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Product Key Facts
Legg Mason Global Funds Plc -
Legg Mason ClearBridge Tactical Dividend Income Fund

Issuer: Legg Mason Asset Management Hong Kong Limited

Last updated: April 2022

- **This statement provides you with key information about Legg Mason ClearBridge Tactical Dividend Income Fund.**
- **This statement is a part of the offering document.**
- **You should not invest in this product based on this statement alone.**

QUICK FACTS

Manager: Franklin Templeton International Services S.à r.l.

Investment Manager (internal delegation): ClearBridge Investments, LLC (located in the USA)

Depository: The Bank of New York Mellon SA/NV, Dublin Branch

Base Currency: USD

Financial Year End of this Fund: Last day of February

Dealing Frequency: Daily

Ongoing Charges over a Year*:

Class A US\$ Accumulating: 1.75%¹

Class A US\$ Distributing (M) Plus: 1.75%¹

Class A EUR Accumulating (Hedged): 1.78%¹

Class A EUR Distributing (M) (Hedged) Plus: 1.78% (estimated)²

Class A AUD Accumulating (Hedged): 1.78% (estimated)²

Class A AUD Distributing (M) (Hedged) Plus: 1.78%¹

Class A HKD Accumulating: 1.75% (estimated)²

Class A HKD Distributing (M) Plus: 1.75%¹

Class A SGD Distributing (M) (Hedged) Plus: 1.78%¹

Class A NZD Distributing (M) (Hedged) Plus: 1.78% (estimated)²

Class A GBP Distributing (M) (Hedged) Plus: 1.78% (estimated)²

Class A CAD Distributing (M) (Hedged) Plus: 1.78% (estimated)²

Class F US\$ Accumulating*: 1.15%¹

The ongoing charges figure is expressed as a percentage of the expenses over the average net asset value of the share class for the corresponding period as described below. This figure may vary from year to year.

¹ This figure is based on the expenses for the 12 month period from 1 September 2020 to 31 August 2021 and the average net asset value of the share class for the corresponding period.

² This figure is the Investment Manager's best estimate of the expenses and the average net asset value of the share class over a 12 month period based on information available on another active share class of the Fund with similar fee structure, as this share class is newly established or is yet to be launched.

* This share class is available to Professional Investors and investors with a discretionary investment agreement with a Dealer appointed by the Distributor with respect to such Shares. Commission/rebate payments may be made by Distributors to Dealers or other investors who have an agreement with the Distributor with respect to such Shares.

Dividend Policy:

For Class A Distributing (M) Share Classes* – any dividends will be declared and paid monthly

No distributions will be made for Class A Accumulating Share Classes and Class F Accumulating Share Classes

* Distributing Plus Share Classes available within this Fund may, at the discretion of the Directors of Legg Mason Global Funds Plc, pay dividends out of capital. Such distribution will result in a corresponding immediate decrease in the net asset value per share of the Distributing Plus Share Classes.

Minimum Investment:

Class A US\$ – US\$ 1,000 (Initial)

Class A EUR – EUR 1,000 (Initial)

Class A AUD – AUD 1,000 (Initial)

Class A HKD – HKD 8,000 (Initial)

Class A SGD – SGD 1,500 (Initial)

Class A NZD – NZD 1,000 (Initial)

Class A GBP – GBP 1,000 (Initial)

Class A CAD – CAD 1,000 (Initial)

Class F US\$ – US\$ 1,000,000 (Initial)

There is no minimum for subsequent investment.



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WHAT IS THIS PRODUCT?

Legg Mason ClearBridge Tactical Dividend Income Fund (the “Fund”) is a sub-fund of Legg Mason Global Funds Plc, which is constituted in the form of a mutual fund. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland.

OBJECTIVE AND INVESTMENT STRATEGY

Objective: The Fund seeks to provide a high level of income. Long-term capital appreciation is a secondary objective.

Strategy: The Fund invests at least 80% of its net asset value in equity and equity-related securities that are expected to provide investment income, dividend payments or other distributions, which are listed or traded on regulated markets and from issuers located anywhere in the world. The Fund may invest in equity and equity-related securities of issuers with any market capitalisation. In selecting securities, the Investment Manager uses a combined fundamental and macroeconomic approach to identify assets that have attractive dividends and future earnings prospects, and uses a tactical rotation strategy among different high income paying asset classes based on merits for maximised opportunities and risk-adjusted returns. In assessing portfolio investments, the Investment Manager will consider company dividend yield levels with a view to having a portfolio with a dividend yield equal to the dividend yield of the Dow Jones U.S. Select Dividends Index (the “Benchmark”), plus 0.75%. There is no guarantee that this will be achieved. Whilst the Fund focuses on investments which are intended to provide a high level of income, it is not necessary for each individual security comprising the Fund’s portfolio of investments to have a dividend yield in excess of the target dividend yield for the Fund, which is the yield of the Benchmark plus 0.75%. The Investment Manager is not constrained by the Benchmark in the selection of securities. The Investment Manager expects that some investments intended to provide a high level of income (such as equity securities) may deliver capital appreciation in furtherance of the Fund’s secondary objective.

The Fund invests in a diversified portfolio of equity and equity-related securities, including (i) common stocks, (ii) preferred stocks, (iii) convertible preferred stocks and other securities convertible into equity securities (e.g. convertible bonds), (iv) publicly traded units of master limited partnerships (MLPs) (up to 60% of its net asset value), (v) real estate investment trusts (REITs) (up to 35% of its net asset value), and (vi) publicly traded business development companies (BDCs) (up to 35% of its net asset value), and other closed-end funds that invest in any of the foregoing securities under (i) – (v) and are traded on a regulated market (up to 10% of its net asset value). The Fund will invest at least 50% of its net asset value in securities of US Issuers. Thus, the Fund may invest up to 50% of its net asset value in securities of non-US Issuers, including securities of issuers in emerging market countries (e.g. Brazil and India). The Fund may have significant investments in mid- and small-cap companies with market capitalisations of less than US\$5 billion (up to 100% of its net asset value). A maximum of 10% of the Fund’s net asset value may be invested in other collective investment schemes.

The Fund may from time to time invest in debt securities, when the Investment Manager believes such securities provide a compelling yield opportunity while keeping with the Fund’s overall objective of total return. The total amount invested in such assets will not exceed 20% of the Fund’s net asset value. The debt securities in which the Fund invests may include securities that are not rated or are rated below investment grade (being below BBB- by S&P or the equivalent by another nationally recognised statistical rating organisation), and may be issued by corporate or government issuers. However, the Fund does not intend to invest more than 10% of its net asset value in debt securities issued by or guaranteed by any single sovereign issuer (including its government, public or local authority) which is rated below investment grade or unrated. The Fund does not intend to invest in mortgage-backed securities or asset-backed securities.

USE OF DERIVATIVES/ INVESTMENT IN DERIVATIVES:

The Fund’s net derivative exposure¹ may be up to 50% of the Fund’s net asset value.

¹ Please refer to the offering document for details regarding the calculation methodology of net derivative exposure.

WHAT ARE THE KEY RISKS?

Investment involves risks. Please refer to the offering document for details including the risk factors.



- **Equity Market Risk:** Investing in equity market is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors. Adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by, hence a substantial loss to, the Fund.
- **Emerging Markets Risk:** This Fund may have significant exposure in emerging markets which involve increased risks and special considerations not typically associated with investment in more developed markets, including liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Emerging market issuers may not be subject to the same accounting, auditing and financial reporting standards as developed countries. Emerging markets may have less reliable custody arrangements than mature markets which may also lead to a higher degree of risk. These factors may adversely affect the value of the securities owned by, hence a substantial loss to, the Fund.
- **Smaller Company Risk:** Securities of smaller companies generally are less liquid and more volatile than those of larger companies; and smaller companies generally are more likely to be adversely affected by poor economic or market conditions. These factors may adversely affect the value of the securities owned by, hence a substantial loss to, the Fund.
- **Risks of MLPs:** Investments in MLPs may be afforded with fewer protections than investments in corporations. Investments held by MLPs may be relatively illiquid, limiting the MLPs' ability to vary their portfolios promptly in response to changes in economic or other conditions.
 - Changes in US federal regulations governing MLPs may be adverse to investors in such MLPs (such as the Fund), which would likely cause the value of MLPs to drop significantly.
 - MLPs which focus on the energy sector may be subject to commodity pricing risk, supply and demand risk, and other risks associated with commodity prices.
 - Investments in MLPs require the Fund to prepare and file certain tax filings, the cost of which and the payment of related taxes may adversely impact the Fund's return on its investment in MLPs
 - Although the Fund does not currently invest in US domiciled MLPs, to the extent that it owns units in US domiciled MLPs in the future, then the Fund, as a non-US corporation will be treated as engaged in a US trade or business, and as such may be subject to US branch profits tax and US federal income tax on their share of the MLP's income and gain as adjusted, and to US federal income tax on gains from the disposition of MLP units.
 - MLPs generally make distributions to unitholders out of operating cash flow which may be a return of capital to unitholders of the MLP, including the Fund, and which may therefore impact the potential for future capital growth of the MLP.
 - Investments in MLPs may be less liquid and more volatile than those of larger companies.These factors could cause a substantial loss to the investments held by, hence the value of, the Fund.
- **Risks of BDCs:** BDCs typically invest in small and medium-sized companies and may have a narrow industry focus or concentrated portfolios, which may be more adversely affected by poor economic conditions affecting the industry group. Investments of BDCs may be relatively illiquid, which limit the ability for realization or otherwise at a loss. BDCs are subject to management risk, including the ability of the BDC's management to meet its investment objective, and the risk that the BDC's management may be remunerated based on BDC's performance leading to the BDC making more speculative investments. BDCs may be leveraged and with increased volatility. These factors could cause a substantial loss to the BDC investments held by, hence the value of, the Fund.
- **REITs Risk:** The Fund may invest in REITs which involve risks similar to investing directly in real estate. The value of REITs may be affected by the value of underlying properties and defaults by borrowers or tenants. REITs are dependent on specialised management skills and some REITs may have limited diversification. REITs depend generally on their ability to generate cash flows to make distributions to investors, and may be subject to self-liquidations. The underlying REITs may not



necessarily be authorized by the SFC, and the dividend/payout policy of the Fund is not representative of the dividend/payout policy of the underlying REITs.

- **Liquidity Risk:** In certain circumstances it may be difficult to sell the Fund's investments because there may not be enough demand for them in the markets, in which case the Fund may not be able to sell or liquidate such investments or to sell them at a significant discount to the purchase price hence the Fund may suffer a substantial loss.
- **Custody and Settlement Risks:** The Fund may invest in markets where custodial and/or settlement systems are not fully developed. Such investments may be subject to additional risks with respect to the safe keeping of assets and making of investments, hence the Fund may suffer a substantial loss.
- **Debt Securities risk:** Investments in debt securities are subject to risks such as credit risk, market risk, liquidity risk, interest rate risk, valuation risk and pricing volatility, which may cause substantial losses to the Fund. The prices of debt securities fluctuate in response to perceptions of the issuer's creditworthiness and also tend to vary inversely with market interest rates. Generally, and in the absence of hedging measures, the longer the average weighted duration of a fund, the greater the sensitivity to interest rates. Investment Grade securities may be subject to the risk of being downgraded to below Investment Grade. Debt securities rated below Investment Grade are deemed by rating agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk of exposure to adverse conditions.
- **Risk related to below investment grade / unrated securities:** Debt securities rated below investment grade are deemed by rating agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk exposures to adverse conditions affecting the issuer. Unrated debt securities are not necessarily of lower quality than rated securities, however, they may not be attractive to as many buyers hence may be less liquid and with higher risks. The Fund may be invested in 'below investment grade' and/or unrated debt securities, which carry a higher degree of pricing volatility, market risk, liquidity risk and default risk than 'investment grade' debt securities. When any such risk materialises, the Fund may suffer a substantial loss.
- **Credit Risk:** The Fund's investment in debt securities expose the Fund to credit risk, i.e. the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of the security will suffer because investors believe the issuer is less able to pay. Ratings are only the opinions of the agencies issuing them. Such ratings are relative and subjective, and are not absolute standards of quality. The credit rating agency may change their ratings on particular debt securities held by the Fund, and downgrades are likely to adversely affect the price hence the Fund may suffer a substantial loss.
- **Currency Risk:** Fluctuations in exchange rates between the currency of the underlying securities and the Fund's base currency may adversely affect the value of an investment and any income derived from it. In addition, the value of your investment may fall due to changes in the exchange rate between the currency of your share class and the base currency of the Fund. With respect to any share class with "(Hedged)" in its name, the Fund will attempt to hedge the currency risk between the base currency of the Fund and the currency of the share class, although there can be no guarantee that it will be successful in doing so. The use of share class hedging strategies may substantially limit shareholders in the relevant Hedged Share Class from benefiting if the currency of the Hedged Share Class falls against the base currency and/or the currencies that are significant to the Fund's investment strategy, as applicable. Any hedging transactions, while potentially reducing the currency risks to which the Fund would otherwise be exposed, may involve certain other risks, including the risk of a default by a counterparty, and the risk that the Fund's forecast with respect to currency movements is incorrect. If the abovementioned hedging transactions become ineffective, the Fund may suffer a substantial loss.
- **Derivatives Risks:** This Fund may use certain types of financial derivative instruments (FDIs). These instruments may involve a higher degree of risk including but not limited to counterparty, volatility, liquidity, leverage and valuation risks, and the Fund may suffer a substantial loss. There is no guarantee that the performance of FDIs will result in a positive effect to the Fund.



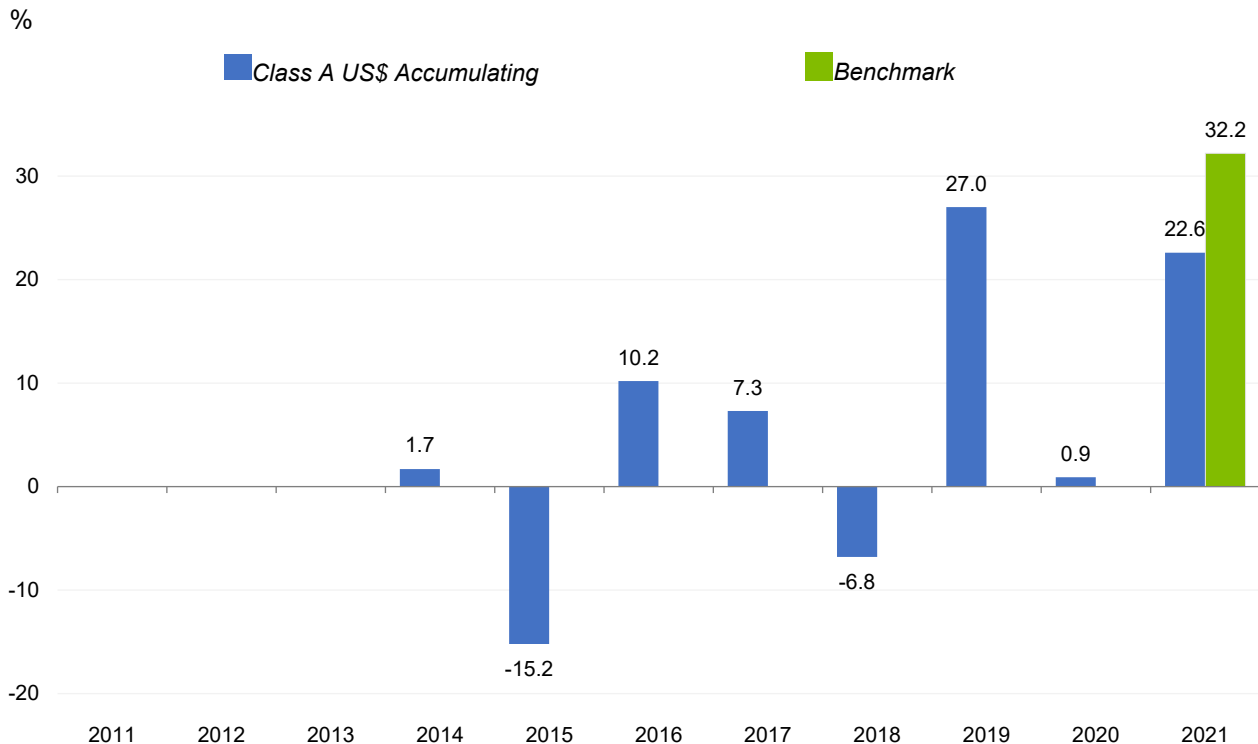
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- **Risk of Investing in Distributing Plus Share Classes:** Distributing Plus share classes may pay dividends out of capital. The payment of dividends out of capital effectively amounts to a return or withdrawal of an investor's original capital investment or of capital gains attributable to that original investment. Such distribution will result in a corresponding immediate decrease in the net asset value per share of the Share Classes. There is also an increased risk that on a redemption, you may not receive back the full amount invested. The distribution amount and net asset value of the Distributing (Hedged) Plus Share Class may be adversely affected by differences in the interest rates of the reference currency of the Distributing (Hedged) Plus Share Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Share Classes.
- **Investment Risk:** The value of investments in the Fund and the income from them can go down as well as up, and investors may not get back the amount originally invested and may suffer a substantial loss to their investments. Past performance is no guide to future returns and may not be repeated. There is no guarantee of the repayment of principal.



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HOW HAS THE FUND PERFORMED?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Class A US\$ Accumulating* increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Fund launch date: 2013.
- Class A US\$ Accumulating* launch date: 2013.
- Effective 31 March 2020, Dow Jones U.S. Select Dividends Index was added as the benchmark of the Fund to adhere to European disclosure rules regarding the use of benchmark.

* This share class is a representative share class of the Fund as it represents the total return on the Fund's investment strategy and is the most widely available share class in Hong Kong.

IS THERE ANY GUARANTEE?

The Fund does not have any guarantees. You may not get back the full amount of money you invest.



WHAT ARE THE FEES AND CHARGES?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund:

Fees in respect of each Class A and Class F Share Class	What you pay
Subscription Fee (Initial Sales Charge)	Up to 5.00% of the amount you subscribed for Class A Shares None for Class F Shares
Switching Fee	Not applicable
Redemption Fee	Not applicable

Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments:

Expenses in respect of each Class A and Class F Share Class*	Annual rate (as a % of the Fund's NAV)
Management Fee	Up to 1.25% for Class A Shares Up to 1.00% for Class F Shares
Combined Administration and Depositary Fee	Up to 0.15%
Performance Fee	Not applicable
Shareholder Servicing Fee	Up to 0.35% for Class A Shares None for Class F Shares

* For Hedged Share Classes, (i) the Currency Administrator is entitled to receive fees for hedging administration services (currently charged at 0.04% per annum of the value of the hedging transactions), which shall be borne exclusively by the relevant Hedged Share Class; and (ii) the Collateral Manager is entitled to receive fees for its collateral management services in relation to currency hedging (such fees not exceeding GBP 340 per month for the Fund), which shall be charged only to the relevant Hedged Share Classes.

Other fees

You may have to pay other fees when dealing in the shares of the Fund.

ADDITIONAL INFORMATION

- You generally buy and redeem shares at the Fund's next-determined net asset value (NAV) after the authorised dealer or sub-distributor receives your request in good order on or before 4:00 p.m. in New York (EST) on any relevant dealing day. Certain dealers or sub-distributors may impose a deadline for receipt of orders that is earlier than this.
- The NAV of this Fund is calculated on each dealing day and published no later than the second business day immediately succeeding each dealing day on www.leggmason.com.hk.
- In respect of Distributing Plus Share Classes, the composition of dividend payouts (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months will be available from the Hong Kong Representative on request and on our website, www.leggmason.com.hk.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from our website, www.leggmason.com.hk.

IMPORTANT

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.