

**LEGG MASON GLOBAL FUNDS PLC**  
**Riverside Two**  
**Sir John Rogerson's Quay**  
**Grand Canal Dock**  
**Dublin 2, Ireland**

**1 November 2019**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE YOU SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.**

If you have sold or transferred all of your Shares in Legg Mason Global Funds plc, an investment company with variable capital incorporated with limited liability in Ireland (the "Company"), please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

Unless otherwise defined in this document, all capitalised terms have the same meaning as capitalised terms used in the Company's latest Irish Prospectus and the Hong Kong Covering Document. Copies of the Irish Prospectus, the Hong Kong Covering Document and the Product Key Facts Statements of all SFC-authorized Funds (together the "Hong Kong Offering Documents"), as well as the Memorandum and Articles of Association and the latest annual and semi-annual reports of the Company are available free of charge upon request during normal business hours from your distributor or the Hong Kong Representative. The latest Hong Kong Offering Documents are also available at <http://www.leggmason.com.hk/><sup>1</sup>.

Please note that the Central Bank has not reviewed this letter. The Directors of the Company accept full responsibility for the accuracy of the information contained in this notice and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading.

**Dear Shareholder,**

**Re: Amendments to the Hong Kong Offering Documents**

We are writing to you, a shareholder in the Company, to notify you of certain changes that are to be made to the SFC-authorized Funds of the Company and updates/amendments to the Hong Kong Offering Documents, which are summarized as follows:

**I. Change of Depositary entity**

We wish to notify you of a proposed change of the Depositary of the Company and the SFC-authorized Funds. It is proposed to replace BNY Mellon Trust Company (Ireland) Limited (the "Current Depositary") with The Bank of New York Mellon SA/NV, Dublin Branch (the "New Depositary").

The Current Depositary and The Bank of New York Mellon SA/NV are affiliated entities by virtue of both being ultimately owned by The Bank of New York Mellon Corporation ("BNY"). Subject to shareholders' approval of the Current Depositary and The Bank of New York Mellon SA/NV, regulatory approval (which consists of the approval from the European Central Bank and the National Bank of Belgium and the approval from the Central Bank of Ireland for the New Depositary to act as depositary for Irish investment funds) and Irish High Court approval (the "Approvals"), the Current Depositary will merge

---

<sup>1</sup> This website has not been reviewed by the Securities and Futures Commission of Hong Kong (the "SFC").

into The Bank of New York Mellon SA/NV (the “Merger”) with effect from 1 December 2019 (the “Effective Date”). The Merger is part of BNY’s plan to simplify its European strategy and operating model.

As a result of the Merger, The Bank of New York Mellon SA/NV will provide its depositary services to the Company and the SFC-authorised Funds through its Dublin branch i.e. the New Depositary, and the New Depositary will take on the role of depositary for the Company and the SFC-authorised funds, with effect on the Effective Date. The New Depositary will provide the same services to the Company as the Current Depositary. The retirement of the Current Depositary will take effect at the same time as the New Depositary is appointed. In the unlikely event the Approvals are not received in a timely manner, any new arrangement of the Merger, including any delay of the Effective Date, will be communicated to the shareholders by way of a further notice to the shareholders. The depositary services provided to the SFC-authorised Funds will continued to be carried out by the Current Depositary in such instance until the New Depositary is appointed.

The Merger will take place pursuant to the European Union Directive on Cross-Border Mergers of Limited Liability Companies (2005/56/EC) as implemented by Ireland and Belgium. Pursuant to the Merger, the assets and liabilities of the Current Depositary will be acquired by The Bank of New York Mellon SA/NV and the Current Depositary will be dissolved without going into liquidation.

Any contracts in place for the Company with the Current Depositary will be automatically transferred to The Bank of New York Mellon SA/NV as at the Effective Date so there will be no need to transfer or re-enter into any contracts, meaning that The Bank of New York Mellon SA/NV will provide its depositary services to the Company and the SFC-authorised Funds through its Dublin branch i.e. the New Depositary. The New Depositary will have the same rights and obligations under the existing contracts. The Merger will not involve any material change to the service provided by the Current Depositary to the Company and the SFC-authorised Funds, for example, the effective organization of the custodial services (including the control and systems in place) and there will be no change to the Dublin business address.

The Bank of New York Mellon SA/NV is domiciled in Belgium. As with any significant credit institution in Belgium, it is subject to dual supervision: for conduct of business rules, this supervision is exercised by the Financial Services and Market Authority; for prudential matters, this supervision is exercised by the European Central Bank together with the National Bank of Belgium under the Single Supervisory Mechanism.

As a bank branch, the New Depositary is subject to the Belgian supervision discussed in the previous paragraph, as well as certain Irish regulation and supervision by the Central Bank of Ireland.

There will be no change to the features of the Company (including the sub-custodians appointed for the countries where the Company invests), and the Directors believe there will not be any change to the risk profile of the SFC-authorised Funds resulting from the change in depositary. There will also be no change to the fee structure charged for depositary services and no change to the level of fees payable by the SFC-authorised Funds or the shareholders or how the relevant Funds are managed as a result of the change in depositary. Save for the appointment of the New Depositary, there will not be any changes to the operation and/or manner in which the SFC-authorised Funds are being managed, or any changes to the dealing arrangements of the SFC-authorised Funds. The Directors and the Manager of the Company believe that the rights and interests of the shareholders will not be materially prejudiced as a result of the change in depositary.

The costs and expenses incurred which arise from or are incidental to the above change, including legal and administrative costs, will be borne by the New Depositary.

## **II. Net Derivative Exposure**

With effect from 1 December 2019, the Product Key Facts Statement of the following SFC-authorised Funds (the "Impacted Funds") will be updated to reflect that their net derivative exposure will be up to 50% of the relevant SFC-authorised Fund's net asset value. The Fund's net derivative exposure will be calculated in accordance with the Revised UT Code and the SFC's Guide on the use of Financial Derivative Instruments for Unit Trusts and Mutual Funds (collectively, the "**Revised FDI Rules**"). The Product Key Fact Statements of the Impacted Funds currently disclose that each of the Impacted Funds may use derivatives extensively for investment purposes and notice of this update is therefore hereby given to you in accordance with paragraph 4A of the Frequently Asked Questions on the Implementation and Transition Arrangements of the Code on Unit Trusts and Mutual funds.

Legg Mason Western Asset Asian Opportunities Fund  
Legg Mason Western Asset Emerging Markets Corporate Bond Fund  
Legg Mason Western Asset Short Duration High Income Bond Fund  
Legg Mason Western Asset Euro High Yield Fund  
Legg Mason Western Asset Global High Yield Fund  
Legg Mason Western Asset US High Yield Fund  
Legg Mason Western Asset Short Duration Blue Chip Bond Fund  
Legg Mason Brandywine Global Opportunistic Fixed Income Fund  
Legg Mason Brandywine Global Fixed Income Fund

Although the current disclosure states that the Impacted Funds may use financial derivative instruments extensively for investment purposes, going forward the Impacted Funds will be classified as "non-derivative funds" as the Impacted Funds' net derivative exposure may be up to 50% of its net asset value calculated in accordance with the Revised FDI Rules.

However, please note that this update solely reflects the change in calculation methodology in accordance with the Revised FDI Rules. There is no change to the actual practice relating to the Impacted Funds' use of financial derivative instruments and no change to the operation and manner in which the Impacted Funds will be managed. There is also no change to the investment policy or strategy of the Impacted Funds, the overall risk profile of the Impacted Funds or the fee level/cost in managing the Impacted Funds.

The updates to the disclosures outlined in this notice will have no adverse impact on, nor do they materially prejudice, the rights or interests of existing investors of the Impacted Funds.

In addition, the Product Key Facts Statement of all SFC-authorised Funds will be updated to reflect (1) their net derivative exposure and (2) investment exposure to loss-absorption products (if any).

### **Redemption of Shares**

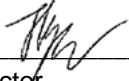
Shareholders who do not wish to remain in the SFC-authorised Funds in light of the change outlined in this letter may redeem their Shares, free of charges from the date of this notice until and excluding the Effective Date by following the usual redemption procedures as set out in the Hong Kong Offering Documents. However, if you deal via any bank, relevant distributor or financial adviser, you should note that they may charge you transaction or adviser fees (as the case may be) in respect of any such redemption request and you should check with such distributor or financial adviser, as necessary.

The Hong Kong Offering Documents will be updated to reflect the changes as set out above as necessary in due course.

Should you have any questions relating to these matters, you should contact the Company or the Administrator, or alternatively you should contact your investment consultant, tax adviser, legal adviser

or the Hong Kong Representative at Suites 1202-03, 12/F., York House, The Landmark, 15 Queen's Road Central, Hong Kong (Investor hotline: +852 3652 3088) as appropriate.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'M. W.', is written over a horizontal line.

Director  
For and on behalf of  
Legg Mason Global Funds plc