



MODERN SLAVERY STATEMENT

LEGG MASON INVESTMENTS (EUROPE) LIMITED

ORGANISATION'S STRUCTURE AND BUSINESS

Since its founding in 1899, Legg Mason has evolved into one of the largest asset management firms in the world with over 3,000 staff in 40 locations serving individual and institutional investors on six continents.

Today's Legg Mason is a globally diversified family of independent investment managers who are each widely recognized for their specialized expertise, commitment to long term performance and outstanding client service.

The distinctive Legg Mason "multi-manager" business model provides clients with a broad spectrum of investment solutions across asset classes, geographies and channels. Legg Mason's corporate services include global retail distribution, capital management, as well as fiduciary and governance oversight.

The diversification and balance of Legg Mason have fueled the company's performance over its thirty year history as a public company.

Legg Mason, Inc. is headquartered in Baltimore, Maryland in the USA and operates in the UK via a number of subsidiaries, one of which is Legg Mason Investments (Europe) Limited (the "Company"), a private company limited by shares incorporated in England and Wales. The Company falls within the scope of S54(2) of the Modern Slavery Act 2015 (the "Act").

The Company acknowledges its responsibility to the Act and the prevention of slavery and human trafficking. In addition, the Company will take steps to seek to ensure transparency within its own organisation and with suppliers of goods and services with whom it contracts in relation to the prevention of modern slavery and human trafficking.

OUR SUPPLY CHAIN

The Company's supply chain includes the following suppliers:

- Third party distribution companies and platforms who enter into arrangements to distribute Legg Mason's proprietary mutual funds or other investment solutions;
- Third party outsourcing and professional services companies who provide a range of professional services to the Company including fund administration, legal advice, audit and payroll;
- Third party commercial real estate, cleaning, office supplies and services required to support the staff in the Company's various offices; and
- Third party payroll providers, pension fund managers and providers of private healthcare, employee benefits and other associated services required to support the Company's employees.

POLICIES ON SLAVERY AND HUMAN TRAFFICKING

The Company is committed to seeking to ensure that there is no slavery or human trafficking in its supply chains or in any part of its business. The Legg Mason Employee Handbook reflects the Company's commitment to acting ethically and with integrity in all of its business relationships and to implement and enforce effective systems and controls to seek to ensure slavery and human trafficking is not taking place.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of the Company's initiative to identify and reduce the risk of slavery and human trafficking occurring within its supply chain, the Company has adopted the following due diligence procedures:

- Where possible the Company builds long standing relationships with its third party service providers and suppliers and place obligations on these suppliers to comply with all applicable laws, which, where relevant, would include compliance with the Act.
- The Company is regulated in the United Kingdom by the Financial Conduct Authority (FCA) and is therefore required to have appropriate systems and controls in place to operate a prudential and well-managed business. The adoption of and compliance with the requirements of the Act in our view, form part of the operation of a prudent and well-managed business.
- As an FCA regulated business, the Company is under an obligation to carry out initial and ongoing know your customer and anti-money laundering checks on third parties that we enter into agreements for goods and services with. We believe that this due diligence provides us with an understanding of third parties with whom we enter into arrangements with for the provision of services and supplies.
- The Company carries out regular checks on its service providers and suppliers and a review of anti-slavery and human trafficking procedures has been included in this due diligence.

SUPPLIER ADHERENCE TO OUR VALUES

The Company has a zero tolerance approach to slavery and human trafficking. Where relevant, those in its supply chain and contractors are required to comply with these values. Where applicable, contractual provisions will be included in and will be put into agreements, further, where applicable, notices of the Company's expectations will be sent to certain providers in the Company's existing supply chain.

EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

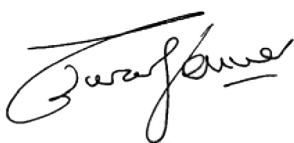
The Company uses the following types of key performance indicators to measure the effectiveness of any measures implemented in seeking to ensure compliance with the Act:

- Risk based approach to oversight of the Company's third party service providers and suppliers to seek to ensure that resources are allocated appropriately. Risks considered include country risk, sector risk, transaction risk and business partnership risk.
- Ongoing analysis and review of risk of slavery and human trafficking with appropriate reporting as required on the perceived risk and any action required.
- Honest and open communication with the relevant personnel of our service providers and suppliers to set the Company's expectations of their compliance with the Act.
- Completion of regular due diligence reviews on certain third party suppliers.
- The Company has procedures in place to encourage the reporting of concerns and the protection of whistle blowers.

TRAINING

To seek to ensure the risks of modern slavery and human trafficking in the Company's supply chains and business are understood, training is available to relevant members of staff. The Board of Directors have been briefed on the requirements of the Act.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Legg Mason Investments (Europe) Limited's slavery and human trafficking statement for the current financial year. This statement was approved by the Board of Legg Mason Investments (Europe) Limited.



Ed Venner
Director

Legg Mason Investments (Europe) Limited

2017