

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

17 February 2017

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 (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 herein, all other capitalised terms used herein shall bear the same meaning as capitalised terms used in the Company's latest Hong Kong Extract Prospectus (the "Hong Kong Extract Prospectus"). Copies of the Hong Kong Extract Prospectus and the Product Key Facts Statements of the SFC authorised Funds (together the "Hong Kong Offering Documents"), as well as the 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 from Legg Mason Asset Management Hong Kong Limited. The latest Hong Kong Offering Documents are also available at <http://www.leggmason.com.hk>¹.

Please note that the Central Bank of Ireland (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: Appointment and Disclosure of Currency Administrator; Reimbursement Payable to You

We are writing to notify you regarding: (1) the appointment in October 2015 of Bank of New York Mellon as the currency administrator (the "Currency Administrator") for the Hedged Share Classes in the Fund(s) of the Company in which you hold shares, as set out in the attached Appendix 1 (the "Relevant Funds"); (2) reimbursement payable to you for currency administration fees incurred since the appointment of the Currency Administrator; and (3) planned updates to the relevant disclosure in the Hong Kong Offering Documents to reflect charging of currency administration fees for the Hedged Share Classes of the Relevant Funds with effect from 20 March 2017 (the "Effective Date").

¹ *This website has not been reviewed by the Securities and Futures Commission of Hong Kong.*

1. **Appointment of Currency Administrator and the Charging of the Currency Administration Fee**

Prior to October 2015, the Sub-Investment Manager of each of the Funds with "Western Asset" in the name (including the Relevant Funds) performed the currency administration for their Hedged Share Classes. There was no separate charge for that service. In October 2015 for the reasons stated below, the Company appointed the Currency Administrator to provide currency administration services for the Hedged Share Classes of the Relevant Funds and the Hedged Share Classes of the Relevant Funds began paying currency administration fees monthly to the Currency Administrator from October 2015 ("Change").

We believe that the appointment of the Currency Administrator provides a more efficient hedging process that benefits shareholders of the Hedged Share Classes of the Relevant Funds in the following ways:

- a. The Currency Administrator provides a platform that automates the decision to enter into currency trades. Prior to the appointment of the Currency Administrator, all decisions to enter currency trades were made manually and therefore bore a greater risk of human error.
- b. The Currency Administrator's platform ensures that the currency rates used for fund accounting entries match the rates used for the execution of the relevant currency trades. Prior to the appointment of the Currency Administrator, there was a one-day lag between the relevant fund accounting entries and the execution of the relevant currency trades, which led to some amount of slippage during this lag period depending on the movement of currency rates.
- c. Prior to the appointment of the Currency Administrator, the Sub-Investment Manager of each of the Funds with "Western Asset" in the name was able to net currency exposures only across those sub-funds in the Company that it manages. Since the appointment of the Currency Administrator, the currency exposures of the Relevant Funds can be netted with those of all sub-funds of the Company.

The Irish Prospectus at the material time, which was noted by the Central Bank of Ireland, the home regulator of the Company, indicates that the Currency Administrator is entitled to receive fees at prevailing commercial rates for its hedging administration services to Hedged Share Classes of the Relevant Funds. However, due to an oversight by Legg Mason, these new fees were not disclosed in the Hong Kong Offering Documents, the prior approval of the Hong Kong Securities and Futures Commission ("SFC") was not sought before the Change took effect and shareholders were not notified in advance of the Change as per SFC's regulatory requirements. As part of its remedial measures, the Company ceased charging the currency administration fees to the Hedged Share Classes of the Relevant Funds with effect from 8 October 2016. No additional currency administration fees will be charged to the Hedged Share Classes of the Relevant Funds until the Effective Date.

2. **Reimbursement Payable to You**

From October 2015 through October 2016 (the "Relevant Period"), the Relevant Funds incurred fees to the Currency Administrator for its services to the Hedged Share Classes of the Relevant Funds, at the rate of 0.04% per annum of the value of the hedging transactions. These fees were charged on a monthly basis, at the monthly rate of 0.0033% of the value of the hedging transactions.

Because the appointment of the Currency Administrator for the Relevant Funds and the related currency administration fee were not disclosed in the Hong Kong Offering Documents during the Relevant Period, the Company has determined to reimburse you, through your distributor, for your pro rata portion of the currency administration fees that were charged to your account during the Relevant Period. It is intended to make compensation payments to your designated bank account as soon as possible, and in any event no later than 30 days from the date of this notice. The reimbursement amounts have been verified by the Custodian (now Depository) of the Company independently and will be borne by the Hong Kong Representative.

3. Consequential Updates to the Offering Document

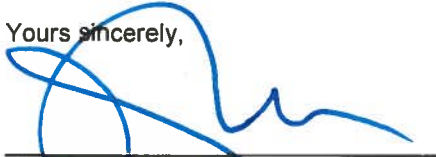
With effect from the Effective Date, the currency administration fees payable to Currency Administrator (at the rate of 0.04% p.a. of the value of hedging transactions) will be imposed on the Hedged Share Classes of the Funds with "Western Asset" in the name (including the Relevant Funds). Please refer to the separate notice which we issued today for the details of the intended changes to the Hong Kong Offering Document.

4. Conclusion

We apologize for this oversight. Legg Mason has put in place appropriate remedial measures, in particular, Legg Mason has taken steps to improve the communication between its European and Asian teams, to seek to prevent similar issues in the future.

Unless you wish to place an order to purchase, redeem or exchange Shares in the Sub-Fund, you do not need to act following receipt of this document. Should you have any questions relating to these matters, you should either contact 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) or alternatively you should contact your financial advisor or your distributor.

Yours sincerely,



Director
For and on behalf of
Legg Mason Global Funds plc

APPENDIX 1
Relevant Funds

1. Legg Mason Western Asset Asian Opportunities Fund
2. Legg Mason Western Asset Global High Yield Fund