship Steering Group - oversees investment, distribution and corporate responsibility activity.
- The Legg Mason ESG committee - members include the main ESG representatives from each of Legg Mason's affiliates, with the objective to share best practice and coordinate activity where appropriate.

102-40 List of stakeholder groups

See *About this Report*.

102-41 Collective bargaining agreements

As a small company, we do not have any employees covered by collective bargaining.

102-42	Identifying and selecting stakeholders <i>See Materiality.</i>
102-43	Approach to stakeholder engagement Our intention is to do structured outreach on a regular basis.
102-44	Key topics and concerns raised <i>See Materiality.</i>
102-45	Entities included in the consolidated financial statements <ul style="list-style-type: none"> • Martin Currie Holdings Limited (Holding Company) • Martin Currie Limited (Holding Company) • Martin Currie Fund Management Limited • Martin Currie Inc • Martin Currie Investment Management Limited • Martin Currie Australia (Management Accounts)
102-46	Defining report content and topic boundaries The reporting organization shall report the following information: <i>See About this Report.</i>
102-47	List of material topics <i>See Materiality.</i>
102-48	Restatement of information N/A
102-49	Changes in reporting N/A
102-50	Reporting period <i>See About this Report.</i>
102-51	Date of most recent report N/A
102-52	Reporting cycle <i>See About this Report.</i>
102-53	Contact point for questions regarding the report David Sheasby
102-54	Claims of reporting in accordance with the GRI standards This report has been prepared in accordance with the GRI Standards: Core option.

IMPORTANT INFORMATION

This information is issued and approved by Martin Currie Investment Management Limited ('MCIM'). It does not constitute investment advice.

Past performance is not a guide to future returns.

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MARTIN CURRIE
A Legg Mason Company

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Both companies are authorised and regulated by the Financial Conduct Authority. Martin Currie Inc,
620 Eighth Avenue, 49th Floor New York, NY 10018 is also registered with the Securities Exchange Commission.
Please note that calls to the above number may be recorded.