MARTIN CURRIE GLOBAL PORTFOLIO TRUST PLC

The sustainable growth trust

Annual report – year to 31 January 2022

Registered in Scotland, no SC192761

MARTIN CURRIE

THE SUSTAINABLE GROWTH TRUST

Welcome to the annual report for Martin Currie Global Portfolio Trust plc (the 'Company'), the sustainable growth trust.

Our objective

The objective is to produce long-term returns in excess of the total return from the MSCI All Country World index.

A unique blend of features and benefits enjoyed by our shareholders.

Global opportunity:

A global investment remit provides the widest possible opportunity to invest in the world's best companies, irrespective of the country they are listed in. Shareholders benefit from a ready-made global equity portfolio which is diversified across different geographic markets and a range of economic sectors.

High conviction and high quality:

As active investors handpicking 25-40 companies for the portfolio, we can concentrate on businesses or sectors we believe offer the most sustainable growth over the long term. A concentrated portfolio means we have meaningful allocations in each stock and we believe that gives us the best opportunity to outperform the markets.

World-class ESG characteristics:

You don't have to compromise your investment goals and desire to invest in sustainable companies. Our Environmental, Social and Governance ('ESG') credentials are exceptional and we are the only investment trust in the AIC Global sector to have 5 globes from Morningstar. We undertake over 50 ESG risk assessments on every company we research and engage with companies to ensure they trend towards best practice.

Established track record:

Established in 1999, shareholders have enjoyed investment returns and share price growth ahead of the benchmark over that period.

Shareholder-friendly benefits:

Investment trusts are listed on the London Stock Exchange and their company structure offers many distinct features that can enhance performance and benefits for shareholders.

Low charges:

With low ongoing charges and no performance fees, more of your money is invested in the markets.

Sustainability Rating:

Low Carbon

UNPRI signatory since July 2009

Highest possible ratings by PRI (triple A+) 2017, 2018, 2019, 2020[1]

[1] PRI – Principles for Responsible Investment. A copy of the PRI's assessment of Martin Currie and its methodology is available on request.

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FINANCIAL HIGHLIGHTS

Performance[1,2]

+2.9%
Net Asset Value total return for the year.

-2.6%
Share price total return for the year.

+15.9%
Benchmark total return for the year.

Strong long-term performance[1]

Three year performance[1]

+54.1%
Net Asset Value total return over the three year period.

+53.1%
Share price total return over the three year period.

+52.5%
Benchmark total return over the three year period.

Past performance is not a guide to future returns. All returns are total returns unless otherwise stated.

Source: Martin Currie Investment Management.

[1]The benchmark with effect from 1 February 2020 is the MSCI All Country World index. Prior to this, the benchmark was the FTSE World index to 31 January 2020. Prior to this, the benchmark was the FTSE All-Share to 31 May 2011. Total return is the combined effect of the rise and fall in the share price, net asset value or benchmark together with any dividend paid.

[2]The one year figures for net asset value total return and share price total return are Alternative Performance Measures, see page 81 for more details on the calculations.

Key data

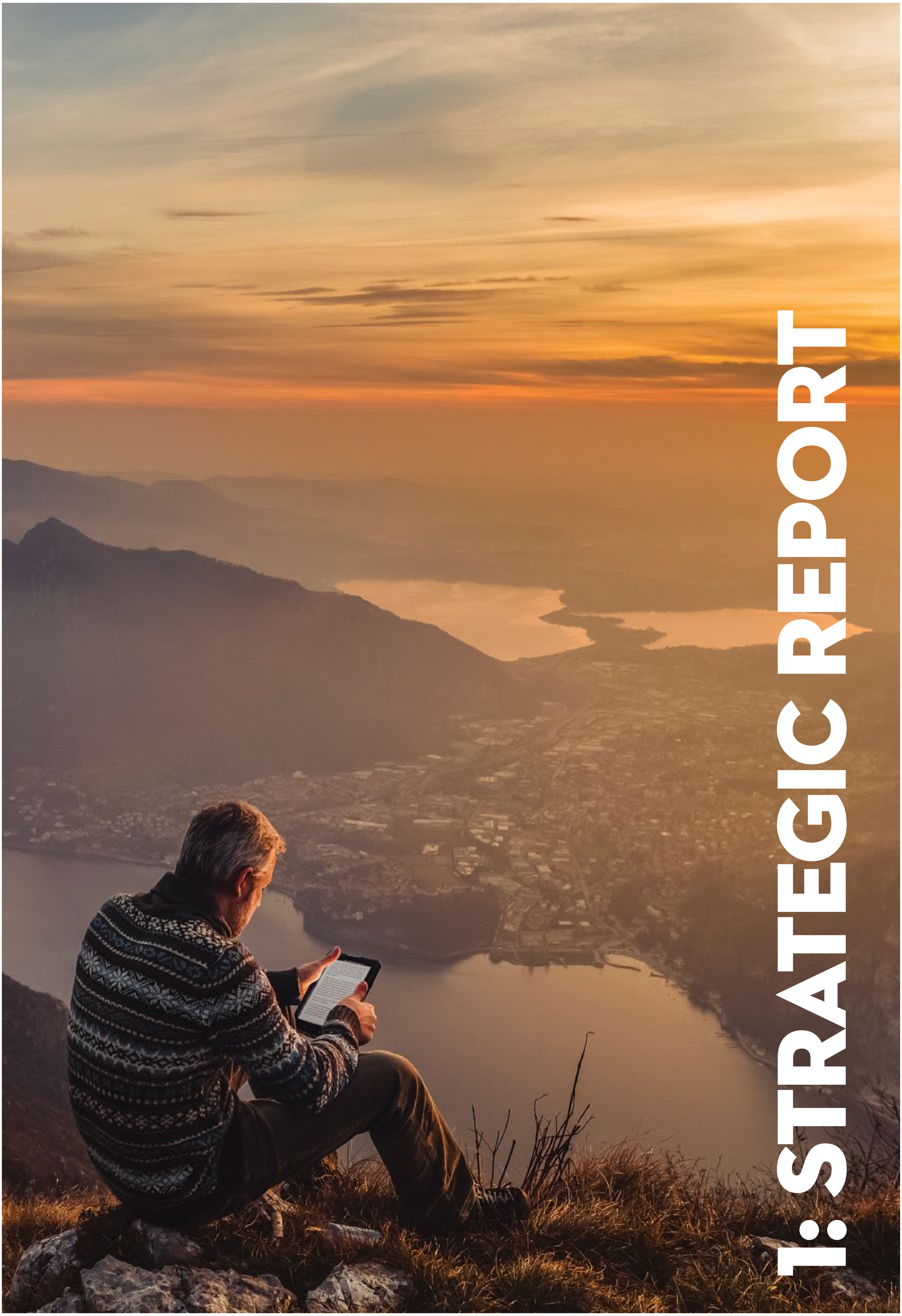
	Year ended 31 January 2022	Year ended 31 January 2021
Net asset value per share (pence)	364.6p	358.2p
Share price (pence)	356.5p	370.0p
Ongoing charges as a percentage of shareholders' funds	0.68%	0.58%[3]

10 year record

As at 31 January	Revenue return per share	Dividend per share	Net asset value per share[4]	(Discount)/ premium	Investments £000	Net assets £000
2013	4.23p	3.90p	152.6p	(3.4%)	158,894	159,399
2014	3.76p	4.00p	157.4p	(0.6%)	163,755	164,201
2015	3.92p	4.10p	178.5p	0.6%	181,798	183,951
2016	4.15p	4.15p	176.3p	(1.9%)	174,976	178,107
2017	4.21p	4.20p	223.9p	(0.0%)	215,619	216,497
2018	3.72p	4.20p	246.1p	0.4%	223,192	227,186
2019	3.47p	4.20p	245.5p	(1.4%)	203,818	205,575
2020	2.52p	4.20p	301.9p	3.0%	251,714	251,695
2021	1.97p	4.20p	358.2p	3.3%	327,988	303,571
2022	1.36p	4.20p	364.6p	2.2%	339,535	315,834

[3]Ongoing charges plus the performance fee for the year ended 31 January 2021 were 1.62%. With effect from 1 February 2021, the performance fee arrangement was discontinued. See note 3 on page 68.

[4]Cum-income.



1: STRATEGIC REPORT

Gillian Watson, Chairman

"Our investment manager focuses on investments with the prospects of superior longer-term growth and has not been distracted by market gyrations."

Dear Shareholder

In these sad and difficult times, I would like to start by expressing our sympathy for all of the victims of the Russian invasion of Ukraine. The human cost is horrific and the unified response to Russia's aggression is the only positive consequence. The potential longer-term effects of the invasion are many and varied and these, and the impact they may have on your Company, are discussed under Outlook below and in the Manager's review.

Against this destabilising background, we can at least bring you a positive report on your Company. The lead portfolio manager, Zehrid Osmani, has now been managing the portfolio for over three years and his very clear investment style continues to bring benefits to shareholders. This is reflected in strong results: for the three years to the end of January 2022, the net asset value ('NAV') total return was 54.1% and exceeded the return of the benchmark (52.5%). This performance has been achieved by investing in companies that meet the very stringent investment strategy of the manager, including robust ESG criteria on which the team will not compromise, ensuring a strong focus on improvements in sustainability and the impacts of climate change.

Before discussing key developments at your Company, I would like to draw your attention to the layout of this report. Annual reports of listed companies tend to grow in length each year as regulators and other agencies seek ever more information. While the Board fully supports moves to increase transparency, we also believe that the annual report should be easy to read and, where possible, free from unnecessary duplication and volume. This year we have set out the Strategic report and Report of the directors in a different way, to make the structure more logical and accessible for all readers. We hope that these changes make the annual report easier to read and would welcome any feedback. If you have any comments please write to me at the address on page 90 or send an email to ftcosec@franklintempleton.com.

Investment performance

Whilst investment performance over the year under review was disappointing, with a NAV total return of 2.9% and share price total return of -2.6%, compared with the 15.9% return of the benchmark, this was the first year of underperformance since Zehrid Osmani was appointed as portfolio manager in 2018. As described in the Manager's review, most of the underperformance occurred in January 2022 at the end of what was a year of high volatility in stock markets when at times more cheaply rated value stocks have at times led the market. In contrast, our investment manager focuses on investments with the prospects of superior longer-term growth and has not been distracted by market gyrations. This consistent approach to growth reflects our stated investment policy and the expectations of shareholders.

Income and dividends

Capital growth is the primary focus of the investment manager and the investment strategy is not constrained by any income target. Nevertheless, the Board recognises that dividends are important for many shareholders and hence continues to maintain its dividend in line with historic levels. The Company has substantial distributable reserves and the Board has again used these alongside revenue earnings to maintain the dividend, while not impinging on the investment manager's approach to managing the portfolio.

Net revenue earnings per share for the period amounted to 1.36 pence. The Company has paid three interim dividends of 0.9 pence per share and will pay a fourth interim dividend of 1.5 pence per share on 29 April 2022 to shareholders on the register on 8 April 2022. The total dividends with respect to the year to 31 January 2022 will be 4.2 pence per share, maintaining the same total dividend as the previous year.

At this year's annual general meeting, shareholders will be requested to approve amendments to the Company's Articles of Association which will allow the distribution of realised capital profits by way of dividend. The Company is already permitted to distribute realised capital profits in buying back its shares. The tax regulations governing investment trusts removed the requirement for the Articles of Association of an investment trust to prohibit the distribution of realised capital profits by way of buyback, and subsequently dividend, some years ago and a number of other investment trusts have taken advantage of the additional flexibility this provides. The Board believes that removing the remaining restriction offers the Company more options in its use of reserves for the payment of dividends. However, there is no intention to change the current dividend policy. Further information about the other proposed changes to the Articles of Association is set out below.

Investment Policy – Enhancing our ESG leadership

Your Company is recognised as a leader in ESG investing and is the only global investment trust to be awarded the highest possible 'Five Globes' from Morningstar, which also rates it in the top 1% globally for ESG. The manager's focus is on investing in the highest quality companies that will generate sustainable returns over the long term and the systematic analysis of ESG factors is essential to this stock selection.

To reflect our approach more explicitly and to highlight our conviction in sustainability, the Board is recommending an update to the investment policy. While the proposed changes will not result in any change in the manager's approach to investing, they will state more clearly the importance of ESG to our Company. For example, in practice, the portfolio is managed such that if the Company was a European open-ended fund then it would comply with Article 8 of the EU's Sustainable Finance Disclosure Regulation. It is the investment manager's intention that the Company's rigorous ESG process will mean that it should comply with any similar criteria as and when, in due course, the UK introduces its own sustainability disclosure regulations and indeed with any other key reporting frameworks. The Board is of the view that providing this clarity on the focus on ESG as a key investment driver further cements our leadership in this important area. The Board believes this differentiates us further from other investment trusts and funds. In addition the proposed new investment policy sets out more clearly the approach to risk spreading and to gearing.

The proposed new investment policy is set out in detail on page 28.

Operations

I reported last year that the Covid-19 pandemic had had a profound effect on the way that our investment manager and other suppliers operated. The world experienced continued disruption for much of the year under review and, as with last year, the Board took a close interest in ensuring that the investment manager and all of our other key suppliers were able to maintain business as usual. Again we would like to record our thanks to all involved and, as we look forward, we hope to return to more normal ways of working.

Increased demand

We continue to see increased demand for shares from a wide range of investors and improved ratings from agencies and brokers. Pleasingly, this has led to net issuance of shares under our zero discount policy for the second consecutive year.

Our manager actively markets the Company with the aim of growing the number of shares in issue over time. A larger company has advantages in providing a higher level of liquidity for shareholders and in spreading its fixed costs more widely.

The Company is promoted through a range of media, advertising and investment research. Our positioning it as 'The Sustainable Growth Trust' continues to gather momentum. During the year, our marketing efforts were rewarded in the Association of Investment Companies Annual Investor Communication Awards, in which we were placed first in three categories: Best ESG Communication, Best Use Of Social Media and Best Website.

The Company's website www.martincurrieglobal.com is a comprehensive source of information and includes regular portfolio manager updates and outlook videos, monthly performance factsheets and independent research reports. The number of users of our website has almost doubled over the last year and, if you have not already done so, I strongly recommend that you subscribe for email updates that will alert you to new information on the website and keep you abreast of the news on your Company.

A key element of our approach to making the Company attractive to investors is our zero discount policy under which the Company buys back and issues shares with the objective of providing shareholders, in normal market conditions, with:

- assurance that the share price is aligned with the prevailing NAV per share; and
- liquidity so that investors can buy or sell as many shares as they wish at a price which is not significantly different from the NAV.

During the year to 31 January 2022, the Company:

- bought back 1.6 million shares which were held in Treasury; and
- reissued 3.4 million shares from Treasury.

The advantage of holding shares in Treasury is that they can be reissued efficiently and at low cost. Shares will only be bought back at a price which is below the prevailing NAV per share and will only be issued at a price which is above the prevailing NAV per share, so that the assets of existing shareholders are not diluted and when the Board considers buying back or issuing shares to be in the best interests of existing shareholders. The successful execution of this strategy continues, with the share price generally remaining close to NAV.

The Board

Neil Gaskell stepped down from the role of Chairman on 1 February 2021 and retired as a Director on 30 April 2021. I would like to reiterate the Board's thanks to Neil for his leadership, guidance and support during his tenure.

Lindsay Dodsworth joined the Board on 1 November 2021 and will stand for election at this year's annual general meeting ('AGM'). Lindsay is chair of a family office and of its investment oversight committees which she helped the family to set up following the sale of its business. She trained as a chartered accountant and a chartered tax adviser with Price Waterhouse (now PwC) before becoming a partner at Ernst & Young (now EY). She is a governor, member of the advisory council and member of the investment committee at Goodenough College and chair of governors at St. John's College School.

Articles of Association

As noted above the Board is recommending that the Company adopt new Articles of Association (the 'New Articles').
A description of the proposed amendments being introduced in the New Articles is set out on pages 47 and 48. The key points include removing the current prohibition on using realised capital reserves to pay dividends, permitting more flexibility around notice of meetings, execution of documents and holding of meetings in light of the Covid-19 pandemic and minor updates to reflect best practice. The New Articles are consistent with those used across the investment trust sector.

AGM Arrangements

Having been obliged to hold the last two years' AGMs behind closed doors, I am pleased to be able to invite all shareholders to attend our AGM in person at the Waldorf Astoria The Caledonian, Princes Street, Edinburgh EH1 2AB on Thursday 16 June 2022 at 11.00 am. While we hope that shareholders will be able to attend, the Directors are aware that Government guidance and regulation relating to the Covid-19 pandemic may change. If we are obliged to change the arrangements for the AGM after publishing this document, details will be published via a Stock Exchange announcement and our website. Shareholders who plan to attend the AGM are encouraged to check the website before travelling.

We do recognise that some shareholders may be unable to come to the AGM and if you have any questions about the Annual Report, the investment portfolio or any other matter relevant to the Company, please write to me either via email at ftcosec@franklintempleton.com or by post to The Company Secretary, Martin Currie Global Portfolio Trust plc, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ES.

If you are unable to attend, I urge you to submit your proxy votes in good time for the meeting, following the instructions enclosed with the proxy form.

Outlook

At the time of writing this statement the news is dominated by the Russian invasion of Ukraine. The invasion led to a sharp increase in the price of energy and some basic foodstuffs, which in turn is producing an increase in general inflation around the world. This is set against the background of already heightened inflation resulting from supply chain difficulties triggered by the Covid-19 pandemic. Governments and central bankers in developed countries will have to draw a fine line between stimulating growth and attempting to control inflation. The effect on markets has – as might be expected – been a fall, followed by continuing volatility, as investors seek to digest the ramifications both of the military action and its consequences over the longer term. While we hope that the fighting in Ukraine will stop soon, absent a change of regime in Moscow it is likely that sanctions will remain in place for some time and the consequences of a prolonged economic struggle are difficult to predict, given in particular Europe's dependence on Russian energy supplies.

While our manager is predicting that the world economy will continue its recovery from the effects of the pandemic, that recovery is now likely to be slower and more protracted. Share prices are likely to continue to be volatile as they are affected by the geopolitical news flow and periods of risk aversion.

Our investment strategy is based on identifying, and seeking to take advantage of, long-term trends. Our investment manager will continue to concentrate on a focused list of investments, researched in depth and selected for their long-term growth prospects and sustainable credentials. Notwithstanding the current situation, we continue to believe that this approach will produce attractive returns for patient investors.

Keep in touch

The Company's website at www.martincurrieglobal.com is a comprehensive source of information and includes regular portfolio manager updates and outlook videos, monthly performance factsheets and independent research reports. I recommend that you subscribe for regular email updates that will keep you abreast of the news on your Company.

I thank you for your continued support. Please contact me if you have any questions regarding your Company by email at: ftcosec@franklintempleton.com.

Gillian Watson

Chairman

12 April 2022

Zehrid Osmani, Portfolio Manager

"Earnings recovery was much stronger than expected in calendar year 2021."

Review of financial year ended 31 January 2022

The Company's financial year ended 31 January 2022 was overall a strong period for equity markets with the MSCI All Country World index rising by +15.9%, in GBP terms. Equity market recovery post the Covid-19 crisis of 2020 was much sharper than many expected. The reporting period also experienced a number of changes in market leadership between Growth and Value stocks. This leadership volatility challenged the Company's performance during the latter part of the financial year as Value stocks, to which the portfolio does not have exposure, outperformed. We expand on this later in this section.

In our view the most important factors affecting financial markets in 2021 and into the early part of 2022 were:

(i) a sharp recovery in corporate earnings driving positive earnings momentum,

(ii) an uncertain backdrop in China contributing to underperformance by Emerging Markets,

(iii) stronger and longer-lasting inflationary pressure than had been expected,

(iv) pandemic relapse risk materialising with the emergence of the Omicron variant, and

(v) monetary policies shifting towards more rapid and more sizeable rate hikes as a result of the stronger inflation.

We comment on each of these in more detail below.

Earnings recovery was much stronger than expected in calendar year 2021, with earnings growth over the year likely to be c.+48%, compared to our initial estimate of +26% and consensus at c.+23% at the start of that year. Projections were gradually revised upwards throughout the year as information became available. The supportive earnings momentum and revisions to earnings growth estimates were a key driver of the equity market performance.

2021 was also marked by China shifting its regulatory stance towards big tech companies, with authorities:

- clamping down on monopolistic behaviours and pushing companies to open up their platforms to competition,
- pressurising them to improve employment contracts, and
- inviting them to contribute to funds to help the common prosperity agenda of the Chinese Communist Party.

In addition, China's zero tolerance policy on Covid-19 kept (and is still keeping) parts of the country in lockdown for longer than expected, which also weighed on economic momentum. Both of these contributed to significant underperformance of some of the Chinese big tech companies and, as a result, of Emerging Markets equities during the year.

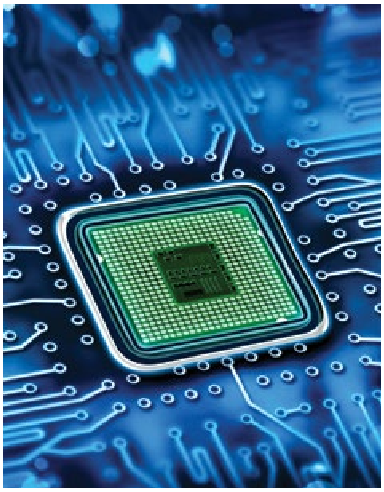
Inflation remained a big focus point for the market in 2021 and into 2022. Inflationary trends continued to rise throughout the year as a result of the disruptions to production lines, bottlenecks in supply chains, and logistical issues. These all contributed to the frictional inflation that we had predicted, although these pressures were both more significant and longer lasting than we had predicted. As at mid-March, the year-on-year increase in inflation figures (CPI) stand at +7.5% for the US, +5.5% for the UK, +5.1% for the Eurozone, and +1.5% in China. These are levels not experienced since the early 90's for some geographies such as the UK or some of the Eurozone countries, or since the early 80's for the US.

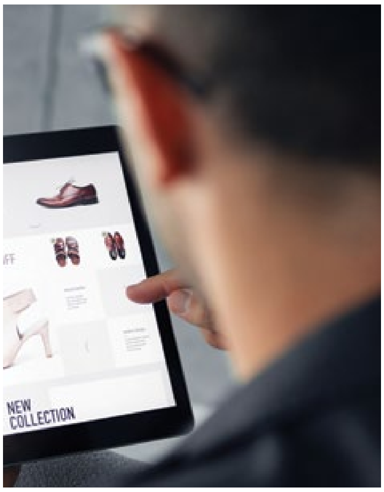
The emergence of the Omicron variant of Covid-19 in the second half of the year led to the materialisation of one of the risks that we highlighted last year. This resulted in many regions going back into partial lockdown which further exacerbated production and supply chain disruptions, fuelling the frictional inflation that is described above.

As economies shift from recovery into the expansion phase of an economic cycle, monetary policies typically change from being accommodative, with low interest rates, to more 'normal' levels. The move to more normal interest rates started to be implemented in the latter part of 2021. As monetary policies go through such a transition, volatility in financial markets typically increases. We also experience unpredictable moves in the types of stock leading the market, between 'Quality/Growth' and 'Value' stocks. There were a number of changes in leadership between Growth and Value during 2021. This started in the first quarter 2021 when Value outperformed, before shifting around again in the second quarter and during the summer months, before another leg of Value outperformance came in briefly in September and dissipated again during the subsequent two months. A renewed bounce of Value since December has been more pronounced, as a result of the significant shift in monetary policy. Expectations of US interest rates moved rapidly from predictions of no change to the market now expecting 5-6 increases by the Federal Reserve during the course of 2022. The US 10 year Treasury bond yield was getting close to 2.0% in mid-March 2022, compared to a level of c.1.1% in January 2021, and c.1.4% in early December 2021, highlighting the magnitude and speed of shift in yield expectations.

With the leadership volatility, and the periodic bounce of Value stocks to which the portfolio is not exposed, performance was challenged during the latter part of the financial year. This was particularly pronounced during the months of December 2021 and January 2022, when the NAV was down by -12.1%, in a market as measured by the MSCI All Country World index down by -2.5%. As a result, for the financial year 2021/22, the Company produced a net asset value total return of +2.9% while the benchmark MSCI All Country World index was up by +15.9%.

Performance was particularly weak in the Technology and Medical Technology parts of the portfolio in the latter months of the financial year whilst Energy and Financials, two sectors where we have large underweights, performed strongly, as would be expected in typical periods of rising bond yields. Over the financial year as a whole, the Energy sector, in which we have no exposure, was up +54.7%, whilst Financials were up +31.2%.





Portfolio additions

*Additions this year included **Nvidia**, the Californian Graphic Process Unit designers; **Autodesk**, specialists in construction software; and **Farfetch**, the luxury online retail platform.*

In periods of such increased volatility, and of sharp sell-offs in some of the stocks that we hold, we constantly assess whether the sell-off is driven by changes in fundamental expectations or deteriorating operational trends. We believe that the businesses which the portfolio holds continue to deliver solid operational performance and face supportive fundamentals, with superior structural growth prospects and return profiles over our forecast period. We reaffirmed our conviction and we did not change the portfolio during the volatile months of December 2021 and January 2022.

Ongoing Engagements and COP26 increasing focus on energy transition

The year has been busy with our ongoing engagements with investee companies on Governance, Remuneration, Environmental and Social aspects. On the Governance and Remuneration side, we have been notably continuing our engagement to convey our stance on remuneration policy in a year of recovery from the challenging 2020 environment for corporate profits.

On the Environmental and Social sides, we have continued to engage with companies as part of our assessment of Social Exploitation risks, and have been assessing companies' carbon emissions in more detail, notably building a map of Net Zero emissions targets. Summary information on voting at investee companies' shareholder meetings is available on Martin Currie's website at: www.martincurrie.com/about-us/stewardship-and-ESG.

Engagement topics split for 2021

Governance	48.6%
Social	25.0%
Environmental	20.9%
Disclosure only	4.1%
Other	1.4%

The COP26 summit was an important highlight in the second half of the year, with an extensive range of events during the conference, and a growing number of countries announcing Net Zero targets. The private sector, and corporates in particular, have been increasingly mobilised on this topic. Many companies have increased their focus on reducing their carbon emissions and brought in more targets within their corporate agendas. There is strong evidence of the level of ownership of such targets rising to the Executive and Board levels.

We continue to develop metrics for our carbon footprint, guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). While the available data is not yet complete, an indication of the portfolio's carbon footprint is set out in the table below, highlighting the significantly lower carbon footprint of the Company compared to the market index:

Scope 1 and 2	Weighted average carbon intensity	Coverage
Investment Portfolio	91.3	98.3%
MSCI World Index	157.5	99.9%

Notes:
Data as at 31 January 2022.
Source: MSCI.
Scope 1 are direct emissions from energy sources owned/controlled by a company.
Scope 2 are indirect emissions from the generation of energy purchased by a company.
Weighted average carbon intensity: tons CO2e/$M sales.
Coverage: Proportion of companies for which data is available.

Portfolio Activity

In the Technology sector we purchased **Nvidia** in March. The company posted results that were well ahead of expectations, leading to earnings upgrades that were supportive. We believe that Nvidia offers strong growth and high and improving returns, arising from positioning itself to capture structural growth opportunities in gaming and data centres. It is now the third largest holding in the portfolio. We funded the purchase by exiting **Accenture**, which performed well over our long-term holding period, at a share price close to our target.

"The year has been busy with our ongoing engagements with investee companies on Governance, Remuneration, Environmental and Social aspects."

In the Consumer sector, we purchased online luxury retail platform **Farfetch** in May 2021. Benefiting from a significant weakness in the share price ahead of results. The stock had posted strong results and bounced from the recent lows. The weak performance over the past six months has been related to the stock being impacted by the market rotation away from growth stocks and the broader sell-off of online platform stocks across markets. Longer term, we continue to believe that **Farfetch** is in a unique position to commercialise the structural growth in online luxury. We see significant opportunities in its commerce and media solutions along with luxury new retail. The company has continued to see increased sales growth through both new added customers and a high retention rate. The recently announced joint venture with **Alibaba** in China also puts it in a good position in the biggest luxury market in the world. We funded this purchase from selling out of **Starbucks**, which has recovered well from the pandemic crisis lows of last year, and which reached our price target as a result. In November, we took the decision to sell out of our holding in **Alibaba** itself based on a review of the stock, and a reassessment of the regulatory risk that the company is facing in its home market, China. We mentioned in our 2021 review that the tightening Chinese regulatory landscape for large technology companies was one important highlight of the year. The regulatory pressures have been related to opening up big tech platforms to more competition, reducing fees and pushing these companies to contribute to the common prosperity policies that the government is focusing on. We assessed the risks to **Alibaba**, and in particular estimated potential downside risk from a further worsening of the regulatory pressures. We took the view that the regulatory uncertainty makes it difficult to have conviction on the stock, given the wide range of implications on our estimated fair value from the different scenarios that we considered. We therefore took the decision to exit the holding.

We also purchased construction software specialist **Autodesk**, which we believe to be well positioned to capture what we see as supportive trends in the construction sector as a result of the infrastructure spending being deployed across many of the major economies globally. It is also likely to benefit from the growing regulatory requirements for the construction sector to increase its software usage in order to contain project cost overruns, which are costly not only in terms of budget spent, but also in terms of unnecessary wastage and therefore in terms of carbon footprint, an important ESG consideration. We funded this purchase from selling out of **CyberArk**, given the challenging earnings backdrop that the company is facing.

Finally, with medical precision instruments and services firm **Mettler-Toledo** performing very strongly, we exited the stock in June and redeployed the proceeds into increasing our positions in **Nvidia** and **Veeva Systems**.

This year we have redesigned the annual report and included short summaries of each of the top ten holdings, which are on pages 23 to 27. For a more in-depth look at some of the stocks in the portfolio please follow this link to our web site: www.martincurrie.com/uk/global-pws/inside-story.

Outlook for 2022

The Russian invasion of Ukraine is leading to tragic loss of human life and devastating consequences for many innocent people. We send our moral support to the Ukrainian people and our thoughts are with all the people affected.

We recently published a report on the effects of the invasion and we summarise this, alongside our wider thoughts on the outlook, below. In a changing situation we encourage you to check our website regularly for further information.

There are no holdings in Russian companies, nor Eastern European companies, in the portfolio.

Geopolitical risks now at the forefront of investors' minds

The Russian invasion of Ukraine was unexpected by the market and has led to an increased focus on geopolitics. NATO's resolve has been tested but is more unified and stronger than before. Vladimir Putin is unpredictable, leading to the risk of a broader conflict. Expansionist territorial claims by Russia have the potential to increase the market's attention on China and its territorial claims in the South China Sea, a risk that we believe the market has not been addressing properly. At the same time, China might hold the key to a de-escalation of the conflict in Ukraine, through the potential role as a mediator or through diplomatic pressure on Putin.

The situation is highly unpredictable at this stage, and ongoing de-risking action by investors is likely in the near term which is likely to increase the volatility of share prices.

Macroeconomic momentum could be impacted negatively

The Ukraine conflict is likely to negatively impact consumer and business confidence in the near term. We believe that this could spill over into weaker economic momentum in Europe, and to a lesser extent globally. We believe that we are more likely to be moving into the Slowdown phase of the economic cycle as a result. Additionally, energy supply disruption could add to near-term downward pressure to economies in Europe, whilst at the same time contributing to yet higher inflationary pressures.

Given the relatively low weight of Russia in international trade, we do not believe that this short-term negative impact on confidence will have a lasting impact. This is providing that the conflict does not spread into other territories.

Whilst we continue to see stagflation as a low probability event, we are increasing that probability to 10-15%. This risk is increased from less than 5% which was our view in early December last year. Stagflation risk is clearly higher in Europe than other geographies at this stage.

In our view, armed conflict brings an increased risk of the economic cycle shifting from expansion to slow down. This would typically favour Quality and Growth styles, away from Value, whilst earnings momentum will remain an important contributor to style leadership in this environment.

Inflationary pressures could further increase, and last for longer

The Ukraine-Russia armed conflict has the potential to fuel more inflation globally, as a result of the higher oil prices and disruptions to energy supplies, but also in soft commodities given Ukraine's and Russia's sizeable agricultural production. Soft commodities price increases risk leading to pronounced increases in food prices, which have the potential to impact countries where food is a high proportion of consumer baskets, notably in emerging markets. This could lead to increased social tensions.

This increased inflationary pressure will further add to the elevated and longer lasting inflation that we have been going through. With the US dollar seen as a safe haven, relatively weaker currencies could also add to inflationary pressures for the European region.

Monetary policies likely to continue to normalise despite the uncertain geopolitical backdrop

We expect the US Federal Reserve to keep on its path towards normalisation of monetary policies by increasing interest rates, although the rate of change may be slower. The European Central Bank is also likely to continue to normalise, although it might delay its first interest rate hikes given the proximity of the crisis. We expect rate hikes in the EU to be weighted to the second-half of 2022. Given ongoing elevated inflationary pressures, and the potential for more inflation from spiking energy prices near term, it will be more difficult for central banks to hold back from tightening, despite the growing geopolitical uncertainties.

Volatility likely to remain elevated for some time

Unfortunately, it is difficult to foresee a rapid resolution to the Ukraine-Russia conflict, or indeed to the broader tensions between Russia, NATO and the EU. As such, volatility in equity prices and exchange rates are likely to be the conditions that investors will need to accept for the time being.

Earnings momentum likely to be even more critical for investors, given the lower earnings growth outlook

Before the Ukraine-Russia conflict earnings growth expectations for this year were pedestrian, after a sharp recovery year in 2021. Current geopolitical developments are leading to downside risk in economic momentum, and therefore will put more downside risk to earnings growth expectations. In such an environment of higher inflation, lower economic growth, and lower earnings growth, there will be an even higher emphasis in the market on companies with consistent growth, higher structural growth profiles, and that have pricing power to protect their margins from the higher inflationary pressures.

"The Ukraine-Russia armed conflict has the potential to fuel more inflation globally, as a result of the higher oil prices and disruptions to energy supplies"

We believe that Quality and Growth companies are likely to come back in focus for investors.

The Ukraine-Russia conflict carries more risk of negative impact on economic momentum in Europe, and is leading to an increased risk premium attached to European equities relative to other regions. This crisis is likely to further widen the valuation spread between US and EU equities in the near term, whilst there is uncertainty about the potential developments in the conflict. Selective exposure to companies with a lower risk of negative impact on their earnings from the spill overs of the conflict is, in our view, likely to be an important focus for investors.

Our thoughts on current market opportunities

- Armed conflicts are highly unpredictable and increase risk premia in markets, which investors will need to capture into their expectations
- The risk of conflict escalation is not negligible and such a scenario would lead to a bleak downside risk to equity markets
- Ultimately, elevated risk premia and risk aversion, at a time when equity markets have had a sizeable pullback, can present good entry points for longer term investors, providing that there is no conflict escalation
- Less monetary tightening as a result of the risk of weaker economic momentum is likely to be supportive for quality growth stocks

It is not easy at this stage to see a rapid resolution to this conflict, with potential risk of escalation leading to a worsening impact on markets in the near term. It will be critical to be highly selective in choosing investments, focusing on fundamental analysis, and assessing the risk of deterioration in any company, based on their:

- specific industry exposures
- end-markets, and;
- geographic presence of operations and production bases.

Sustainability focus post pandemic recovery to remain high (Higher focus, higher costs, higher investments)

Looking beyond the current geopolitical news, in the same way that we predicted an increased focus on Sustainability in 2021, we believe that 2022, coming on the heels of the COP26 summit, will see an ongoing trend towards more sustainability. This will include action by corporates, investors, policy makers and society as a whole, given the ongoing need to deliver on the ambitious and necessary net zero targets. As the focus on sustainability continues to increase, it will bring with it:

- a higher cost of operating for corporates,
- a higher regulatory burden in some industries, notably the most polluting and high carbon emitting areas,
- potentially some higher tax structures related to carbon emissions,
- higher levels of investment into green initiatives and solutions.

This ongoing increased investment in climate solutions is likely to continue to drive the positive momentum in innovation, which is likely to open up some opportunities for long-term investors. At the same time, it will be important to stay disciplined as investors, in order to avoid over-inflated thematic bubbles that could form in these periods of increased investment in specific areas.

"We believe that Quality and Growth companies are likely to come back in focus for investors."

Thematic opportunities remain plentiful in a world transitioning towards sustainability

As long-term investors, we believe that we are facing an exciting period of investment opportunities and strong innovation rates, in a world transitioning towards a more sustainable approach to operating. This brings opportunities notably in:

- Green & Alternative Energy
- Healthcare Infrastructure
- Energy Efficient Infrastructure
- Cloud Computing & Cyber Security
- Electric transportation – High Speed Railways & Electric Vehicles
- Robotics & Automation
- 5G Telephony
- Metaverse & Quantum Computing

Of these areas, those related to infrastructure are supported by the sizeable spending initiatives that have been unveiled since the pandemic crisis, some of which are still to be deployed in any meaningful way. As ever, a structured and disciplined valuation approach to assessing these thematic areas is key to finding attractive opportunities.

An ever more disruptive decade continues to affirm itself

With the ongoing focus on investing for a world transitioning towards net-zero, innovation rates are likely to continue to increase and, with this, disruption risk to traditional businesses is likely to continue to rise. For long-term investors, this opens up attractive opportunities, but it also highlights the need to be vigilant to the risks posed by the disruption of existing business models, and to ensure that these risks are assessed in a detailed and structured analytical approach. Equally important is the ability for companies to remain innovative, both to fend off competitive pressures and to stay ahead of the disruptive trends that could challenge their market positioning.

Our focus on the three mega-trends of Demographic Changes, Future of Technology and Resource Scarcity gives us the ability to position the Company to take advantage of long-term structural growth, whilst ensuring that we harness the opportunities of Sustainable Living, Decarbonisation and Climate Change.

Zehrid Osmani

Portfolio Manager, Martin Currie Global Portfolio Trust plc
Head of Global Long-Term Unconstrained Equities,
Martin Currie

12 April 2022

"As long-term investors, we believe that we are facing an exciting period of investment opportunities and strong innovation rates, in a world transitioning towards a more sustainable approach to operating."

1. IDEA GENERATION

- Does the company generate sustained profits?
- Does the company have a healthy balance sheet?
- Does the company have strong track record of capital allocation?

2. IN-DEPTH FUNDAMENTAL RESEARCH

- Does the company excel in the eight criteria below?

Valuation | Returns | Financial strength | Accounting diagnostics | ESG | Corporate ethos | Growth drivers | Industry analysis

- Assess company against four core risk categories

Industry risks | Company risks | Governance & sustainability risks | Portfolio risks

- Assess company against 50+ ESG criteria

Environmental | Social | Governance

- Assess company against mega-trend thematic analysis

Demographic change | Future of technology | Resource scarcity

Our investment universe consists of companies with a combination of sustainable growth and quality

We identify quality growth ideas by looking for companies that can generate sustained profits, demonstrated by an ability to consistently generate a Return on Invested Capital (ROIC) in excess of their Weighted Average Cost of Capital (WACC). On the quality side we want those with healthy balance sheets, identified by low gearing and the level of goodwill.

We establish the quality and sustainability of the business model

We aim to be highly efficient in our research, so we use eight criteria to examine the quality and sustainability of the business model – of these, valuation is considered the most important. This allows us to focus on the strongest ideas when conducting our in-depth fundamental research.

The proprietary research platform generates maximum insight without compromising on quality

Our research templates systematically risk assess a company against four categories – industry dynamics, company risks, governance & sustainability and portfolio risks. This allows for effective comparisons across different companies and provides a framework for the team to build their conviction.

ESG is integrated throughout the process

Our proprietary ESG risk assessment on Governance and on Sustainability consistently assesses over 50 underlying criteria to capture the complexity of the ESG risks facing a company's long-term outlook and sustainability – each criterion reflecting what we believe are the most universal material ESG factors. We drill down into a further 22 criteria to analyse social exploitation risk.

Thematic analysis is used to identify long-term growth

We want to identify multi-decade returns so we incorporate thematic analysis on three mega-trends: Demographic change, Future of technology and Resource scarcity. Demographic change encapsulates areas such as growth in the emerging markets' middle class, healthy living, or ageing populations. In Future of technology, we capture themes such as outsourcing, artificial intelligence and cyber security, while in Resource scarcity, we see opportunities emerging in electric vehicles, climate change, and energy.

3. PORTFOLIO CONSTRUCTION

- **Evaluate exposure to the world's growth markets**

Geographic revenue & profit

- **Evaluate with thematic mega-trend framework**

Long-term thematics

- **Evaluate in terms of business model diversity**

Company classification

- **Analyse the maturity of the business**

Industry lifecycle

- **Analyse the customers of the potential holding**

End-user markets

Built for long-term returns

We consider portfolio construction of equal importance to the research process. The same high-quality proprietary data that we generate in our research platform is used in the portfolio analytics, risk assessments and the portfolio construction. This aids our understanding of the portfolio's diversity and allows us, through appropriate stock weightings, to effectively manage risk and ensure we are positioned to capture long-term growth.

Geographic revenue and profit – exposure to the world's growth markets

Breaking down the portfolio by the geographic source of revenue provides greater insight than constructing the portfolio based on a stock's country of listing. In an increasingly globalised and connected world, companies are more dependent on overseas revenues.

Long-term thematics – investing in the drivers of corporate growth

Within our three mega-trends of Demographic change, Future of technology and Resource scarcity, we have approximately 35 specific sub-themes, some of which overlap between two or three of the mega-trends. By using our thematic framework we can build a picture of each company and therefore the portfolio's overall exposure to these growth drivers.

Company classification – ensuring a diversity of business models

We invest in quality growth companies, but our classifications allow us to maintain a diversity of business models that can either offer more defensive or outright growth characteristics to deliver a more consistent return profile.

Industry lifecycles – understanding business maturity

We assess where a company is in its industry lifecycle through six key stages from early stage and accelerating growth through to decline and renewal. This is important in terms of balancing growth drivers and risk management.

End-user markets – seeking profitable sectors and industries

An aggregation of our portfolio holdings' end-customers. As with our analysis of geographic revenues and profit, this provides a more intuitive breakdown than a company's sector listing. We can understand if companies are operating in potential profitable sectors or areas where we see future growth potential.

4. PORTFOLIO

A portfolio of 25-40 hand-picked stocks from some of the world's leading companies.

ESG & OUR INVESTMENT MANAGER'S PROCESS

The investment manager's depth of Environmental, Social and Governance ('ESG') research is an integral part of its investment process. We are continually enhancing our assessments to reflect new issues and to ensure our market-leading approach continues to evolve.

5x

Holder of highest Morningstar Sustainability Rating

The only company in the AIC global sector to be awarded the highest Morningstar Sustainability Rating – 5 globes[1]. This recognises our commitment to mitigate the risks our investors face in the ESG space.

1%

Top 1% worldwide

The Company is in the top 1% of all the 7,206 products categorised by Morningstar as Global Equity Large Cap.[1] This world-class rating acknowledges the high standards and pioneering in-depth analysis undertaken as part of our stock selection process.

50

Over 50 ESG assessments on every company

We evaluate, measure and score over 50 individual criteria for every company that we research. This provides a consistent and systematic analysis across sectors and countries, helps identify the most material risks and gives us an insight into a company's ESG credentials.

Social factors – rated one of the best in sector

We are already rated one of the best by Morningstar in the sector for Social factors[1] but this is an area we have recently been focusing on – and is of major importance to our team. We have introduced a second layer of 22 measures to underpin our analysis into exploitation risk, looking at issues relating to: labour rights, human rights, working conditions, age & gender exploitation.

A+ 3

PRI rating (triple A+) for 4 years in a row

We have been awarded the highest level PRI rating (triple A+) for four years in a row and we rank in the top 9% PRI signatories investing in listed equities for the standards of active ownership[2] – meaning the way ESG is embedded into our process is amongst the best in the world.

LOW

Low-carbon footprint

The portfolio has been awarded a low-carbon designation by Morningstar and accounts for a fraction of the emissions of the benchmark index (MSCI ACWI). An index tends to include companies based on their size so can include high polluters or companies judged to have a detrimental impact on society. Our active management approach is more selective.

[1]Source: Morningstar 31 December 2021. ©2021 Morningstar, Inc. All rights reserved.

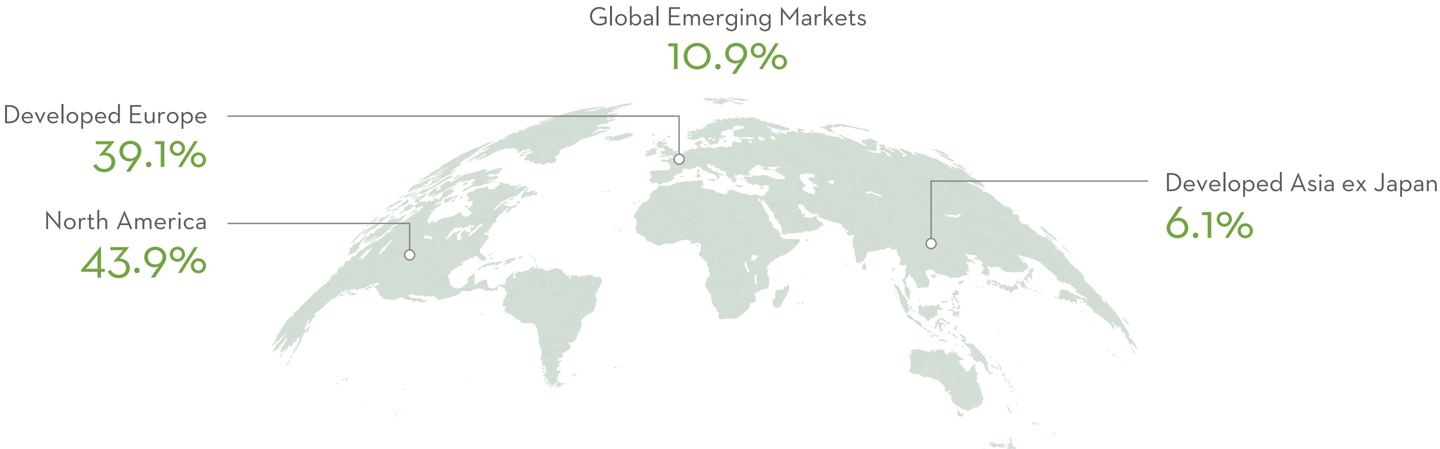
[2]PRI – Principles for Responsible Investment. A copy of the PRI's assessment of Martin Currie and its methodology is available on request.

By sector

	31 January 2022 Company %	31 January 2022 MSCI All Country World index %	31 January 2021 Company %	31 January 2021 MSCI All Country World index %
Information Technology	33.7	22.8	28.1	22.0
Healthcare	23.4	11.4	28.2	12.0
Consumer Discretionary	15.2	12.0	18.0	13.2
Industrials	11.3	9.5	9.2	9.5
Consumer Staples	5.8	6.9	5.3	7.1
Materials	4.7	4.7	3.6	4.9
Financials	3.0	14.8	3.5	13.3
Communication Services	2.9	8.5	4.1	9.3
Energy	–	4.0	–	3.1
Utilities	–	2.7	–	3.0
Real Estate	–	2.7	–	2.6
	100.0	100.0	100.0	100.0

By asset class

	31 January 2022 %	31 January 2021 %
Equities	107.5	108.0
Cash	2.0	1.9
Less borrowings	(9.5)	(9.9)
	100.0	100.0



Portfolio distribution by region

	31 January 2022 Company %	31 January 2022 MSCI All Country World index %	31 January 2021 Company %	31 January 2021 MSCI All Country World index %
North America	43.9	63.9	39.8	59.8
Developed Europe	39.1	16.1	34.4	16.5
Global Emerging Markets	10.9	11.5	16.3	13.7
Developed Asia Pacific ex Japan	6.1	2.8	6.8	3.1
Middle East	–	0.2	2.7	0.2
Japan	–	5.5	–	6.7
	100.0	100.0	100.0	100.0

Portfolio holdings as at 31 January 2022

	Sector	Country	Market value £000	% of total portfolio
North America			149,048	43.9
Microsoft	Information Technology	United States	19,489	5.7
Nvidia	Information Technology	United States	17,440	5.1
Linde	Materials	United States	15,820	4.7
ResMed	Healthcare	United States	15,600	4.6
Masimo	Healthcare	United States	13,952	4.1
VISA	Information Technology	United States	13,545	4.0
Adobe	Information Technology	United States	12,493	3.7
Ansys	Information Technology	United States	11,561	3.4
Illumina	Healthcare	United States	10,569	3.1
Veeva Systems	Healthcare	United States	9,734	2.9
Autodesk	Information Technology	United States	8,845	2.6

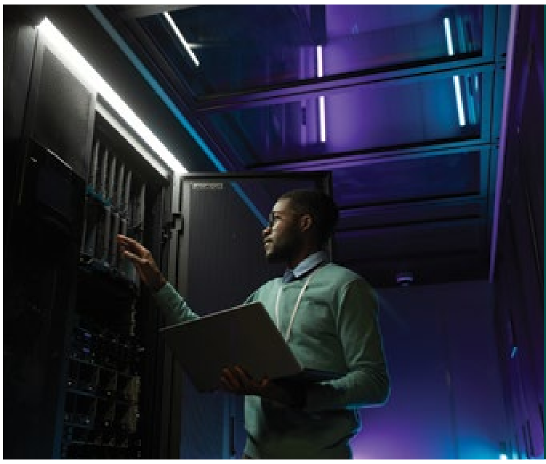
	Sector	Country	Market value £000	% of total portfolio
Developed Europe			132,768	39.1
Kingspan Group	Industrials	Ireland	15,431	4.5
Moncler	Consumer Discretionary	Italy	14,267	4.2
Atlas Copco	Industrials	Sweden	13,956	4.1
Hexagon	Information Technology	Sweden	13,202	3.9
L'Oreal	Consumer Staples	France	12,624	3.7
Kering	Consumer Discretionary	France	10,983	3.2
Ferrari	Consumer Discretionary	Italy	10,786	3.2
Coloplast B	Healthcare	Denmark	10,135	3.0
Assa Abloy	Industrials	Sweden	9,046	2.7
Adidas	Consumer Discretionary	Germany	7,697	2.3
Kerry Group	Consumer Staples	Ireland	7,007	2.1
Farfetch	Consumer Discretionary	United Kingdom	5,926	1.7
Dr. Martens	Consumer Discretionary	United Kingdom	1,708	0.5
Candover Investments[1]	Financials	United Kingdom	–	–
Global Emerging Markets			36,930	10.9
Taiwan Semiconductor Manufacturing	Information Technology	Taiwan	18,007	5.3
Tencent Holdings	Communication Services	China	9,691	2.9
WuXi Biologics	Healthcare	China	8,959	2.6
JD.com	Consumer Discretionary	China	273	0.1
Developed Asia Pacific ex Japan			20,789	6.1
CSL	Healthcare	Australia	10,509	3.1
AIA Group	Financials	Hong Kong	10,280	3.0
Total portfolio holdings			339,535	100.0

[1]Company in members' voluntary liquidation.

LARGEST 10 HOLDINGS

	31 January 2022 Market value £000	31 January 2022 % of total portfolio	31 January 2021 Market value £000	31 January 2021 % of total portfolio
Microsoft	19,489	5.7	14,045	4.3
Taiwan Semiconductor Manufacturing	18,007	5.3	17,239	5.3
Nvidia	17,440	5.1	–	–
Linde	15,820	4.7	11,764	3.6
ResMed	15,600	4.6	13,274	4.0
Kingspan Group	15,431	4.5	9,111	2.8
Moncler	14,267	4.2	12,347	3.8
Atlas Copco	13,956	4.1	12,652	3.9
Masimo	13,952	4.1	15,658	4.8
VISA	13,545	4.0	11,198	3.4

Largest 10 holdings in detail



Sector

Portfolio %

5.7

Market value £000

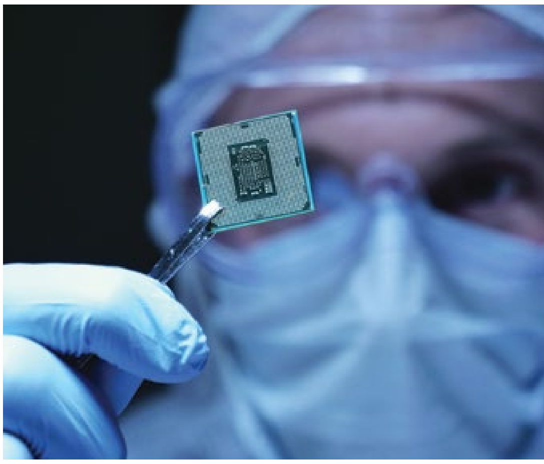
19,489

Microsoft

Information Technology, United States

Microsoft, known for its Windows operating system, the Xbox gaming console and cloud computing service Azure, is in a prime position to benefit from a new 'golden era' of investment in technology. IT investment is becoming crucial for every aspect of corporate life – infrastructure, marketing, sales and commerce – and Microsoft stands to capture a significant share of this double-digit-growing expenditure. Furthermore, a progressive move towards a subscription-based model is improving the company's pricing power and its competitive position in the market.

Microsoft's Environmental, Social and Governance strengths, in our view, are strong management and a relatively diverse board. We note Microsoft's positive contribution to tackling climate change and social issues with such initiatives as 'AI for Earth' and various educational programmes.



Sector

Portfolio %

5.3

Market value £000

18,007

Taiwan Semiconductor Manufacturing ('TSMC')

Information Technology, Taiwan

The growth of fabless semiconductor design has been a major tailwind and Taiwan-listed TSMC has been taking an increasing share at each new technology node. The competitive landscape has changed substantially and TSMC is now in a position to price products so that it can maintain its current ROIC. Large capex requirements have led analysts to undervalue the stock as they assume returns will fade meaningfully in the next few years, despite historical evidence to the contrary.

Through our proprietary ESG risk assessment, TSMC demonstrates good transparency on overall operations with strong reporting practices. More broadly, the extent to which artificial intelligence is rapidly being adopted to answer many sustainability issues will be beneficial to TSMC as a leading chip manufacturer. We continue to monitor the firm's risk from water scarcity issues due to the volumes of water required in the production process.

Sector

Portfolio %
5.1

Market value £000
17,440

Nvidia

Information Technology, United States

The company designs graphics processing units for gaming and professional markets. We see long-term upside optionality in several secular growth areas, including Gaming, the Metaverse, Cloud, AI and Autonomous Vehicles.

The company is targeting 65% usage of renewable energy by 2025, with 17 of locations now fully powered by renewable energy. Nvidia's products also address the issues of energy efficiency and lower consumption, for example the NVIDIA 'DGX SuperPOD' is the most energy efficient system on the TOP500 list of supercomputers, and 26 out of 30 greenest supercomputers use NVIDIA components.

Sector

Portfolio %
4.7

Market value £000
15,820

Linde

Materials, United States

Linde is the global leader in the manufacture and distribution of industrial gases. Due to a resilient industrials-facing business model based on long-term contracts, fixed 'take-or-pay' fees with increasing exposure to healthcare and food & beverage markets, Linde is well placed to deliver a GDP+ top-line growth rate through the cycle. In addition, there is significant scope for a profitability uplift in Europe and Asia to the levels already achieved by the Group in the Americas. This is a business with significant pricing power in most market environments. As a dominant player across the industrial gases value chain, Linde is also in a privileged position to profit from hydrogen emerging as a key energy source for a decarbonised global economy.

Linde provides energy solutions to its customers through its onsite industrial gas plants, which help its customers to reduce their own carbon emissions and is targeting a 35% cut in absolute emissions by 2035.

Sector

Portfolio %

4.6

Market value £000

15,600

ResMed

Healthcare, United States

The company is a global leader in the development of medical devices and cloud-based software applications that diagnose, treat and manage respiratory disorders including sleep disordered breathing (more commonly known as sleep apnea). The company has a very attractive long-term revenue growth outlook. It is estimated that more than 424 million globally have moderate to severe sleep apnea, with the percentage diagnosed below 15% and the percentage treated by ResMed below 3%, despite the company being market leader.

One ongoing point of focus for us is the use of plastics in disposable components contributing to an increased environmental footprint and in 2021 ResMed established their 'Green Team'. They are dedicated to identifying, testing, and implementing new ways to minimize the company's environmental footprint by reducing, reusing, and recycling as much material as possible.

Sector

Portfolio %

4.5

Market value £000

15,431

Kingspan Group

Industrials, Ireland

The Irish-based company provides insulating building materials to the construction industry. It is a global leader in insulation and building envelope solutions and we believe it is poised to benefit from tighter energy efficiency regulations. The stock fits well into greener buildings initiatives, as a leader in insulation materials for the construction industry. We engaged extensively with Kingspan's senior management after the inquiry into the Grenfell tragedy and highlighted some control and monitoring issues related to the UK business. The company has taken rapid and decisive steps to further strengthen its governance and internal compliance monitoring, to prevent a repeat of such events in future, with full traceability of products, and management change at the UK and executive levels.

Sector

Portfolio %

4.2

Market value £000

14,267

Moncler

Consumer Discretionary, Italy

Is a global leader in super premium down jackets and has a rich heritage and strategic focus on long-term sustainable and responsible growth. It has a history of high ROIC generation, one of the highest in the industry and is highly cash generative due to high margin products and sales density. The firm is driven by organic growth from pricing power and geographic expansion – with strong emerging market potential. We believe that the structural growth potential of the company is compelling, and its ability to continue to innovate remains strong.

Moncler with its origins in mountain sports clothing, has being close to nature in its DNA, and the firm has created a fully carbon neutral jacket, the 'Grenoble'. This is made from significant recycled materials and offsetting the emissions as a result. The company is also channelling efforts in R&D to meet a target of 50% recycled nylon by 2025, in addition to running a project to repair and refresh consumers' jackets rather than disposing of them.

Sector

Portfolio %

4.1

Market value £000

13,956

Atlas Copco

Industrials, Sweden

The Swedish industrial tools and equipment manufacturer is very well-run and has one of the best – and most consistent – return profiles among European capital goods stocks. Atlas' value proposition is in air compressors, known as the 'fifth utility' critical in powering certain industries, which will allow it to maintain a high market share and a pricing premium. It has both direct and indirect exposure to green building construction, renewable energy and infrastructure developments for electric transportation, 5G and healthcare.

Atlas Copco has a very high-quality management team backed by strong talent development, they maintain strong oversight of their subsidiaries' environmental management programmes, and they have since 2018 established a programme of goals and targets covering areas from CO_2 reduction to ethics.

Sector

Portfolio %

4.1

Market value £000

13,952

Masimo

Healthcare, United States

A manufacturer of non-invasive patient monitoring technologies boasts high barriers to entry and 50% market share with strong recurring revenues. It has attractive growth prospects, driven by supportive long-term structural trends, related to ageing populations, improved healthcare infrastructure, and the future of technology related to intelligent patient monitoring. In addition, the business has good-quality management and, importantly, a sustainable business model.

In response to the Covid-19 pandemic, the company launched Masimo SafetyNet, personal wearable remote monitoring devices linked to a secure, cloud-based patient surveillance platform to help clinicians provide remote care for patients. This allowed patients to remain at home and in turn clinicians could devote medical attention and hospital beds to patients in a more critical condition.

Sector

Portfolio %

4.0

Market value £000

13,545

VISA

Information Technology, United States

VISA is a classic compounding company boosted by the secular shift away from cash and physical sales towards digital and online commerce. The company has a highly attractive ROIC profile as the network model provides structural operating leverage but low requirements for capital expenditures. The electronic payments space is seeing ongoing disruption, but VISA's prime competitive position ensures that they can face these challenges from a position of strength.

The company aligns its ESG efforts to the UN Sustainable Development Goals, in particular, those addressing poverty and inequality via facilitating access to finance and the financial system. This also includes women's economic advancement and financial education.

This report provides shareholders with details of the Company's business model and strategy as well as the principal and emerging risks and challenges that it faces.

Business model

The Company has no employees and outsources its entire operational infrastructure to third-party organisations. The Board has appointed Franklin Templeton Investment Trust Management Limited as its Alternative Investment Fund Manager ('AIFM'), which in turn has appointed Martin Currie Investment Management Limited (the 'investment manager' or the 'manager') to manage the portfolio. Under the leadership of portfolio manager, Zehrid Osmani, a specialist team analyses the world's stocks to find the very best ideas. The Board sets the Company's strategy, decides the appropriate financial policies to manage the assets and liabilities of the Company, ensures compliance with tax, legal and regulatory requirements and reports regularly to shareholders on the Company's performance. Further information on the role and operation of the Board is set out under Corporate Governance on page 38.

For more information on investment trusts in general please visit www.theaic.co.uk.

The investment objective is to produce long-term returns in excess of the total return from the MSCI All Country World index.

Investment Policy

The current investment policy is:

- Investing in predominantly blue chip equities with market capitalisation in excess of $3 billion.
- Investing predominantly in quality growth companies with superior share price appreciation potential based on attractive ROIC (return on invested capital), balance sheet strength and Environmental, Social and Corporate Governance ('ESG') credentials.
- A high conviction portfolio typically with 25-40 stocks, with a view to holding stocks over a long time horizon.
- Debt may be used to enhance returns to shareholders.

Proposed new investment policy:

At this year's annual general meeting ('AGM'), the Directors are recommending that the Company adopts a proposed new investment policy. As described in the Chairman's statement on page 6 there will be no change in the way that the portfolio is managed but the Directors are recommending an investment policy which sets out clearly the Company's strategic commitment to ESG investing. A description of the investment manager's process, which includes a fully integrated approach to ESG matters, is set out on pages 17 to 19 of this annual report.

The portfolio is currently managed such that if the Company was a European open-ended fund then it would comply with Article 8 of the EU's Sustainable Finance Disclosure Regulation. It is the investment manager's intention that the rigorous ESG process will mean that it should comply with any similar criteria as and when, in due course, the UK introduces its own sustainability disclosure regulations and with any other key reporting frameworks.

The investment manager's proprietary ESG risk assessment makes a risk assessment on Governance and on Sustainability and consistently assesses over 50 underlying criteria to capture the complexity of the ESG risks facing a company's long-term outlook and sustainability – each criterion reflecting what they believe are the most universal material ESG factors. Each risk is rated on a scale 1 (lowest risk) to 5 (highest risk). These risks are analysed under the following headings:

Governance

- Board quality
- Management quality
- Remuneration
- Culture

Sustainability

- Environmental
- Social
- Understanding and integration
- Common factors
- Sustainability momentum

Under the 'Social' heading the investment manager drills down into a further 22 criteria to analyse social exploitation risk. Each risk is rated on a scale 1 (lowest risk) to 5 (highest risk). A company with an overall Sustainability or Governance risk rating of 4.0 or higher will not be included in the portfolio.

In addition, the proposed new investment policy sets out more clearly the approach to risk spreading, to gearing and excludes investment in other listed closed-end funds.

The proposed new investment policy as set out below has been reviewed and approved by the UK Financial Conduct Authority ('FCA').

The proposed new investment policy is:

- To invest predominantly in listed global equities of quality growth companies with superior share price appreciation potential, based on projected ROIC (return on invested capital), balance sheet strength and sustainable business models.
- To manage a high conviction portfolio with typically 25-40 holdings, with a view to holding stocks over a long-term investment horizon.
- To achieve risk spreading through a portfolio of holdings diversified by types of company and sources of revenue. No more than 10% of total assets will be invested in a single stock.
- To fully integrate Environmental, Social and Governance ('ESG') criteria into fundamental analysis when assessing business models.
- To exclude investments identified through the investment manager's proprietary ESG risk assessment as having a high level of Sustainability or Governance risk.

- To potentially use debt to enhance returns to shareholders. Gearing will not exceed 20% of net assets at the time of drawdown.
- To not invest in other listed closed-end funds.

Purpose

In line with the objective outlined above, the Company's purpose is to deliver a sustainable long-term total return to shareholders by implementing the investment policy through the Company's investment manager.

Strategies

Investment

In order to achieve its investment objective, the Company has adopted a distinctive philosophy in implementing its investment policy. This clearly focuses on using the investment manager's ability to combine investment performance with socially responsible investment. This is done through their leading global research capabilities in identifying high-quality companies that will benefit from exposure to growth megatrends worldwide and their leading performance in engaging with these companies on ESG issues. The Company invests predominantly in blue chip equities with a market capitalisation in excess of $3 billion and selects quality growth companies which are market leaders in their industries with superior share price appreciation potential based on attractive return on invested capital (ROIC), balance sheet strength and ESG credentials.

The resulting diversified portfolio of between 25 and 40 international quoted companies as listed on pages 21 and 22 is actively managed and concentrated, focusing on high conviction stocks selected on the basis of detailed research analysis. This active portfolio management policy will inevitably involve some periods when the Company's portfolio outperforms or underperforms the Company's benchmark.

The Board does not impose any limits on the investment manager's discretion to select individual stocks in compliance with the investment policy. The investment manager ensures that investment risk is dominated by the high conviction stocks in the portfolio within the guidelines set by the Board and that the combination of stocks held does not lead to unintended reliance on a particular macroeconomic factor (for example, a higher oil price or lower interest rates).

Current asset allocation and actual holdings are discussed in the Manager's review on pages 12 and 13 and details are contained in the portfolio summary and portfolio holdings on pages 20 to 22.

Environmental, Social and Governance ('ESG')

The Company and investment manager believe that good ESG practices are a fundamental component of a high-quality company and hence rigorously reviews its ESG practices. This will typically include analysis of shareholder rights, accounting standards, remuneration, board structure, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies. The investment manager's ESG analysis may influence key financial assumptions such as cost of capital, revenues or costs and thus the estimate of a company's intrinsic value. These are discussed in greater detail on pages 17 to 19. A poor governance, environmental or social track record for a company can indicate wider sustainability issues and could lessen the attractiveness of the investment.

ESG issues are integral to the Company's investment philosophy and the approach taken by the investment manager has been rewarded with the highest possible rating (A+) from the UNPRI across its three key criteria and is a 'tier 1' signatory of the UK Stewardship Code 2012 issued by the UK Financial Reporting Council ('FRC'). Please see the Section 172 Report on page 31 for information on engagement with investee companies.

Marketing

The marketing strategy seeks to expand the shareholder base through increased engagement with key audiences, using the most appropriate promotional techniques. This drive to deepen demand for the Company's shares should enable growth over time in the number of shares in issue, improve the efficiency of the Company and increase liquidity in its shares.

This is supported by a commitment to provide clear, transparent and regular communication to shareholders delivered primarily through the Franklin Templeton UK Distribution team and the Company's website which contains information relating to performance, outlook and significant developments as they occur as well as interviews with the portfolio manager, Zehrid Osmani.

In addition, the Company utilises marketing tools such as advertising, social media, public relations and research. The portfolio manager also meets regularly with existing and potential institutional shareholders, including private wealth managers.

Financial

The Company's main financial strategic goals are:

- the management of shareholder capital; and
- the management of the Company's financial risks.

The Board's principal aim for the management of shareholder capital is the achievement of long-term total return in line with the investment objective. Growth should incorporate both the investment manager's investment performance and the issuance of shares when sufficient demand exists to do this without diluting the value of existing shareholder capital. At the same time, the Board has also maintained or increased dividends each year since the Company's launch in 1999 and remains committed to delivering strong long-term total returns on shareholder capital.

Discount management

The Company operates a zero discount policy with the objective of providing shareholders, in normal market conditions, with assurance that the Company's share price is in continuing alignment with the prevailing net asset value per share ('NAV') and liquidity so that investors can buy or sell as many shares as they wish at a price which is not significantly different from the NAV. This involves the Company both buying back shares and reissuing shares from Treasury or issuing new shares. Shares bought back as part of this policy are held in Treasury and reissued when demand exists which the market cannot supply.

Discount is an Alternative Performance Measure, see page 81 for more details.

Gearing

The Board sets the Company's policy on the use of gearing as part of the process of delivering returns to shareholders. The Company has an unsecured £30 million sterling term loan facility agreement with The Royal Bank of Scotland International Limited which was drawn down in full on 24 November 2020 at a fixed interest rate of 1.181% and for a fixed term of three years. The Company has no other borrowings.

The Board reviews the Company's borrowings to ensure that gearing levels are appropriate. The total borrowings will not exceed 20% of the net assets of the Company at the time of drawdown. The Board monitors the Company's gearing closely and takes a prudent approach. Further disclosure on leverage as required under AIFM regulations is set out on page 46.

Gearing is an Alternative Performance Measure, see page 81 for more details.

Key Performance Indicators and Performance

The Board uses certain key performance indicators ('KPIs') to monitor and assess its performance in achieving the Company's objectives. The Board have made no changes to the KPI targets in the financial year to 31 January 2022.

KPI	Target	2022	Achieved	2021	Achieved
1. Net asset value performance relative to benchmark (over 3 years)	Outperform	1.62%	Yes	19.43%	Yes
2. Performance against Company's peers (over 3 years)	Top third performance	5 out of 17	Yes	4 out of 15	Yes
3. Ongoing charges	Less than 0.70%	0.68%	Yes	0.58%	Yes

1. Net asset value performance relative to benchmark

The Board assessed the net asset value total return compared to the benchmark. It is measured on a financial year basis and assessed over a rolling three year period. The benchmark with effect from 1 February 2020 is the MSCI All Country World index. Prior to this, the benchmark was the FTSE World index to 31 January 2020.

The KPI was achieved for the period. The return of the Company was 54.12% and the benchmark 52.50% for the three years to 31 January 2022.

2. Performance against the Company's peers

The Board monitors the share price total return performance versus all competitor funds within the AIC Global sector over a rolling three year period.

The share price total return for the Company was 53.11% over the three years to 31 January 2022 which ranked 5th out of 17 in the AIC Global sector.

3. Ongoing charges

The Board monitors ongoing charges on a regular basis to ensure that it meets its target by maintaining cost discipline and its focus on value adding activities. The KPI was met for the year at 0.68%. Ongoing charges plus the performance fee for the year ended 31 January 2021 was 1.62%. With effect from 1 February 2021, the performance fee arrangement was discontinued. See note 3 on page 68.

Section 172 Report – Duty to promote the success of the Company

The Company is required to provide a statement which describes how the Directors have had regard to the matters set out in Section 172 of the Companies Act 2006 when performing their duty to promote the success of the Company, including:

Section 172 Scope	Board's Statement
The likely consequences of any decision in the long term.	The Board is focused on promoting the long-term success of the Company and regularly reviews the Company's long-term strategic objectives, including consideration of the impact of the investment manager's actions on the marketability and reputation of the Company and the likely impact on the Company's stakeholders of the Company's principal strategies.
The interests of the Company's employees.	The Company has no direct employees.
The need to foster the Company's business relationships with suppliers, customers and others.	The Board's approach to its key stakeholders is set out under 'Stakeholders' below.
The impact of the Company's operations on the community and the environment.	The Board's approach is set out in the section on ESG in 'Strategies' on page 29.
The desirability of the Company maintaining a reputation for high standards of business conduct.	The Board's approach is set out in 'Culture and Values' on page 33.
The need to act fairly between members of the Company.	The Board's approach is set out under 'Stakeholders' below.

Stakeholders	Why they are important	Board Engagement
Shareholders	The Company, as an investment trust, does not have any employees and its customers are also its shareholders. The primary purpose of the Company is to deliver long-term returns for shareholders from a portfolio of investments. Continued shareholder support and engagement are critical to the existence of the Company and the delivery of its long-term strategy.	The Board and the investment manager recognise the importance of engaging with shareholders on a regular basis in order to maintain a high level of transparency and accountability and to inform the Company's decision making and future strategy. The Board receives regular reports from the investment manager on shareholder engagement, with the investment manager tasked with maintaining regular and open dialogue with larger shareholders. Directors, primarily through the Chairman, are also available to meet major shareholders to understand their views and to help inform the Board's decision making process. The Company maintains an award-winning website which hosts copies of the annual and half yearly reports along with factsheets and other relevant materials. Shareholders are, where possible, also invited to attend the AGM at which they have the opportunity to speak directly with Directors. The investment manager has a dedicated client services team which maintains regular contact with the Company's shareholders and reports regularly to the Board. Shareholders can also contact the Directors throughout the year via the company secretary or the broker.

Stakeholders	Why they are important	Board Engagement
Lenders	Alongside shareholders' equity, the Company has, since November 2020, been partly funded by debt. Although the Company is not dependent on debt financing, continued support from lenders is important to maintain the financial stability of the Company and flexibility in managing the portfolio.	The Company's debt is subject to contractual terms and restrictions. The Company has a procedure in place to report regularly to its lender on compliance with debt terms.
The investment manager	The performance of the investment manager is critical for the Company to deliver its investment strategy and meet its objective.	The management engagement committee is tasked with reviewing the performance of the investment manager. Representatives of the investment manager including the portfolio manager, Zehrid Osmani, attend each quarterly Board meeting and provide an update on the investment portfolio along with presenting on macroeconomic issues.
Other service providers	The Company has a number of other key service providers, each of which provides a vital service to the Company and to its shareholders.	The audit committee receives reports from and reviews the service, quality and value for money provided by other third party suppliers. The investment manager is tasked with maintaining a constructive relationship with such other third-party suppliers on behalf of the Company. It is the Board's policy that all payments due to suppliers will be made in full and on time.

During the year, the Board took a number of key decisions which fall under the Section 172 scope set out above:

- The Board decided to propose a new investment policy to shareholders for approval at this year's AGM. The reasons for making this proposal are described in the Chairman's statement and the proposed revised investment policy is set out on page 28 and, in particular, recognises investors' growing interest in ESG matters.
- As part of its continuing succession plan, the Board appointed Lindsay Dodsworth as a non-executive Director on 1 November 2021.
- On 2 August 2021, the Company appointed Franklin Templeton Investment Trust Management Limited as its AIFM, replacing Martin Currie Fund Management Limited in this role. On the same day, JP Morgan Europe Limited was appointed as the Company's depositary and JP Morgan Chase Bank N.A. London Branch was appointed as the Company's custodian. These changes were effected at the request of Franklin Templeton so that both of the London-listed investment trusts managed by Franklin Templeton have the same AIFM, depositary and custodian which brings benefits of efficiency to the Company and to Franklin Templeton.
- The Directors decided to maintain the total dividend for the year, which will result in an uncovered dividend. The reasons for this are set out in the Chairman's statement. In considering its approach to maintaining the dividend the Board, advised by the audit committee, agreed to maximise the reserves available for the payment of dividends, as described in the Audit committee report.
- The Directors decided to propose that the Company adopts revised Articles of Association which include, inter alia, the ability to provide flexibility to pay dividends out of realised capital profits. The reasons for making this proposal are described in the Chairman's statement and the key changes to the Articles of Association are described on pages 47 and 48.

Culture and Values

The Board considers that its culture of openness of debate combined with strong governance and the benefits of a diverse Board are central to delivering against its purpose, values and strategies that are discussed in this report. The Board monitors and reviews its culture as part of its annual evaluation process and monitors the culture within the investment manager to ensure that it is closely aligned with that of the Company. The key values of the Board are:

Independence: To act independently in the interests of shareholders.

Sustainability: To ensure that the companies in which the Company invests and the Company's key suppliers are supportive of good environmental, social and governance practices and that its investment manager encourages continuous improvement in these areas.

Transparency: To report transparently and accurately to shareholders on the condition, performance and prospects of the Company.

The Board works closely with the investment manager to develop and monitor its investment strategy and activities, not only to achieve its investment objective, but also to deliver the Company's values of Independence, Sustainability and Transparency.

Engagement with investee companies

The Board also expects good governance standards to be maintained at the companies in which the Company is invested and reviews the engagement and voting activities which are undertaken by the investment manager. The ESG strategy followed by the Company and the investment manager is detailed on pages 17 to 19. The Board receives regular reports of both voting and other engagements by the investment manager with the management teams of companies in the portfolio. Details of Martin Currie's ESG related policies and activities can be found on its website at www.martincurrie.com. The Board believes that companies which exhibit positive ESG behaviours contribute to increasing value over the long term.

Voting policy and the UK Stewardship Code

The Company has delegated responsibility for voting at investee company shareholder meetings to Martin Currie, which votes in accordance with its corporate governance and responsible investing policy. Martin Currie has gained the highest A+ rating from UNPRI across its three key criteria and is a 'tier 1' signatory of the UK Stewardship Code 2012. In 2019, the FRC published a new version of the code, the UK Stewardship Code 2020, to which Martin Currie Investment Management Limited is a signatory. A copy of Martin Currie's stewardship report and voting records can be found at www.martincurrie.com/h_us/our_policies.

The Board has published a compliance statement with the UK Stewardship Code on the Company's website, which incorporates its policies on socially responsible investing and engagement with the companies in which it invests.

Anti-bribery and tax evasion

The Board has a zero tolerance policy towards bribery and looks to ensure that its service providers and associated persons have effective policies and procedures designed to actively prevent bribery which are high level, proportionate and risk based.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero tolerance approach to any facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all of its business dealings and relationships.

Principal and emerging risks and uncertainties

Risk and mitigation

The Company's business model is longstanding and resilient to most of the short-term operational uncertainties that it faces. The Board believes that these are effectively mitigated by the internal controls established by the Board and by the AIFM and their combined oversight of the investment manager, as described in the table below. Its principal risks and uncertainties are therefore largely long-term and driven by the inherent uncertainties of investing in global equity markets. The Board's process seeks to mitigate known risks and to identify new risks as they emerge.

However, it is recognised that the likelihood and timing of crystallisation of some risks cannot be predicted in advance and the Board then relies on professional management, effective systems and communication to mitigate these risks as and when they arise.

Operational and management risks are regularly monitored by the AIFM and additionally by the Board at Board meetings and as part of its annual strategy meeting where the Board carries out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Board's planned mitigation measures for the principal and emerging risks are described below.

Principal risk	Mitigation
Pandemic risk	In 2020 Covid-19 delivered an abrupt, exogenous shock to the global economy of considerable magnitude, the aftereffects of which continued in 2021 and into 2022. The Company was exposed to market volatility, while the operational resilience of service providers to the Company could have been reduced. The Board receives regular reporting on the ability of Franklin Templeton, Martin Currie and other key service providers to operate in the working environment created by Covid-19. Business continuity plans continue to operate satisfactorily, with operational resilience preserved. In large parts of the world restrictions on social contact and travel have been reduced or removed completely but this is not universally the case and there remains a risk of further outbreaks. The investment manager continues to monitor the portfolio and the income deriving from it in light of the potential risks arising from the pandemic.
Sustained investment underperformance	The Board monitors the implementation and results of the investment process with the portfolio manager, who attends all Board meetings and reviews data that shows statistical measures of the Company's risk profile. Should investment underperformance be sustained despite the mitigation measures taken by the investment manager, the Board would assess the cause and take appropriate action to manage this risk. There is increasing awareness of the challenges and emerging risks posed by climate change. The investment process is focused on ESG issues and, as set out in the Manager's review, this includes an assessment of the potential impact of climate change. Overall, the specific potential effects of climate change are difficult, if not impossible, to predict and the Board and investment manager will continue to monitor developments in this important risk area. Geopolitical risks have always been an input into the investment process. This risk area is now highlighted as a result of the Russian invasion of Ukraine, with the resultant effects on global trade posed by supply shocks, higher levels of inflation and volatility in asset prices. Further information on geopolitical risks is set out in the Outlook section of the Manager's review.
Material decline in market capitalisation of the Company	The Board recognises that the zero discount policy allows new shareholders to purchase shares and current shareholders to sell their shares at close to NAV, in normal market conditions. Although this level of liquidity encourages investment in the Company, it could also increase the risk of a material decline in the size of the Company. The Board monitors the performance and pace of share buybacks and the Company's shareholder profile. Decline could also come as a consequence of the Company's failure to meet its investment objective. The Board believes that good long-term performance will mitigate this likelihood, increase demand for the Company's shares and, subject to overall market stability, permit the market capitalisation of the Company to increase.
Loss of s1158-9 tax status	Loss of s1158-9 tax status would have serious consequences for the attractiveness of the Company's shares. The Board considers that, given the regular oversight of this risk by the audit committee, the AIFM and the investment manager, the likelihood of this risk occurring is minimal but as the consequence of loss of the tax status would be very damaging it is highlighted as a principal risk. The audit committee regularly reviews the eligibility conditions and the Company's compliance against each, including the minimum dividend requirements and shareholder composition for close company status.

On the basis of its continual and ongoing assessment of the principal and emerging risks facing the Company, and given its current position, the Board is confident that the Company will be able to continue in operation and meet its liabilities as they fall due. The Board believes that the processes of internal control that the Company has adopted and oversight by the AIFM continue to be effective.

As previously stated, the Board's main focus is the achievement of a competitive total annual return. The future of the Company is dependent upon the success of the investment strategy in light of economic factors and developments in equity markets. The outlook and future prospects for the Company are discussed in both the Chairman's statement on page 9 and in the Manager's review on pages 13 to 16.

Gillian Watson

Chairman

12 April 2022

2: GOVERNANCE

Gillian Watson, Non-executive director, Chairman

Gillian is currently Senior Managing Director at Noble & Co., the Edinburgh based boutique investment bank. She is Chair of Vietnam DC25 Limited and of Char.gy Ltd and holds a non-executive director position in Meallmore Limited. Gillian has worked in corporate finance, strategy and business development across various industry sectors in a range of geographies. She sits on the University of Strathclyde's Enterprise and Investment Committee and is a Trustee of The Boswell Trust. Gillian was appointed to the Board on 1 April 2013 and appointed as Chairman on 1 February 2021.

Gary Le Sueur, Non-executive director, Senior Independent Director

Gary is a founding partner of clean energy investment firm, Corran Capital, and a former partner of venture capital firm, Scottish Equity Partners, where he is now Senior Adviser. He has significant investment experience in the clean energy, sustainability and environmental sectors. Prior to venture capital, Gary worked in corporate law with Shepherd & Wedderburn (Solicitors), before moving to Deutsche Morgan Grenfell and then National Australia Bank. Gary is also a non-executive director of venture philanthropy organisation Inspiring Scotland. Gary was appointed to the Board on 1 December 2016.

Marian Glen, Non-executive director, Chairman of the audit committee

Marian is a non-executive director of Shires Income plc and The Medical and Dental Defence Union of Scotland. She was formerly the General Counsel of AEGON UK and prior to that was a corporate partner and Head of Funds and Financial Services at Shepherd & Wedderburn (Solicitors). She was previously a non-executive director of Financial Services Compensation Scheme, Friends Life Group Limited and certain of its subsidiaries and Murray Income Trust plc. Marian was appointed to the Board on 1 December 2016.

Christopher Metcalfe, Non-executive director, Chairman of the marketing and communications committee

Christopher is a non-executive director of JPMorgan US Smaller Companies Investment Trust plc and of Aberdeen Smaller Companies Income Trust plc. He has extensive global equity fund management and investment trust experience, with a deep understanding of UK investors having previously worked in senior positions at Newton, Schroder Investment Management and Henderson. Christopher was appointed to the Board on 19 September 2019.

Lindsay Dodsworth, Non-executive director

Lindsay is chair of a family office and its investment oversight committees which she helped the family to set up following the sale of their business. She trained as a chartered accountant and a chartered tax adviser with Price Waterhouse (now PwC) before becoming a partner at Ernst & Young (now EY). She is a governor, member of the advisory council and member of the investment committee at Goodenough College and chair of governors at St. John's College School. Lindsay was appointed to the Board on 1 November 2021.

Neil Gaskell stepped down from the role of Chairman and was replaced in that role by Gillian Watson on 1 February 2021. He retired as a Director on 30 April 2021.

Corporate governance

Corporate governance is the process by which the Board seeks to look after stakeholders' interests and to protect and enhance shareholder value.

This report explains how the Board addresses its responsibility, authority and accountability.

Compliance with the Principles of the AIC Code

The Board of the Company has considered the Principles and Provisions of the 2019 AIC Code of Corporate Governance ('AIC Code'). The AIC Code addresses the principles and provisions set out in the 2018 UK Corporate Governance Code (the 'UK Code'), as well as setting out additional principles on issues that are of specific relevance to the Company as an investment company. The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders than reporting only with respect to the UK Code. The AIC Code is available on the AIC website (www.theaic.co.uk).
It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The UK Code includes provisions relating to the role of the chief executive, executive directors' remuneration and the need for an internal audit function. For the reasons set out in the AIC Code, and as explained in the UK Corporate Governance Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

Details of the AIC principles and how the Company complies with them can be found on the Company's website at www.martincurrieglobal.com.

Role of the Board

As an investment company, the Company has a Board of Directors whose duty it is to govern the Company within the framework set out in the Company's Articles of Association – in other words, to look after the interests of shareholders and also of the Company's stakeholders as a whole.

The Board sets the Company's values and objectives and ensures that its obligations to its shareholders and other stakeholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues.

The Board undertakes a regular review of the investment manager's culture, policies and practices to ensure that they are aligned with the Company's values. It also reviews its service providers to satisfy itself that they maintain policies and practices consistent with good risk management, compliance with regulatory frameworks and deliver a value for money service to the Company.

The Board met six times during the year under review on a formal basis (as well as on an ad-hoc basis when required), to consider the Company's strategy and monitor the Company's performance.
An investment trust board provides a very specific and proactive form of direct oversight of the investment of the shareholders' funds.

The primary focus at regular Board meetings is a review of investment performance of the investment manager and associated matters including asset allocation, promotion and investor relations, peer group information and industry issues.

To enable the Board to function effectively and to allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board meetings, this consists of a comprehensive set of papers, including the investment manager's review, performance reports and discussion documents regarding specific matters. Directors make further enquiries where necessary.

Committee structure

The Board has established a number of committees whose remit is to oversee specific aspects of management of the Company.

Management engagement committee	Nominations and governance committee	Marketing and communications committee	Audit committee	Remuneration committee
Chair: **Gillian Watson**	**Chair:** **Gillian Watson**	**Chair:** **Christopher Metcalfe**	**Chair:** **Marian Glen**	**Chair:** **Gary Le Sueur**
• reviews the continuing appointment of the AIFM and the investment manager; • reviews the performance of the AIFM and the investment manager in terms of investment performance and the company secretarial and administrative services provided; • reviews the performance of the personnel employed by the investment manager in relation to the provision of such services; and • reviews the terms of the AIFM agreement to ensure that it remains competitive and in the best interests of shareholders.	• assesses the skills, knowledge, experience and diversity required on the Board and the extent to which each is represented; • establishes processes for the review of the performance of the Board committees and the Board as a whole; • establishes processes for the identification of suitable candidates for appointment to the Board; • oversees succession planning for the Board; and • in relation to any Director retiring and who is proposing to stand for re-election, reviews the retiring Director's performance during the period in which they have been a member of the Board.	• considers the marketing strategy for the Company; • reviews the Company's communications with its shareholders; • reviews the Company's marketing budget; and • reviews the design and contents of the Company's financial statements.	The role and responsibilities of this committee are set out in its report on pages 50 and 51.	• sets the remuneration policy for all Directors; and • reviews and sets Directors' remuneration levels. Further information can be found in the Directors' remuneration report on pages 52 and 53.

Terms of reference for each of the committees are available via the company secretary.

As the Company has only five Directors, all of whom are non-executive, it is the Board's policy that all Directors will sit on all Board Committees.

Directors' meetings

The following table shows the number of formal Board and committee meetings held during the year and the number attended by each Director or committee member.

	Formal Board meetings (6 meetings)	Management engagement committee (1 meeting)	Audit committee (2 meetings)	Nominations and governance committee (2 meetings)	Marketing and communications committee (2 meetings)	Remuneration committee (1 meeting)
Lindsay Dodsworth[1]	2	1	n/a	1	1	1
Neil Gaskell[2]	1	n/a	n/a	n/a	n/a	n/a
Marian Glen	6	1	2	2	2	1
Christopher Metcalfe	6	1	2	2	2	1
Gary Le Sueur	6	1	2	2	2	1
Gillian Watson	6	1	2	2	2	1

[1]Lindsay was appointed to the Board on 1 November 2021.

[2]Neil retired from the Board on 30 April 2021.

Directors' independence

All of the Directors are considered under the AIC Code to be independent of the AIFM, Franklin Templeton Investment Trust Management Limited and of the investment manager, Martin Currie Investment Management Limited.

The Directors are free of any relationship which could materially interfere with the exercise of their independent judgement on issues of strategy, performance, resources and standards of conduct and demonstrate a breadth of investment knowledge, business and financial skills which enable them to provide effective strategic leadership and proper governance of the Company. Directors are initially appointed until the general meeting following their initial appointment when, under the Company's Articles of Association, it is required that they be elected by shareholders.

None of the Directors has a service contract with the Company. The terms of their appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company.

Conflicts of interest

The Board has approved a policy on Directors' conflicts of interest. Under this policy Directors are required to disclose all actual and potential conflicts of interest to the Board as they arise for consideration and approval. The Board may impose restrictions or refuse to authorise such conflicts if deemed appropriate. A register of Directors' interests, including potential conflicts of interest, is maintained by the Company and is regularly monitored.

Directors who have potential conflicts of interest will not take part in any discussions which relate to that particular conflict. The Board considers that the framework has worked effectively throughout the year under review.

Tenure

The Board has adopted a Tenure Policy for all Directors, including the Chairman, which states that the Board believes that it is an advantage to have the continuous contribution of Directors over a period of time during which they are able to develop awareness of and insight into the Company and thereby are able to make a valuable contribution to the Board as a whole. The Board believes that it is appropriate for a Director to serve for up to nine years following their initial election and it is expected that Directors will stand down from the Board at the AGM following the ninth anniversary of their initial appointment. However, a flexible approach to tenure has been adopted and that period may be extended for a limited time to facilitate effective succession planning whilst still ensuring regular refreshment and diversity on the Board. This flexibility has been applied to Gillian Watson who was due to step down at the annual general meeting in June 2022. In order to provide continuity and allow for appropriate succession planning, the other Directors agreed with Gillian Watson that she will remain on the Board until the annual general meeting in 2023. The Board has decided that all Directors who wish to remain on the Board will be required to stand for annual re-election in line with best practice.

Succession planning

The Board plans for its own succession with the assistance of the nominations and governance committee. This process ordinarily involves the identification of the need for a new appointment and the preparation of a brief including a description of the role and specification of the capabilities required. The nominations and governance committee seeks assistance in identifying suitable candidates by appointing an external recruitment firm each time that there is a vacancy. During the year the Company engaged Fletcher Jones Ltd as its external recruitment firm for the process which resulted in the recruitment of Lindsay Dodsworth. Fletcher Jones Ltd does not have any other connections with the Company. The nominations and governance committee considers candidates from a wide range of backgrounds, having consideration for the diversity of the Board as a whole including, but not limited to, gender.

Board diversity

The nominations and governance committee considers diversity, including the balance of skills, knowledge, gender and experience, amongst other factors, when reviewing the composition of the Board. It does not consider that it is appropriate to establish targets or quotas in this regard.

The Board currently consists of five directors, three female and two male.

Induction and training

The company secretary provides all Directors with induction training on appointment, tailored to the needs of individual appointees. The induction programme is designed to familiarise the appointee with the Company, its operations and obligations and regular ongoing briefings are provided on changes in regulatory requirements that affect the Company and Directors.

Performance evaluation

A formal, annual appraisal system has been agreed for the evaluation of the Board, its committees and the individual Directors, including the Chairman. Board and committee evaluation questionnaires are completed by each Director with responses collated and discussed. The Chairman leads the evaluation of the Board, committees and individual Directors, including consideration of the time commitment, skills and experience of the Directors, while the Senior Independent Director leads the evaluation of the Chairman's performance.

There were no significant actions arising from the evaluation process conducted during the year and it concluded that the Board as a whole, the individual Directors and its committees were functioning effectively. As a result of the Board's evaluation process the Chairman confirms that all remaining Directors continue to be effective and their election and re-election is recommended. The Board has given consideration to appointing an external board evaluator, however, it does not believe it is necessary at this time.

The Board also regularly reviews the performance of the AIFM and the investment manager. The management engagement committee meets to review the continuing appointment of the AIFM and the investment manager and reviews the terms of the relevant agreement to ensure that it remains competitive and in the best interest of shareholders. The management engagement committee regularly reviews the continuing appointment of other key service providers.

Company secretary

The Board has direct access to the company secretarial service provided by the AIFM which, through its nominated representative, is responsible for ensuring that applicable regulations are complied with and that Board and committee procedures are followed.

Internal control

The AIC Code and the Disclosure Guidance and Transparency Rules require Directors, at least annually, to review the effectiveness of the Company's system of internal control and include a description of the main features relating to the financial reporting process.

The Company has appointed Franklin Templeton Investment Trust Management Limited as its AIFM. With the Company's permission, the AIFM has delegated the portfolio management function to the Martin Currie Investment Management Limited, while retaining responsibility for certain risk management and administrative functions. Since investment management and administrative services are provided to the Company by members of the Franklin Templeton group, the Company's system of internal control mainly comprises monitoring the services provided by members of that group, including the operating controls established by them, to ensure that they meet the Company's business objectives. The Company does not have an internal audit function of its own but relies on the risk and compliance department of the Franklin Templeton group and the group's internal audit function. This arrangement is kept under review. The Company, and with the Board's permission the AIFM, have also delegated certain depositary/custodial and administrative functions, including fund accounting, to JPMorgan, which replaced State Street in these roles on 2 August 2021. Franklin Templeton also carries out a review of the depositary/custodial and administration activities performed by JPMorgan.

The Board, either directly or through committees, reviews the effectiveness of the Company's system of internal control by monitoring the operation of the key controls of the AIFM and Martin Currie and:

- reviews an internal controls report, as provided to the Board twice yearly by the AIFM. This report details significant risks, regulatory issues, error management and complaint handling;
- reviews the terms of the AIFM agreement;
- reviews reports on the internal controls and the operations of the AIFM, of Martin Currie, of State Street (in post until August 2021) and of JPMorgan (in post from August 2021); and
- reviews the risk profile of the Company and considers investment risk at every Board meeting.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company as outlined on page 34. This process accords with the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

During the course of its review of internal controls the Board has not identified or been advised of any failings or weaknesses which it has determined to be significant and is satisfied with the arrangements.

Internal control and risk management systems in relation to the financial reporting process

The Directors are responsible for the Company's system of internal control, designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable.

The AIFM and Martin Currie have in place stringent controls that monitor the following activities within the financial reporting process:

- investment and related cash transactions are completely and accurately recorded and settled in a timely manner;
- corporate actions and proxy voting instructions are identified and generated, and then processed and recorded accurately and in a timely manner;
- investment income is accurately recorded in the proper period;
- investments are valued using current prices obtained from independent external pricing sources;
- cash and securities positions are completely and accurately recorded and reconciled to third-party data;
- amounts due to lenders are calculated accurately and paid according to the relevant contractual terms; and
- the investment management fee and the Company's other operating expenses, are accurately calculated and recorded.

The system of internal control can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can provide only reasonable, but not absolute, assurance against fraud, material mis-statement or loss.

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's systems of internal control for the year ended 31 January 2022 and to the date of approval of this annual report.

On behalf of the Board

Gillian Watson
Chairman

12 April 2022

The Directors present their report and the audited financial statements of the Company for the year ended 31 January 2022.

Status

The Company is registered as a public limited company in Scotland under number SC192761 and is an investment company as defined by Section 833 of the Companies Act 2006. It is a member of the Association of Investment Companies (the 'AIC').

The Company has been accepted by HM Revenue & Customs as an investment trust subject to it continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999 for all financial years commencing on or after 1 April 2012.

The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 January 2022 so as to enable it to comply with the ongoing requirements for investment trust status.

Business model review

The AIFM and investment manager

On 2 August 2021, the Company appointed Franklin Templeton Investment Trust Management Limited as its AIFM, replacing Martin Currie Fund Management Limited in this role. The appointment of the new AIFM was in substitution for, and on materially the same commercial terms as, the Company's previous AIFM agreement. The AIFM has been authorised by the FCA to act as an AIFM.

The AIFM has delegated the function of managing the Company's investment portfolio to the investment manager, Martin Currie Fund Management Limited, the manager of the Company's assets since its launch in 1999. There have therefore been no changes to the individuals managing the assets of the Company, nor to the way in which the Company's assets are invested. Martin Currie is an international equity specialist based in Edinburgh, managing money for a wide range of global clients. Its investment process is focused on selecting stocks through fundamental proprietary research and constructing well balanced high conviction portfolios. The Board closely monitors investment performance and Zehrid Osmani, the portfolio manager, attends each Board meeting to present a detailed update to the Board. The Board uses this opportunity to challenge the portfolio manager on any aspect of the portfolio's management.

The ultimate parent company of the AIFM is Franklin Resources Inc ('Franklin'). The AIFM has delegated certain administration and support functions to other Franklin entities.

Continued appointment of the AIFM

Following the annual appraisal carried out by the management engagement committee in January 2022, the Board considers that it is in the best interests of shareholders to continue with the appointment of Franklin Templeton Investment Trust Management Limited as AIFM, with investment management delegated to the investment manager and the Board remains content with this arrangement.

Main features of the contractual arrangement with the AIFM (the 'AIFM agreement'):

The Company entered into a new agreement with the AIFM on 2 August 2021. The AIFM agreement contains materially the same commercial terms as the Company's previous agreement, including:

- Six month notice period;
- Immediate termination if the AIFM ceases to be capable of acting as an AIFM; and
- In the event that the Company terminates the agreement otherwise than as set out above, the AIFM is entitled to receive compensation equivalent to the fees paid in the previous annual period.

Company secretarial and certain administrative services are provided to the Company by the AIFM pursuant to the AIFM agreement.

With effect from 1 February 2021, the investment management fee was 0.5% per annum for the first £300 million of the Company's net asset value (excluding income) and 0.35% for net assets (excluding income) in excess of £300 million.

In addition, the investment manager receives an annual secretarial fee which for the year ended 31 January 2022 was £56,000 plus VAT. The secretarial fee is subject to an annual increase based on the UK Consumer Price Index.

For a detailed description of the fee arrangements prior to 1 February 2021, please refer to the Company's Annual Report and Accounts for the year to 31 January 2021.

Appointment of depositary

With effect from 2 August 2021, JPMorgan Europe Limited was appointed as the Company's depositary, replacing State Street Trustees Limited. The depositary is responsible for the safekeeping of the Company's assets, monitoring the cash flows of the Company and must ensure that certain processes carried out by the AIFM are performed in accordance with the applicable rules and constitutive documents of the Company. Also on 2 August 2021 JPMorgan Chase Bank N.A. London Branch was appointed as the Company's custodian. The custodian may from time to time delegate safe keeping/ custody of the Company's assets to local custody providers. The depositary and custodian are entitled to a fee payable out of the assets of the Company.

Further contractual arrangements

The Company has outsourced its operational infrastructure to third-party organisations. Contracts and service level agreements have been defined to ensure that the service provided by each of the third-party organisations is of a sufficiently professional and technically high standard. The Board actively monitors the performance of service providers. The counterparty risk of dealing with each service provider is analysed with the Board monitoring any identified risks. Further details of the Company's main service providers can be found in the investor information section on page 79.

Directors

The Board currently consists of five non-executive Directors. The names and biographies of the current Directors are on page 37, indicating their range of experience as well as length of service.

In line with best practice all of the Directors who have been on the Board for more than a year will stand for re-election at the AGM. Lindsay Dodsworth, who was appointed after the last AGM, will stand for election at the AGM to be held on 16 June 2022. The role of the Board and its governance arrangements are set out in the Company's corporate governance statement on pages 38 to 42 which forms part of this Report of the directors.

Directors' insurance and indemnities

The Directors have the benefit of the indemnity provisions contained in the Company's Articles of Association, and the Company has maintained throughout the year Directors' and Officers' liability insurance for the benefit of the Company and the Directors. The Company has entered into qualifying third party indemnity arrangements for the benefit of all of its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

Environmental matters

As an externally managed investment company with no employees, the Company's direct greenhouse gas emissions are negligible, being emissions resulting from Directors' travel to meetings in Edinburgh or London. The Company encourages and actively oversees Martin Currie's application of its ESG policies in the investment processes as set out in the Strategic Report.

Share capital

As at 31 January 2022 the Company had 86,616,404 Ordinary shares of 5p ('Ordinary shares') in issue (2021: 84,759,499) and a further 12,059,503 Ordinary shares held in Treasury (2021: 13,916,408). The following table summarises transactions made by the Company in its shares. Further details of the Company's transactions involving Treasury shares can be found within accounting policy Note 1(j) on page 67.

			Allocation of issue proceeds		
	Number of shares	(Cost)/proceeds	Special distributable reserve	Share premium account	Capital reserve
Shares repurchased into Treasury	1,558,095	(£5,579,000)	n/a	n/a	(£5,579,000)
Shares issued from Treasury	3,415,000	£13,586,000	£7,833,000	£5,203,000	£550,000

Shareholder analysis as at 31 January 2022	% of shareholders	% of equity capital
Individuals and trustees	67.6	11.2
Banks and nominee companies	29.2	75.8
Insurance and investment companies	0.1	0.0
Other holders	3.1	13.0
	100.0	100.0

Shareholder and voting rights

Each Ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every share held. The Ordinary shares carry a right to receive dividends which are declared from time to time by the Company. On a winding-up, after meeting the liabilities of the Company, any surplus assets would be paid to Ordinary shareholders in proportion to their shareholdings.

There are no restrictions on the transfer of Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law (for example, insider trading law) and there are no special rights attached to any of the Ordinary shares. The Company is not aware of any agreements between shareholders which may result in restrictions on the transfer of Ordinary shares or the voting rights attached to them.

Substantial interests

As at 31 January 2022, the Company had received notification in accordance with the FCA's Disclosure Guidance and Transparency Rule 5.1.2R of the following interests in 3% or more of the voting rights attaching to the Company's issued share capital.

As at 31 January 2022	Number of Shares	Percentage of Voting Rights
DC Thomson & Company Limited	5,775,000	6.8%
Schroders plc	4,887,861	5.8%
Rathbone Investment Management	4,193,681	4.9%

As at 7 April 2022 the Company had not received notification of any changes to these interests.

Related party transactions

With the exception of the investment management and secretarial fees (disclosed on page 43), Directors' fees (disclosed on page 53), and Directors' shareholdings (disclosed on page 52), there were no related party transactions through the financial year.

Corporate governance statement

The Company's corporate governance statement is set out on pages 38 to 42 and forms part of this Report of the directors.

Revenue and dividends

	2022		2021	
	Total	Pence per share	Total	Pence per share
Net revenue return for the year after expenses, interest and taxation	£1,161,000	1.36	£1,635,000	1.97
Dividends paid and declared for the year[1]	£3,603,000[2]	4.20	£3,499,000	4.20
Revenue reserve at end of year	£513,000	0.59	£1,387,000	1.64
Special distributable reserve at end of year[3]	£76,297,000	88.09	£70,017,000	82.61

[1]Includes interim dividends paid throughout the year and final interim dividend announced/paid after the financial year end.

[2]Based on the number of shares in issue on the ex-dividend date of 7 April 2022.

[3]Distributable by way of dividend.

Performance, outlook and trends likely to affect future performance

Please refer to the Chairman's statement on pages 6 to 9 and the Manager's review on pages 10 to 16 for an update on the performance of the Company over the year and outlook for 2022, together with information on the trends likely to affect the future performance of the Company in the Strategic report on pages 34 and 35.

Regulatory

The Alternative Investment Fund Managers Regulations 2013 ('AIFM Regulations')

AIFM remuneration

In accordance with the AIFM Regulations, details of the remuneration policy of the AIFM, including remuneration disclosures in respect of the AIFM's 'code staff', are available at www.martincurrie.com and otherwise upon request at the registered office of the Company.

Leverage

Under the AIFM regulations, the maximum leverage which the AIFM is entitled to employ on behalf of the Company is 250% under the gross method and 200% under the commitment method. This indicates the highest level that exposure could reach using these calculations if all available instruments introducing leverage were used to the maximum permitted level at the same time. Any changes to these limits will be agreed in advance between the AIFM and the Company. At 31 January 2022, the Company's gross ratio was 107% and its commitment ratio was 109%.

Audit information

As required by Section 418 of the Companies Act 2006 each of the Directors who held office at the date of approval of this Report of the directors confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all of the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Listing Rule 9.8.4R

Listing Rule 9.8.4R requires the Company to include certain information in a single identifiable section of the annual report or a cross-reference table indicating where the information is set out. The information covers areas such as long-term incentive schemes, allotment of shares, investment in subsidiary companies and agreements with controlling shareholders. The Directors confirm that there are no disclosures to be made in this regard.

Annual general meeting

The annual general meeting ('AGM') of the Company will be held at the Waldorf Astoria The Caledonian, Princes Street, Edinburgh EH1 2AB at 11.00am on 16 June 2022. Further information is contained in the Notice of AGM which is included on pages 86 to 89. Resolutions relating to the following items of business will be proposed:

Dividend policy – ordinary resolution

As a result of the timing of the payment of the Company's quarterly dividends in January, April, July and October, the Company's shareholders are unable to approve a final dividend each year. As an alternative, the Board will put the Company's dividend policy to shareholders for approval on an annual basis. Resolution 4, which is an ordinary resolution, relates to the approval of the Company's dividend policy which is as follows: Dividends on the Ordinary shares are payable quarterly in January, April, July and October. The payment of dividends in accordance with this dividend policy is subject always to market conditions and the Company's financial position and outlook.

Allotment of shares – ordinary resolution

Section 551 of the Companies Act 2006 provides that the Directors may not allot new shares without shareholder approval. Resolution 12 seeks to renew the Directors' authority to allot new shares up to a maximum aggregate nominal amount of £1,427,173 (being an amount equal to one third of the issued share capital of the Company (excluding Treasury shares) as at 7 April 2022, being the last practicable date before the date of this document). The Board intends to exercise this power only once the number of shares held by the Company in Treasury is not sufficient to support share issuance by the Company. This resolution in isolation only allows the Directors to allot new shares to existing shareholders pro rata to their existing holdings. Resolutions 15 and 16 will, if approved, then disapply pre-emption rights allowing the Company to issue up to 17,126,085 shares for cash on a non-pre-emptive basis.

As at 7 April 2022, being the last practicable date prior to the publication of this document, the Company held 13,045,478 Ordinary shares in Treasury, representing approximately 13.2% of the Company's issued share capital (including Treasury shares).

The authority contained in resolution 12 will expire on 30 July 2023 or, if earlier, at the AGM of the Company to be held in 2023 unless previously cancelled or varied by the Company in a general meeting.

Proposed new investment policy – ordinary resolution

Resolution 13, proposed as an ordinary resolution, seeks shareholder approval for the Company to adopt a proposed new investment policy. As described in the Chairman's statement on page 7 there will be no change in the way that the portfolio manager manages the portfolio but the directors are recommending an investment policy which sets out clearly the Company's strategic commitment to ESG investing. In addition the proposed new investment policy sets out more clearly the approach to risk spreading, to gearing and to exclude investment in other listed closed-end funds.

Disapplication of statutory pre-emption rights – special resolutions

s561 of the Companies Act 2006 requires, when shares are to be allotted for cash or sold from Treasury, such shares first must be offered to existing shareholders in proportion to their existing holdings of shares. Resolutions 15 and 16 proposed as special resolutions would, if passed, give the Directors authority under s570 and s573 of the Companies Act 2006, to allot new shares or sell shares from Treasury for cash in certain circumstances as if s561 of the Companies Act 2006 did not apply. This authority would enable the Directors to issue shares for cash to take advantage of demand in the market that may arise in order to increase the amount of the Company's issued share capital. The purpose of such an increase would be to improve the liquidity of the market in the Company's shares and to spread the fixed cost of administering the Company over a wider base. If resolutions 15 and 16 are approved by shareholders, the Board will only use the authority to disapply pre-emption rights and issue shares: (i) at a premium to the prevailing NAV at the time of issue; and (ii) when the Board believes that it is in the best interests of the Company and its existing shareholders to do so. As shares will only be issued at a sufficient premium to cover issue costs to the prevailing NAV at the time of issue, the value of the underlying assets attributable to the shares will not be diluted as a result of issuing further shares.

The Directors believe that this would increase the investment attractions of the Company to the benefit of existing shareholders. The resolutions, if both are passed, will give the Directors power to issue for cash equity securities of the Company up to a maximum of £856,304 (being an amount equal to 20% of the issued share capital of the Company (excluding Treasury shares) as at 7 April 2022, the latest practicable date prior to this document) without the application of pre-emption rights described above. The authority contained in resolutions 15 and 16 will continue until 30 July 2023 or, if earlier, the AGM of the Company in 2023.

Purchase of own shares – special resolution

Each year the Directors seek authority from shareholders to purchase the Company's own shares. The Directors recommend that shareholders renew this authority as detailed in resolution 14. Any shares purchased pursuant to the authority will be held in Treasury or cancelled. The authority will lapse at the earlier of the Company's next AGM or 15 months after the date of the resolution.

The purpose of holding shares in Treasury is to allow the Company to reissue those shares quickly and cost effectively in accordance with resolutions 15 and 16. If passed, resolution 14 gives authority for the Company to purchase up to 12,836,001 of the Company's own shares or, if less, 14.99% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution. The Directors will only exercise this authority to purchase shares where they consider that such purchases will be in the best interests of shareholders generally and only at a discount to the prevailing NAV per share. The Directors currently intend to hold in Treasury the shares purchased under this authority.

Notice of general meeting – special resolution

Resolution 17, proposed as a special resolution, would give the Directors authority to call a general meeting, other than the AGM, on 14 days' clear notice. The Directors believe that it is in the best interests of shareholders to have the flexibility to call a general meeting at short notice, although it is intended that this flexibility will only be used for non-routine business and when it is deemed in the interests of shareholders as a whole. If approved, the authority contained in resolution 17 will continue until the AGM of the Company in 2023.

New Articles – special resolution

Resolution 18, proposed as a special resolution, seeks shareholder approval to adopt new Articles of Association (the 'New Articles') in order to update the Company's current Articles of Association (the 'Existing Articles'). The proposed amendments being introduced in the New Articles are listed below:

- To remove the current prohibition on using the capital reserve to pay dividends in order to provide flexibility to pay dividends out of realised capital profits (further information contained in the Audit committee report (page 50) of this report).

- In light of the Covid-19 pandemic and any future like events, to permit:
  - the Company to issue notice of general meetings in hard copy, electronic copy, or by way of website (but subject always to Companies Act 2006 requirements on consent);
  - execution of documents by electronic means, where the situation allows;
  - concurrent general meetings (general meeting attendance at various locations – with options for online attendance), in light also of the widespread shareholder base of the Company. For the avoidance of doubt, the Company intends to hold physical meetings except in such a future event;
  - Directors to adjust general meeting arrangements in interests of safety and security.
- To update in other minor ways in order to reflect best practice (the last such update having happened in 2014). Such updates include, but are not limited to, amendments:
  - in response to the requirements of the AIFM Regulations, other such applicable rules and regulations, and all associated provisions of the FCA's Handbook of rules and guidance (such amendments do not change the Company's current processes, rather they narrate the minimum requirements of the aforementioned regulation, guidance etc.);
  - in response to the introduction of international tax regimes requiring the exchange of information, including sections 1471 to 1474 of the US Tax Code, known as the Foreign Account Tax Compliance Act, and the Organisation for Economic Co-operation and Development Common Reporting Standard including, without limitation, the UK International Tax Compliance Regulations 2015;
  - to general meeting requirements: to be held per latest statutory requirement (every 15 months) rather than every calendar year;
  - removing the requirement to advertise in leading newspapers when dealing with untraced shareholders; and
  - removing obligations on the Company to provide notice, amongst other things, to shareholders living outside the UK who have not provided a UK address. Where appropriate, there shall be no obligation on Directors to consider the laws of any jurisdiction outside the UK in making decisions related to interactions with, and duties to, shareholders outside the UK.

A copy of the New Articles will be available for inspection on the Company's website at www.martincurrieglobal.com and on the national storage mechanism, from the date of the AGM Notice until the close of the AGM and at the venue of the AGM, being the Waldorf Astoria The Caledonian, Princes Street, Edinburgh EH1 2AB from 15 minutes before and until the close of the AGM. Inspection of the New Articles at the venue of the AGM may only take place in accordance with any measures imposed in connection with the Covid-19 pandemic.

Recommendation

The Directors believe that all of the resolutions proposed are in the best interests of the Company and shareholders as a whole. The Directors unanimously recommend that all shareholders vote in favour of all of the resolutions. The results of the votes on the resolutions at the AGM will be published on the Company's website (www.martincurrieglobal.com).

Going concern status

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's statement, Manager's review, Strategic report and the Report of the directors. The financial position of the Company as at 31 January 2022 is shown in the statement of financial position on page 63. The statement of cash flow of the Company is set out on page 65. Note 17 on pages 74 to 76 sets out the Company's risk management policies, including those covering market risk, liquidity risk and credit risk. In accordance with the 2019 AIC Code of Corporate Governance and the 2018 UK Corporate Governance Code, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's assets consist of a diverse portfolio of listed equity shares which, in most circumstances, are realisable within a very short timescale. The Directors are mindful of the principal and emerging risks and uncertainties disclosed on page 34.

They have reviewed revenue forecasts for the next two financial years, including liabilities arising from the loan facility, and believe that the Company has adequate financial resources to continue its operational existence for the period to 31 January 2024, which is at least 12 months from the date on which the financial statements are authorised for issue. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Viability statement

The Company's business model is designed to deliver long-term returns to its shareholders through investment in large and liquid stocks in global equity markets. Its plans are therefore based on having no fixed or limited life provided that global equity markets continue to operate normally. The Board has assessed the Company's viability over a three year period in accordance with provision 31 of the UK Corporate Governance Code as it believes that this is an appropriate period over which it does not expect there to be any significant change to the principal risks and adequacy of the mitigating controls in place. The Board considers that this reflects the minimum period which should be considered in the context of the Company's long-term objective but one which is limited by the inherent and increasing uncertainties involved in assessment over a longer period.

In making this assessment the Directors have considered the following factors:

- the principal and emerging risks and uncertainties and the mitigating actions set out on page 34;
- the mitigation measures which key service providers including the manager have in place to maintain operational resilience particularly in light of Covid-19;
- the challenges posed by climate change;
- the ongoing relevance of the Company's investment objective in the current environment as evidenced by feedback from major shareholders;
- the level of income forecast to be generated by the Company and the liquidity of the Company's portfolio;
- the low level of fixed costs relative to its liquid assets;
- the expectation that in normal markets more than 94% of the current portfolio could be liquidated within two trading days; and
- the ability of the Company to make payments of interest and repayments of principal on its debt on their due dates.

Based on the results of their analysis and the Company's processes for monitoring each of the factors set out above, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over at least the next three years.

Responsibility statement

Each of the Directors, whose names and functions are listed in the Board of Directors on page 37, confirms that to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Report of the directors, Strategic report and Manager's review include a fair, balanced and understandable review of the development and performance of the business and the position of the Company, together with a description of the principal risks and the uncertainties that it faces; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements respectively; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The financial statements are published on the Company's website (**www.martincurrieglobal.com**) which is maintained by the investment manager. The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This responsibility statement was approved by the Board of Directors on 12 April 2022 and is signed on its behalf by:

Gillian Watson
Chairman
12 April 2022

The audit committee is chaired by Marian Glen and, during the year under review comprised all of the Directors except the previous Chairman of the Board, Neil Gaskell. Lindsay Dodsworth joined the audit committee on the date of her appointment to the Board. The Board notes that the AIC Code permits the Chairman of the Board to be a member of the audit committee of an investment trust. In light of the fact that the Board consists of only five members and recognising Gillian Watson's relevant experience, the audit committee resolved to continue her appointment to the committee following her appointment as Chairman of the Company. The Board reviews the relevant skills and experience of the audit committee as part of the annual Board review and believes that the members of the committee have the appropriate skills and experience. Biographies of the members of the committee are on page 37.

The audit committee reviews the scope and results of the audit and, during the year, considered and approved the external auditors' plan for the audit of the financial statements for the year ended 31 January 2022. The audit committee's responsibilities include:

- Monitoring and reviewing the integrity of the financial statements and ensuring, in particular, that, taken as a whole, they are fair, balanced and understandable;
- Internal financial controls;
- The independence, objectivity and effectiveness of the external auditors;
- Making recommendations to the Board in relation to the appointment, evaluation and dismissal of the external auditors, their remuneration, terms of their engagement and reviewing their independence and objectivity;
- Developing and implementing policy on the engagement of the external auditors to supply non-audit services; and
- Reporting to the Board, identifying any matter in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

The audit committee takes account of the most significant issues and risks, both operational and financial, likely to impact the Company's financial statements.

Having reviewed the annual report and financial statements, the committee recommended to the Board that the annual report and financial statements are fair, balanced and understandable.

Activities during the year

The committee met twice during the year when it reviewed the annual and half-yearly financial reports. During the year the committee considered the appropriateness of the expense allocations between capital and revenue, concluding that the current allocation for the AIFM fee and finance costs was appropriate. It also considered the fee level, independence, effectiveness and re-appointment of the auditors.

The committee also received a report from the AIFM on oversight of the service providers. Particular attention was paid to the change of depositary, custodian and sub-contracted administrator as described on page 32 and the committee was satisfied that appropriate controls and safeguards are in place.

During the year, and as part of its function to monitor the effectiveness of the Company's internal controls and risk management systems the committee challenged the manager and key service providers on their business continuity arrangements, continued to receive detailed reports and satisfied itself that there were no adverse effects on operations resulting from Covid-19.

In addition, the committee reviewed the recording and reporting for the term loan facility including the calculations to confirm compliance with the debt covenants. The committee concluded that the covenants are being assessed and reported in line with the terms of the term loan facility agreement.

The committee reviewed the uses of its available reserves and agreed to maximise the reserves available for the payment of dividends. It was decided that, with effect from 1 February 2021, the cost of share buybacks would be deducted from the realised portion of the capital reserve (which is currently only distributable by way of share buybacks) rather than from the special distributable reserve (which is fully distributable, including by way of dividend), hence preserving reserves distributable by way of dividend. Following this decision, as a related matter the committee adopted the approach to accounting for the issue of shares from Treasury as set out in Note 1(j) to the accounts. The committee also reviewed the advantages of distribution by way of dividend of realised capital profits, which resulted in one of the proposed changes to the Company's Articles of Association which will be considered by shareholders at this year's AGM. If this change is made to the Articles of Association, this will permit the realised portion of the capital reserve to be available for the payment of dividends alongside the revenue reserve and the special distributable reserve. Please refer to Note 1(j) on page 67 for further information and Note 14 on page 73 for the balance of the realised capital reserve as at 31 January 2022.

There were no non-audit fees for the year ended 31 January 2022 (2021: none).

Auditors' independence

The Company has in place a policy governing and controlling the provision of non-audit services by the external auditors, in order to help safeguard the auditors' independence and objectivity. This is achieved by prohibiting non-audit work where independence may be compromised or conflicts arise. Any non-audit work requires specific approval of the audit committee in each case.

The audit fee amounts to £45,000 plus VAT for the year ended 31 January 2022 (2021: £38,000 plus VAT). In relation to the 2021 annual audit fee, State Street Bank, acting as the administrators, paid overrun fees of £5,000 plus VAT to the Company's auditors on behalf of the Company. During the year to 31 January 2022, the Company changed administrators and Martin Currie Investment Management paid the additional audit fees of £3,000 plus VAT to the auditors on behalf of the Company in relation to this change. These extra audit fees are in addition to the audit fees noted above.

Following review, the committee is satisfied that the Company's auditors, Ernst & Young LLP ('EY'), remain independent.

Auditors' rotation

A competitive tender for the audit of the Company was last held in May 2015, following which EY were selected as the Company's auditors. Under EU rotation guidance, the Company's audit engagement partner will rotate every five years. The current audit engagement partner, Sue Dawe, took over the role in 2021.

Auditors' report

At the conclusion of the audit, EY did not highlight any issues to the audit committee which would cause it to qualify its audit report nor did it highlight any fundamental internal control weaknesses. EY issued an unqualified audit report which is included on pages 56 to 61.

The following significant issues were considered by the audit committee in relation to the financial statements:

Matter	Action
Accuracy of portfolio valuation	Actively traded listed investments are valued using stock exchange prices provided by third-party service providers. The AIFM reviews and summarises the SOC 1 reports, prepared bi-annually by JPMorgan Chase Bank N.A. and State Street covering Global Fund Accounting and Custody and the audit committee reviews this summarised report annually. The SOC 1 report is reported on by independent external accountants and includes details of the systems, processes and controls around the daily pricing of equity securities, including the application of exchange rate movements. Stale prices are monitored monthly by the AIFM's pricing team and would be reported to the audit committee.
Allocation of expenses between revenue and capital	The allocation is reviewed by the audit committee annually considering the long-term split of returns from the portfolio, both historic and projected, the objectives of the Company and current, historical and prospective yields.
Accuracy of revenue recognition	The audit committee reviews a summary of JPMorgan Chase Bank N.A.'s SOC 1 report bi-annually. The SOC 1 report includes details of the systems, processes and controls around the recording of investment income. The Board also reviews revenue forecasts at each Board meeting. The investment manager and the Board review all special dividends to make sure that they are correctly treated in accordance with the Company's accounting policy.
Going concern and viability statement	The committee reviewed evidence provided by the manager to support the Going Concern and Viability Statements on page 48 and was satisfied that it could recommend to the Board the relevant statements.

Effectiveness of the external audit process

The audit committee evaluated the effectiveness of the external auditors and the external audit that they undertook prior to making a recommendation on the re-appointment of EY at the forthcoming AGM. This evaluation involved an assessment of the effectiveness of the auditors' performance against criteria including qualification, expertise and resources, independence and effectiveness of the audit process. The committee reviewed and agreed the audit plan including the level of audit materiality and discussed the key risk areas with the auditors and deemed these appropriate. The committee also discussed with the auditors any significant areas where they challenged the AIFM's assumptions in connection with the preparation of the financial statements, noting that there were no disagreements with the AIFM.

Having reviewed the performance of the external auditors as described above, the audit committee considered it appropriate to recommend the re-appointment of EY as external auditors. EY have expressed their willingness to be re-appointed to office and a resolution to re-appoint them as auditors to the Company and to authorise the Directors to determine the remuneration payable will be proposed at the forthcoming AGM.

Disclosure of information to the auditors

In the case of each of the Directors of the Company at the time when this report was approved:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each of the Directors has taken all of the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board

Marian Glen
Chairman of the Audit Committee

12 April 2022

Remuneration committee

The remuneration committee has responsibility for setting the remuneration policy for all Directors, taking into account factors such as time commitment and responsibilities of the role, with the objective to attract and retain Directors of the quality required to run the Company successfully, without paying more than is necessary. The committee is also responsible for reviewing and setting individual Directors' remuneration levels.

Remuneration statement

The Board has prepared this report in accordance with the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. An ordinary resolution to approve this report will be put to shareholders at the AGM.

Company law requires the Company's auditors to audit certain disclosures provided in this report. Where disclosures have been audited, they are indicated as such. The auditors' opinion is included in their report on pages 56 to 61.

Directors' remuneration policy

The Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole, be fair and comparable to that of other investment companies that are similar in size, have a similar capital structure and have similar investment objectives. It is intended that this policy will continue for the year ended 31 January 2023 and subsequent years. The fees for the Directors are determined within the limits set out in the Company's Articles of Association. Each Director abstains from voting on their own remuneration.

The Directors' remuneration policy will be put to a shareholders' vote annually.

Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties. Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

Directors do not have service contracts but are provided with letters of appointment. All Directors are appointed for an initial term covering the period from the date of that appointment until the first AGM at which they are requested to stand for election in accordance with the Company's Articles of Association.

Thereafter, in line with best practice, all Directors will stand for annual re-election at the AGM. There is no notice period and no provision for compensation upon early termination of appointment.

Additional fees may be payable where (i) a Director is required to perform services outside the ordinary duties of a Director; or (ii) where the work performed is outside the ordinary course of Company business and in each case where the time commitment is exceptional.

The Company's Articles of Association provide for a maximum level of total remuneration of £200,000 per annum in aggregate.

Annual report on remuneration

For the year to 31 January 2022, the non-executive Directors received a fee of £26,500 per annum, the audit committee Chairman received a fee of £33,000 and the Chairman received a fee of £40,000 per annum.

During the year, the remuneration committee considered the Directors' fees in the context of the benchmark data from its peer group. Following a review of the benchmark data and taking into account the time commitment required of the Board, it was agreed that all Directors' fees would be increased by £1,000 per annum, with effect from 1 February 2022.

Directors' shareholdings (audited)

As at 31 January	2022	2021
Lindsay Dodsworth	2,542	n/a
Neil Gaskell	n/a	60,500
Marian Glen	–	–
Gary Le Sueur	31,735	31,735
Christopher Metcalfe	8,600	8,600
Gillian Watson	3,329	3,329

The shareholdings detailed above have not changed between 31 January 2022 and 12 April 2022, the date of signing the accounts.

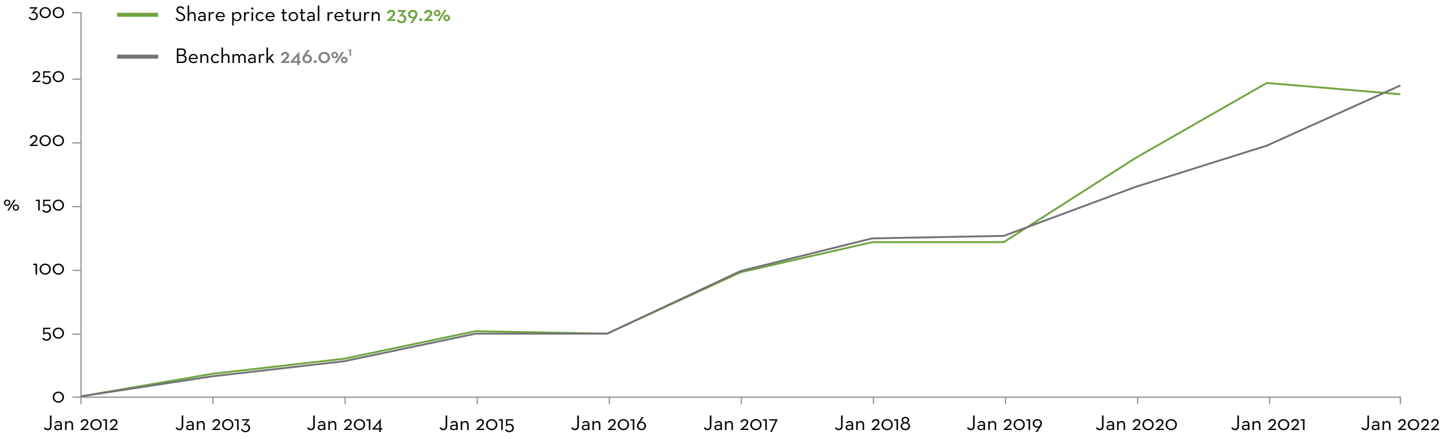
The Company confirms that it has not set out any formal requirements or guidelines for a Director to own shares in the Company.

Approval

Ordinary resolutions for the approval of the Directors' remuneration policy and annual report on remuneration will be put to shareholders at the forthcoming AGM. At the AGM on 9 June 2021, 99.74% of proxy votes were cast in favour of the Directors' remuneration report for the year ended 31 January 2021 and 99.81% of proxy votes were cast in favour of the Directors' remuneration policy.

The graph below compares, for the ten financial years ended 31 January 2022, the total return (assuming all dividends were reinvested) to Ordinary shareholders compared to the total return of the benchmark.

Total return (ten financial years)



Source: Martin Currie Investment Management Limited.

[1]The benchmark with effect from 1 February 2020 is the MSCI All Country World index. Prior to this, the benchmark was the FTSE World index to 31 January 2020.

Directors' emoluments for the year (audited)

	Year ended 31 January 2022 £	Year ended 31 January 2021 £
Lindsay Dodsworth[1]	6,625	–
Neil Gaskell[2]	6,625	38,000
Marian Glen	33,000	30,000
Gary Le Sueur	26,500	25,500
Christopher Metcalfe	26,500	25,500
Gillian Watson	40,000	25,500
	139,250	144,500

[1]Appointed on 1 November 2021.

[2]Retired on 30 April 2021.

Relative importance of spend on Directors' remuneration

To enable shareholders to assess the relative importance of spend on remuneration, the Directors' total remuneration has been shown in a table below compared with the Company's distributions.

	Year ended 31 January 2022	Year ended 31 January 2021	Change
Directors' total remuneration (£000)	139	145	(6)
Dividends paid and payable (£000)	3,603	3,499	104
Share buybacks (£000)	5,579	7,500	(1,921)
Dividend per share (p)	4.20	4.20	–
NAV total return[1]	2.9%	20.2%	–

[1]The net asset value per share total return is an Alternative Performance Measure, see page 81 for more details on the calculation.

Percentage change in annual remuneration of Directors

Year	Lindsay Dodsworth	Marian Glen	Gary Le Sueur	Christopher Metcalfe	Gillian Watson
2021-2022	n/a[2]	10%	4%	4%	57%[3]

[2]Lindsay Dodsworth was appointed on 1 November 2021.

[3]Gillian Watson was appointed as Chairman on 1 February 2021.

On behalf of the Board

Gary Le Sueur
Chairman of the Remuneration Committee

12 April 2022

3: FINANCIAL REVIEW

Independent auditors' report to the members of Martin Currie Global Portfolio Trust plc

Opinion

We have audited the financial statements of Martin Currie Global Portfolio Trust plc (the 'Company') for the year ended 31 January 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flow and the related notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- We confirmed our understanding of the Company's going concern assessment process and engaged with the Directors and the company secretary to determine if all key factors that we have become aware of during our audit were considered in their assessment.
- We inspected the Directors' assessment of going concern, including the revenue forecast, for the period to 31 January 2024 which is at least twelve months from the date the financial statements were authorised for issue. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- We reviewed the factors and assumptions, including the impact of the Covid-19 pandemic, as applied to the revenue forecast and the liquidity assessment of the investments. We considered the appropriateness of the methods used to calculate the revenue forecast and the liquidity assessment and determined, through testing of the methodology and calculations, that the methods, inputs and assumptions utilised were appropriate to be able to make an assessment for the Company.
- In relation to the Company's borrowing arrangements, we assessed the risk of breaching the debt covenants as a result of a reduction in the value of the Company's portfolio. We calculated the Company's compliance with debt covenants and performed reverse stress testing in order to identify what factors would lead to the Company breaching the financial covenants.
- We considered the mitigating factors included in the revenue forecasts and covenant calculations that are within the control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments in order to cover working capital requirements should revenue decline significantly.
- We reviewed the Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to 31 January 2024.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• Risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income • Risk of incorrect valuation or ownership of the investment portfolio
Materiality	• Overall materiality of £3.16m which represents 1% of total shareholders' funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Company has determined that the impact of climate change could affect the Company's investments and the overall investment process. This is explained on page 34 in the principal and emerging risks section, which form part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in Note 1a and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing as required by FRS102. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital in the Statement of Comprehensive Income (as described on page 51 in the Audit committee's report and as per the accounting policy set out on page 66). The total revenue for the year to 31 January 2022 was £2.50m (2021: £2.63m), consisting primarily of dividend income from listed equity investments. There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment. In addition to the above, the Directors may be required to exercise judgment in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Statement of Comprehensive Income.	We have performed the following procedures: We obtained an understanding of the processes and controls surrounding revenue recognition by performing walkthrough procedures. For all dividends received and accrued, we recalculated the dividend income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share, which was agreed to an independent data vendor. For all dividends received and all dividends accrued we agreed amounts to bank statements and, where applicable, we also agreed the exchange rates to an external source. For all dividends accrued, we also reviewed the investee company announcements to assess whether the dividend obligations arose prior to 31 January 2022. To test completeness of recorded income, we verified that expected dividends for each investee company held during the year had been recorded as income with reference to investee company announcements obtained from an independent data vendor. For all investments held during the year, we reviewed the type of dividends paid with reference to an external data source and confirmed that no special dividends were received.	The results of our procedures identified no material misstatement in relation to incomplete or inaccurate revenue recognition, including incorrect classification of special dividends as revenue or capital items in the Statement of Comprehensive Income.
Incorrect valuation or ownership of the investment portfolio (as described on page 51 in the Audit committee report and as per the accounting policy set out on page 66). The valuation of the investment portfolio at 31 January 2022 was £339.54m (2021: £327.99m) consisting primarily of listed investments. The valuation of the assets held in the investment portfolio is the primary driver of the Company's net asset value and total return. Incorrect investment pricing, or a failure to maintain proper legal title of the assets held by the Company could have a significant impact on the portfolio valuation and the return generated for shareholders. The fair value of listed investments is determined by reference to stock exchange quoted market bid prices at the close of business on the reporting date.	We have performed the following procedures: We obtained an understanding of the processes and controls surrounding investment title and pricing of listed investments by performing walkthrough procedures. For all investments in the portfolio, we compared the market prices and exchange rates applied to an independent pricing vendor and recalculated the investment valuations as at the year-end. We confirmed with the Administrator that there were no investments with stale prices as at the year-end and therefore no stale pricing report produced. We compared the Company's investment holdings at 31 January 2022 to independent confirmations received directly from the Company's Custodian and Depositary.	The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio.

There have been no changes to the areas of audit focus raised in the above risk table from the prior year.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £3.16m (2021: £3.04m), which is 1% (2021: 1%) of shareholders' funds. We believe that shareholders' funds provide us with a materiality aligned to the key measure of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2021: 75%) of our planning materiality, namely £2.37m (2021: £2.28m).

Given the importance of the distinction between revenue and capital for investment trusts, we have also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £0.16m (2021: £0.15m), being our reporting threshold.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the audit committee that we would report to them all uncorrected audit differences in excess of £0.16m (2021: £0.15m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Report of the directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Report of the directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 48;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 48;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 48;
- Directors' statement on fair, balanced and understandable set out on page 49;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 34;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 42; and;
- The section describing the work of the audit committee set out on page 50.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 49, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 102, the Companies Act 2006, the Listing Rules, UK Corporate Governance Code, the Association of Investment Companies' Code and Statement of Recommended Practice, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the audit committee and company secretary and review of Board minutes and the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to the incomplete or inaccurate revenue recognition through the incorrect classification of special dividends as revenue or capital items. Further discussion of our approach is set out in the section on key audit matters above.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the company secretary's reporting to the Directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditors' report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company and signed an engagement letter on 13 August 2015 to audit the financial statements of the Company for the year ending 31 January 2016 and subsequent financial periods.

  The period of total uninterrupted engagement including previous renewals and reappointments is 7 years, covering the years ending 31 January 2016 to 31 January 2022.
- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Susan J Dawe

(Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Edinburgh

12 April 2022

STATEMENT OF COMPREHENSIVE INCOME

		Year to 31 January 2022			Year to 31 January 2021		
	Note	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Net gains on investments	7	–	8,224	8,224	–	51,440	51,440
Net currency gains/(losses)		–	55	55	(3)	(47)	(50)
Revenue	2	2,502	–	2,502	2,634	–	2,634
Investment management fee[1]		(328)	(1,312)	(1,640)	(216)	(864)	(1,080)
Performance fee	3	–	–	–	–	(2,819)	(2,819)
Other expenses	3	(629)	–	(629)	(486)	–	(486)
Net return on ordinary activities before finance costs and taxation		1,545	6,967	8,512	1,929	47,710	49,639
Finance costs	1(d)	(71)	(284)	(355)	(30)	(121)	(151)
Net return on ordinary activities before taxation		1,474	6,683	8,157	1,899	47,589	49,488
Taxation on ordinary activities	4	(313)	–	(313)	(264)	–	(264)
Net return attributable to shareholders		1,161	6,683	7,844	1,635	47,589	49,224
Net returns per Ordinary share	5	1.36p	7.81p	9.17p	1.97p	57.39p	59.36p

The total columns of this statement are the profit and loss accounts of the Company.

The revenue and capital items are presented in accordance with the Association of Investment Companies ('AIC') Statement of Recommended Practice 2021.

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued in the year.

The notes on pages 66 to 77 form part of these financial statements.

There is no other comprehensive income and therefore the return attributable to shareholders is also the total comprehensive income for the period.

[1]The details of the investment management fee are provided in the Report of the directors on page 43.

STATEMENT OF FINANCIAL POSITION

	Note	As at 31 January 2022 £000	As at 31 January 2022 £000	As at 31 January 2021 £000	As at 31 January 2021 £000
Fixed assets					
Investments at fair value through profit or loss	7		339,535		327,988
Current assets					
Trade receivables	8	160		1,076	
Cash and cash equivalents	9	6,589		10,043	
			6,749		11,119
Current liabilities					
Bank overdrafts	9	–		(16)	
Performance fee payable	10	–		(2,819)	
Trade payables	11	(450)		(2,701)	
			(450)		(5,536)
Total assets less current liabilities			345,834		333,571
Amounts falling due after more than one year					
Bank loan	12		(30,000)		(30,000)
Total net assets			315,834		303,571
Equity					
Called up Ordinary share capital	13	4,934		4,934	
Share premium account		11,424		6,221	
Capital redemption reserve		11,083		11,083	
Special distributable reserve		76,297		70,017	
Capital reserve	14	211,583		209,929	
Revenue reserve		513		1,387	
Total shareholders' funds			315,834		303,571
Net asset value per Ordinary share	15		364.6p		358.2p

The notes on pages 66 to 77 form part of these financial statements.

Martin Currie Global Portfolio Trust plc is registered in Scotland, company number SC192761.

The financial statements on pages 62 to 77 were approved by the Board of Directors on 12 April 2022 and signed on its behalf by

On behalf of the Board

Gillian Watson
Chairman

12 April 2022

STATEMENT OF CHANGES IN EQUITY

	Note	Called up Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Special distributable reserve £000	Capital reserve £000	Revenue reserve £000	Total £000
As at 31 January 2021		**4,934**	**6,221**	**11,083**	**70,017**	**209,929**	**1,387**	**303,571**
Net return attributable to shareholders		–	–	–	–	6,683	1,161	7,844
Ordinary shares issued	1(j), 13	–	5,203	–	7,833	550	–	13,586
Ordinary shares bought back	1(j), 13	–	–	–	–	(5,579)	–	(5,579)
Dividends paid	6	–	–	–	(1,553)	–	(2,035)	(3,588)
As at 31 January 2022		**4,934**	**11,424**	**11,083**	**76,297**	**211,583**	**513**	**315,834**

	Note	Called up Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Special distributable reserve £000	Capital reserve £000	Revenue reserve £000	Total £000
As at 31 January 2020		4,934	–	11,083	70,100	162,340	3,238	251,695
Net return attributable to shareholders		–	–	–	–	47,589	1,635	49,224
Ordinary shares issued	13	–	4,630	–	9,008	–	–	13,638
Ordinary shares bought back	13	–	–	–	(7,500)	–	–	(7,500)
Transfer between reserves[1]		–	1,591	–	(1,591)	–	–	–
Dividends paid	6	–	–	–	–	–	(3,486)	(3,486)
As at 31 January 2021		4,934	6,221	11,083	70,017	209,929	1,387	303,571

[1]Transfer from the special distributable reserve to the new share premium account of the premium over the weighted average price of shares issued from Treasury in prior years. Refer to accounting policy Note 1(j).

The notes on pages 66 to 77 form part of these financial statements.

STATEMENT OF CASH FLOW

	Note	Year to 31 January 2022 £000	Year to 31 January 2022 £000	Year to 31 January 2021 £000	Year to 31 January 2021 £000
Cash flows from operating activities					
Net return on ordinary activities before taxation			8,157		49,488
Adjustments for:					
Gains on investments	7	(8,224)		(51,440)	
Finance costs		355		151	
Dividend income	2	(2,493)		(2,593)	
Interest income	2	–		(28)	
Stock lending income	2	(9)		(13)	
Dividends received		2,489		2,621	
Interest received		–		28	
Stock lending income received		9		13	
Decrease in receivables		2		–	
(Decrease)/increase in payables		(2,885)		300	
Overseas withholding tax suffered	4	(313)		(264)	
			(11,069)		(51,225)
Net cash flows from operating activities			(2,912)		(1,737)
Cash flows for investing activities					
Purchases of investments		(45,791)		(86,285)	
Sales of investments	7	40,248		63,671	
Net cash flows from investing activities			(5,543)		(22,614)
Cash flows from financing activities					
Repurchase of Ordinary share capital		(5,544)		(7,500)	
Shares issued for cash		14,504		12,720	
Equity dividends paid	6	(3,588)		(3,486)	
Cash inflow from bank loan		–		30,000	
Interest and fees paid on bank loan		(355)		(84)	
Net cash flows from financing activities			5,017		31,650
Net (decrease)/increase in cash and cash equivalents			(3,438)		7,299
Cash and cash equivalents at the start of the year			10,027		2,728
Cash and cash equivalents at the end of the year			6,589		10,027

Analysis of debt

	Note	Year to 31 January 2021 £000	Cash flows £000	Exchange movements £000	Year to 31 January 2022 £000
Cash at bank	9	10,027	(3,438)	–	6,589
Bank loan	12	(30,000)	–	–	(30,000)
Net debt		(19,973)	(3,438)	–	(23,411)

The notes on pages 66 to 77 form part of these financial statements.

Note 1: Accounting policies

(a) For the reporting period, the Company is applying FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), which forms part of the Generally Accepted Accounting Practice ('UK GAAP') issued by the Financial Reporting Council ('FRC').

The Company's assets consist of a diverse portfolio of listed equity shares which, in most circumstances, are realisable within a very short timescale. The Directors are mindful of the principal and emerging risks and uncertainties disclosed on page 34 including those related to Covid-19, geopolitical risks and climate considerations.

They have reviewed revenue forecasts for the next two financial years, including liabilities arising from the loan facility, and believe that the Company has adequate financial resources to continue its operational existence for the period to 31 January 2024, which is at least 12 months from the date the financial statements are authorised for issue. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

These financial statements have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, FRS102 issued by the FRC and the revised Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (SORP) issued by the AIC in April 2021.

Functional currency – the Company is required to nominate a functional currency, being the currency in which the Company predominately operates. The Board has determined that sterling is the Company's functional currency, which is also the currency in which these financial statements are prepared. This is also the currency in which all expenses and dividends are paid.

The Directors have considered the impact of climate change on the value of the listed investments that the Company holds. In the view of the Directors, as the portfolio consists of listed equities, their market prices should reflect the impact, if any, of climate change and accordingly no adjustment has been made to take account of climate change in the valuation of the portfolio in these financial statements.

(b) Income from investments (other than capital dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend, or where no ex-dividend date is quoted, when the Company's right to receive payment is established. UK investment income is stated net of the relevant tax credit. Overseas dividends include any taxes deducted at source. Special dividends are credited to capital or revenue, according to the circumstances. Stock dividends are treated as unfranked investment income; any excess in value of the shares received over the amount of the cash dividend is recognised as a capital item in the statement of comprehensive income.

(c) Interest receivable and payable, investment management fees, performance fee (now discontinued) and other expenses are measured on an accrual basis.

(d) The investment management fee and finance costs in relation to debt are recognised four-fifths as a capital item and one-fifth as a revenue item in the statement of comprehensive income in accordance with the Board's expected long-term split of returns in the form of capital gains and revenue, respectively. Finance costs relate to interest and fees on bank loans and overdrafts. All other expenses are charged to revenue except where they directly relate to the acquisition or disposal of an investment, in which case, they are treated as described in (f) below. The performance fee (now discontinued) is recognised 100% as a capital item in the statement of comprehensive income as it relates to the capital performance of Company.

(e) Investments – investments have been classified upon initial recognition as fair value through profit or loss. Investments are recognised and derecognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned, and are initially measured as fair value. Subsequent to initial recognition, investments are valued at fair value. For listed investments, this is deemed to be bid market prices. Gains and losses arising from changes in fair value are included in net profit or loss for the year as a capital item in the statement of comprehensive income and are ultimately recognised in the capital reserve.

(f) Transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the statement of comprehensive income.

(g) Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the statement of financial position. Non-monetary items expressed in foreign currencies held at fair value are translated into sterling at rates of exchange ruling at the date the fair value is measured. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. Exchange gains and losses are taken to the income statement as a capital or revenue item depending on the nature of the underlying item.

(h) Cash and cash equivalents comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

(i) Dividends payable – under FRS102 dividends should not be accrued in the financial statements unless they have been approved by shareholders before the statement of financial position date. Dividends to equity shareholders are recognised in the statement of changes in equity when the shareholder's right to receive the payment is established. In the case of the fourth interim dividend, this would be the ex-dividend date of 7 April 2022.

(j) Called up ordinary share capital – represents the nominal value of the issued share capital including shares held in Treasury. This reserve is non-distributable.

The share premium account – when shares held in Treasury are reissued, the excess of the sales proceeds over the weighted average price of repurchase is allocated to the share premium account. This reserve is non-distributable.

The capital redemption reserve – represents the nominal value of the shares bought back and cancelled. This reserve is non-distributable.

The special distributable reserve – created through the cancellation and reclassification of the share premium account in 1999 and 2004. Prior to 1 February 2021, the costs of share buybacks and the proceeds of shares re-issued from Treasury up to the original cost of repurchase, calculated by applying the weighted average price of shares held in Treasury, were allocated to the special distributable reserve. This reserve is fully distributable.

The capital reserve – gains or losses on realisation of investments and changes in fair values of investments are transferred to the capital reserve. Any changes in fair values of investments that are not readily convertible to cash are treated as unrealised gains or losses within the capital reserve. The capital element of the investment management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve.

Following a review of the Company's uses of its available reserves and in order to maximise the reserves available for payments of dividends, effective 1 February 2021, the Board elected to deduct the costs of share buybacks from the realised portion of the capital reserve (which is distributable for this purpose) rather than the special distributable reserve. In addition, where any shares held in Treasury are re-issued, the proceeds up to the original cost of repurchase, calculated by applying the weighted average price of shares held in Treasury, are allocated to the realised portion of the capital reserve and to the special distributable reserve on a proportionate basis based on the number of shares in Treasury funded from each reserve.

The above change resulted in the capital reserve being £5,029,000 lower and the special distributable reserve being £5,029,000 higher at 31 January 2022 than if the change in accounting policy had not been made.

The revenue reserve – represents net revenue earned that has not been distributed to shareholders. This reserve is fully distributable.

(k) Taxation – the charge for taxation is based upon the revenue for the year and is allocated according to the marginal basis between revenue and capital using the Company's effective rate of corporation tax for the accounting period.

(l) Deferred taxation – deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the statement of financial position date measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets being recognised only if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying temporary differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Due to the Company's status as an investment trust, and the intention to continue meeting the conditions required to obtain approval as an investment trust in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(m) Stock lending income (now discontinued) is received net of associated costs and recognised in revenue as earned.

(n) There have been no significant judgements, estimates or assumptions for the year.

(o) Bank loans are classified as financial liabilities at amortised cost. Interest payable on the bank loan is accounted for on an accrual basis in the statement of comprehensive income.

Note 2: Revenue from investments

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Dividends from listed investments		
UK equities	210	166
International equities	2,283	2,427
Other revenue		
Interest on deposits	–	28
Stock lending	9	13
	2,502	2,634

There were no capital dividends received during the year ended 31 January 2022 (2021: £nil).

Note 3: Other expenses

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Directors' fees	139	145
Advertising and public relations	96	95
Secretarial fee	67	66
Depositary fees	66	10
Audit fees[1]	58	46
Registration fees	41	36
Regulatory and listing fees	64	41
Custody fees	31	28
Legal fees	31	44
Printing and postage	25	13
Directors' and officers' liability insurance	10	7
VAT recovered	(44)	(69)
Other	45	24
	629	486

All expenses detailed above include VAT where applicable.

[1]In addition to the annual audit fee paid by the Company to EY the following were also paid to EY on behalf of the Company:

- In relation to the 2021 annual audit, State Street Bank acting as the administrators paid overrun fees of £5,000 plus VAT; and
- During the year to 31 January 2022 the Company changed administrators and Martin Currie Investment Management paid the additional audit fee in relation to this change, which was £3,000 plus VAT.

Performance fee

With effect from 1 February 2021, the performance fee arrangement was discontinued and the investment management fee amended from 0.4% to 0.5% per annum for the first £300 million of the Company's net asset value (excluding income) and from 0.4% to 0.35% for net assets (excluding income) in excess of £300 million. The performance fee earned in the year ended 31 January 2021 was £2,819,000, this amount was paid in May 2021.

Note 4: Taxation on ordinary activities

	Year ended 31 January 2022			Year ended 31 January 2021		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Overseas tax suffered	313	–	313	264	–	264

The corporation tax rate was 19.00% (2021: 19.00%). The tax charge for the year differs from the charge resulting from applying the standard rate of corporation tax in the UK for an investment trust company. The differences are explained below.

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Net return before taxation	8,157	49,488
Corporation tax at rate of 19.00% (2021: 19.00%)	1,550	9,403
Effects of:		
UK dividends not taxable	(40)	(32)
Currency losses not taxable	–	9
Gains on investments not taxable	(1,573)	(9,773)
Overseas dividends not taxable	(434)	(464)
Overseas tax suffered	313	264
Increase in excess management and loan expenses	497	857
Total tax charge for the year	313	264

As at 31 January 2022, the Company had unutilised management expenses of £42 million (2021: £40 million) carried forward. Due to the Company's status as an investment trust and the intention to continue to meet the conditions required to obtain approval for that status in the foreseeable future, the Company has not provided deferred tax on capital gains and losses arising on the revaluation or disposal of investments.

Note 5: Returns per share

	Year ended 31 January 2022	Year ended 31 January 2021
The returns and net asset value per Ordinary share are calculated with reference to the following figures:		
Revenue return £000	1,161	1,635
Capital return £000	6,683	47,589
Total return £000	7,844	49,224
Weighted average number of shares in issue during the year	85,587,856	82,918,070
Revenue return per share	1.36p	1.97p
Capital return per share	7.81p	57.39p
Total return per share	9.17p	59.36p

Note 6: Dividends

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Year ended 31 January 2020 – fourth interim dividend of 1.50p	–	1,257
Year ended 31 January 2021 – fourth interim dividend of 1.50p	1,270	–
Year ended 31 January 2022 – first interim dividend of 0.90p (2021: 0.90p)	765	739
Year ended 31 January 2022 – second interim dividend of 0.90p (2021:0.90p)	774	736
Year ended 31 January 2022 – third interim dividend of 0.90p (2021: 0.90p)	779	754
	3,588	3,486

Revenue return per share for the year ended 31 January 2022 is 1.36p (2021: 1.97p), refer to note 5 on page 69 for details of calculation.

The fourth interim dividend for the year ended 31 January 2021 and the first interim dividend for the year ended 31 January 2022 have been allocated to the revenue reserve. The second and third interim dividends for the year ended 31 January 2022 have been allocated to the special distributable reserve. All dividends paid in the year ended 31 January 2021 were allocated to the revenue reserve.

Set out below are the total dividends paid/payable in respect of the financial year which forms the basis on which the requirements of s1158-1159 of the Corporation Taxes Act 2010 are considered.

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
First interim dividend of 0.90p for the year ended 31 January 2022 (2021: 0.90p)	765	739
Second interim dividend of 0.90p for the year ended 31 January 2022 (2021: 0.90p)	774	736
Third interim dividend of 0.90p for the year ended 31 January 2022 (2021: 0.90p)	779	754
Proposed fourth interim dividend of 1.50p for the year ended 31 January 2022 (2021: 1.50p)	1,285	1,270
	3,603	3,499

Note 7: Investments at fair value through profit or loss

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Opening book cost	225,072	191,768
Opening investment holding gains	102,916	59,946
Opening market value	327,988	251,714
Additions at cost	43,571	88,505
Disposals proceeds received	(40,248)	(63,671)
Gains on investments	8,224	51,440
Market value of investments held at 31 January	339,535	327,988
Closing book cost	238,463	225,072
Closing investment holding gains	101,072	102,916
Closing market value	339,535	327,988

The Company received £40,248,000 (2021: £63,671,000) from investments sold in the year. The book cost of these investments when they were purchased was £30,180,000 (2021: £55,201,000).

The transaction costs in acquiring investments during the year were £52,000 (2021: £193,000). For disposals, transaction costs were £20,000 (2021: £32,000).

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Net realised gains on investments	10,068	8,470
Net change in unrealised (losses) and gains on investments	(1,844)	42,970
Total capital gains and losses	8,224	51,440

Note 8: Trade receivables

	As at 31 January 2022 £000	As at 31 January 2021 £000
Taxation recoverable	103	134
VAT recoverable	49	–
Dividends receivable	7	24
Amount receivable for Ordinary shares issued	–	918
Other debtors	1	–
	160	1,076

Note 9: Cash and cash equivalents

	As at 31 January 2022 £000	As at 31 January 2021 £000
Sterling bank account	6,589	10,043
Non-sterling bank account	–	(16)
	6,589	10,027

Note 10: Payables – performance fee

	As at 31 January 2022 £000	As at 31 January 2021 £000
Performance fee payable	–	2,819

With effect from 1 February 2021, the performance fee arrangement was discontinued and the investment management fee amended from 0.4% to 0.5% per annum for the first £300 million of the Company's net asset value (excluding income) and from 0.4% to 0.35% for net assets (excluding income) in excess of £300 million.

Note 11: Trade payables

	As at 31 January 2022 £000	As at 31 January 2021 £000
Amounts falling due within one year:		
Investment management and secretarial fees	134	323
Interest accrued on bank loan	67	67
Purchases awaiting settlement	35	2,220
Other payables	214	91
	450	2,701

Note 12: Payables – amounts falling due after more than one year

	As at 31 January 2022 £000	As at 31 January 2021 £000
Bank loan	30,000	30,000
	30,000	30,000

On 23 November 2020, the Company entered into an unsecured three year £30 million sterling term loan facility agreement with The Royal Bank of Scotland International Limited at a fixed interest rate of 1.181%. This facility was fully drawn down on 24 November 2020.

The facility agreement contains covenants that the adjusted investment portfolio value at each month end should not be less than £120 million, the gross borrowings should not exceed 30% of the Company's adjusted investment portfolio value and the portfolio must contain at least 22 eligible investments. The facility is shown at amortised cost.

Finance costs are charged to capital (80%) and revenue (20%) in accordance with the Company's accounting policies.

Note 13: Ordinary shares of 5p

	Number of shares	As at 31 January 2022 £000	Number of shares	As at 31 January 2021 £000
Ordinary shares of 5p				
Ordinary shares in issue at the beginning of the year	84,759,499	4,237	83,364,105	4,167
Ordinary shares issued from Treasury during the year	3,415,000	171	3,815,000	191
Ordinary shares bought back to Treasury during the year	(1,558,095)	(78)	(2,419,606)	(121)
Ordinary shares in issue at end of the year	86,616,404	4,330	84,759,499	4,237

	Number of shares	As at 31 January 2022 £000	Number of shares	As at 31 January 2021 £000
Treasury shares (Ordinary shares of 5p)				
Treasury shares in issue at the beginning of the year	13,916,408	697	15,311,802	767
Ordinary shares issued from Treasury during the year	(3,415,000)	(171)	(3,815,000)	(191)
Ordinary shares bought back to Treasury during the year	1,558,095	78	2,419,606	121
Treasury shares in issue at end of the year	12,059,503	604	13,916,408	697
Total Ordinary shares in issue and in Treasury at the end of the year	98,675,907	4,934	98,675,907	4,934

For the financial year to 31 January 2022, the proceeds received for shares issued from Treasury less payments made for shares bought back to Treasury was £8,007,000 (2021: the proceeds received for shares issued from Treasury less payments made for shares bought back to Treasury was £6,138,000).

Between 1 February 2022 and 7 April 2022, 985,975 Ordinary shares of 5p were bought back to Treasury and no Ordinary shares of 5p were issued from Treasury.

Note 14: Capital reserve

	Realised capital reserve £000	Unrealised investment holding gains £000	Total capital reserve £000
As at 31 January 2021	107,013	102,916	209,929
Gains on realisation of investments at fair value	10,068	–	10,068
Movement in fair value gains of investments	–	(1,844)	(1,844)
Realised currency gains during the year	55	–	55
Cost of shares bought back into Treasury	(5,579)	–	(5,579)
Proceeds from the issue of Shares from Treasury[1]	550	–	550
Capital expenses	(1,596)	–	(1,596)
As at 31 January 2022	**110,511**	**101,072**	**211,583**

[1]Refer to accounting policy 1(j) for details on the calculation of the proceeds.

The above split in capital reserve is shown in accordance with provisions of the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts 2021'.

Note 15: Net asset value per share

	As at 31 January 2022	As at 31 January 2021
Net assets attributable to shareholders	£315,834,000	£303,571,000
Number of shares in issue at the year end	86,616,404	84,759,499
Net asset value per share	364.6p	358.2p

Note 16: Related party transactions

With the exception of the investment management and secretarial fees (as disclosed on page 43), performance fee paid in the year relating to the prior financial year (as disclosed on page 68), Directors' fees (disclosed on page 53), and Directors' shareholdings (disclosed on page 52), there have been no related party transactions during the year, or in the prior year.

The amounts payable for Directors' fees as at 31 January 2022 are £14,000 (2021: £12,000).

Note 17: Financial instruments

The Company's financial instruments comprise securities and other investments, cash balances, receivables and payables that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and receivables for accrued income.

The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, for the purpose of managing currency and market risks arising from the Company's activities.

The main risks the Company faces from its financial instruments are (a) market price risk (comprising (i) interest rate risk, (ii) currency risk and (iii) other price risk), (b) liquidity risk and (c) credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The AIFM's policies for managing these risks are summarised below and have been applied throughout the year.

The numerical disclosures exclude short-term receivables and payables, other than for currency disclosures.

(a) Market price risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, currency risk and other price risk.

(i) Market risk arising from interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate and reviews these on a regular basis. Borrowings may comprise fixed rate, revolving, and uncommitted facilities. The total borrowings will not exceed 20% of the net assets of the Company at time of drawdown. On 23 November 2020, the Company entered into a £30 million sterling term loan facility agreement. The facility was fully drawn down on 24 November 2020 and the term loan is shown at amortised cost.

Interest risk profile

The interest rate risk profile of the Company at the reporting date was as follows:

	As at 31 January 2022	As at 31 January 2021
Cash and cash equivalents	6,589	10,027
Total net exposure to interest rate risk	6,589	10,027

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the statement of financial position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 75 (2021: 75) basis points higher or lower and all other variables were held constant, the Company's profit for the year ended 31 January 2022 would increase/decrease by £49,000 (2021: increase/decrease by £75,000).

This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances.

As at 31 January 2022 an interest rate of 0.75% is used, given that the prevailing base rate is 0.50%. This level is considered possible based on observations of market conditions and historic trends.

(ii) Market risk arising from foreign currency risk

A significant proportion of the Company's investment portfolio is invested in overseas securities and the statement of financial position can be significantly affected by movements in foreign exchange rates. It is not currently the Company's policy to hedge this risk.

The revenue account is subject to currency fluctuation arising on overseas income.

Foreign currency risk profile

Foreign currency risk exposure by currency of denomination:

	Year ended 31 January 2022 Total currency exposure £000	Year ended 31 January 2021 Total currency exposure £000
US dollar	172,981	167,201
Euro	78,826	66,818
Swedish krona	36,204	32,717
Hong Kong dollar	29,203	37,725
Australian dollar	10,510	10,917
Danish krone	10,195	10,198
Swiss franc	12	25
Canadian dollar	–	(16)
Total overseas investments	337,931	325,585
Sterling	(22,096)	(22,014)
Total	315,835	303,571

The asset allocation between specific markets can vary from time to time based on the portfolio manager's opinion of the attractiveness of the individual stocks.

Foreign currency sensitivity

At 31 January 2022, if sterling had strengthened by 5% in relation to all currencies, with all other variables held constant, total net assets and total return on ordinary activities would have decreased by the amounts shown below. A 5% weakening of sterling against all currencies, with all other variables held constant, would have had an equal but opposite effect on the financial statement amounts. The level of change is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	Year ended 31 January 2022 £000	Year ended 31 January 2021 £000
Total net sensitivity to foreign currencies	16,897	16,279

(iii) Market risk arising from other price risk

Other price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. The allocation of assets to international markets as detailed on page 75, and the stock selection process both act to reduce market risk. The investment manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. All investments held by the Company are listed on various stock exchanges worldwide.

Other price risk sensitivity

If market prices at the statement of financial position date had been 30% (2021: 30%) higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders at the year ended 31 January 2022 would have increased/decreased by £101,900,000 (2021: increase/decrease of £98,400,000) and capital reserves would have increased/ decreased by the same amount. This level of change is considered to be reasonably possible based on observation of market conditions and historic trends.

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary.

(c) Credit risk

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit ratings are reviewed periodically by the portfolio manager, and limits are set on the amount that may be due from any one broker; and
- cash is held only with reputable banks with high-quality external credit ratings.

The maximum credit risk exposure as at 31 January 2022 was £6,749,000 (2021: £11,103,000). This was due to trade receivables and cash as per notes 8 and 9.

Fair values of financial assets and financial liabilities

All financial assets and liabilities of the Company are included in the statement of financial position at fair value or a reasonable approximation of fair value with no material difference in the carrying amount.

Note 18: Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern;
- to maximise the return to its equity shareholders through an appropriate balance of equity capital and debt; and
- to limit gearing to 20% of net assets at time of drawdown.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes the nature and planned level of gearing, which takes account of the portfolio manager's views on the market and the extent to which revenue in excess of that which is required to be distributed under the investment trust rules should be retained.

The capital of the Company consists of the equity reserves as shown on the equity section of the Statement of Financial Position.

Note 19: Fair value hierarchy

Under FRS 102, the Company is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc);
- Level 3: significant unobservable input (including the Company's own assumptions in determining the fair value of investments).

The financial assets measured at fair value through profit and loss are grouped into the fair value hierarchy as follows:

At 31 January 2022	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	339,535	–	–	339,535
Net fair value	339,535	–	–	339,535

At 31 January 2021	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	327,988	–	–	327,988
Net fair value	327,988	–	–	327,988

Note 20: Stock lending

Up until 31 July 2021 the Company had a Securities Lending Authorisation Agreement with State Street Bank & Trust Company. From 1 August 2021 the Company no longer undertakes any stock lending activity.

At the reporting date the Company was no longer involved in securities financing transactions (SFTs) as defined in Article 3 of Regulation (EU) 2015/2365. As a result of this there are no outstanding balances, collateral, or SFTR counterparties at the reporting date.

As at 31 January 2021 £11,475,000 of investments were subject to stock lending agreements and £12,220,000 was held in collateral. The prior year end collateral was held in the form of cash (in GBP, USD or EUR), government securities issued by any of the OECD countries or equity securities listed and/or traded on an exchange in the following countries: Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, Switzerland and USA.

The value of collateral in respect of the securities on loan was not less than the value of the securities lent during the period to 31 July 2021.

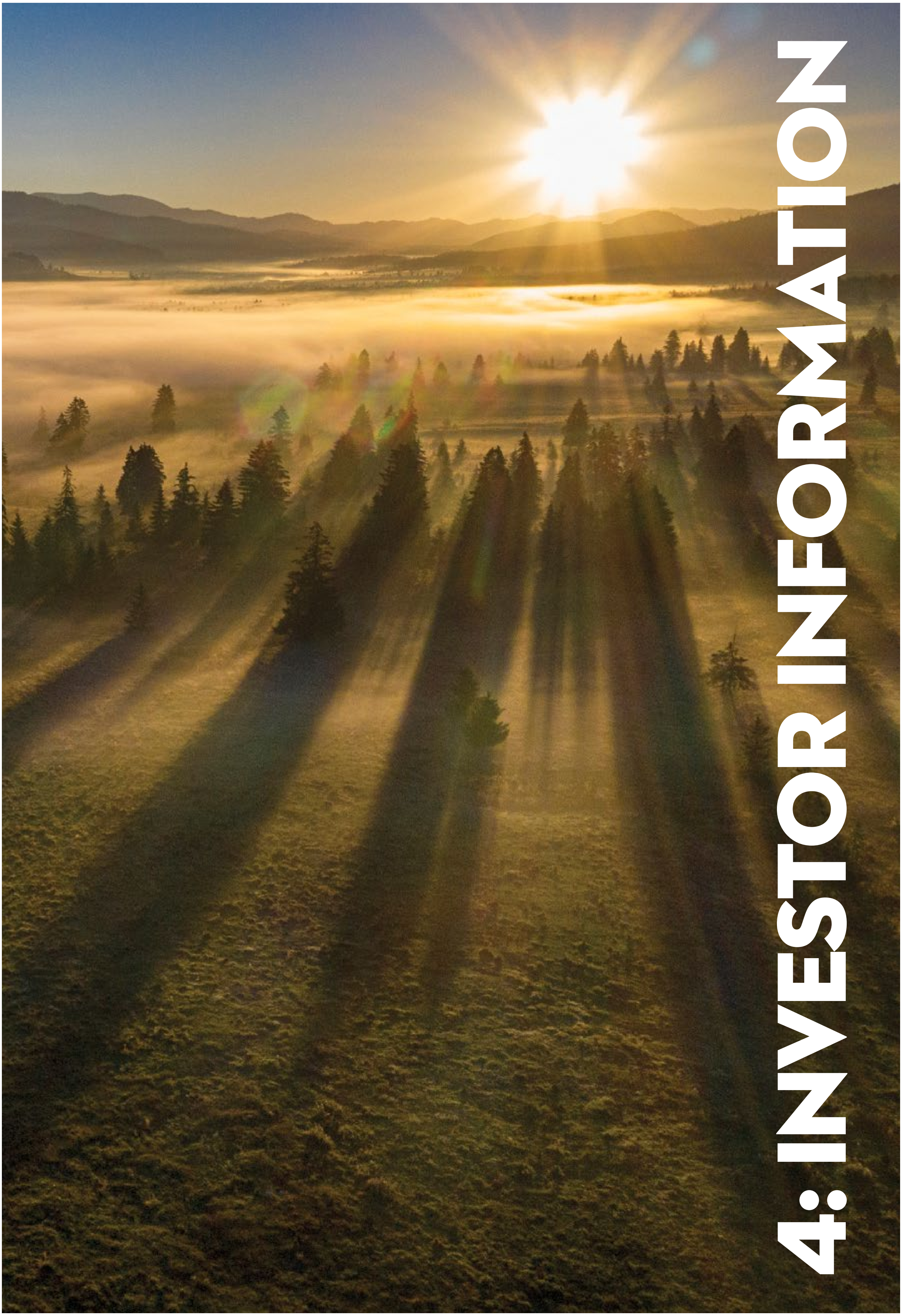
The maximum aggregate value of securities on loan at any time during the accounting period was £21,309,000.

The gross earnings and the fees paid for the year are £11,000 (2021: £16,000) and £2,000 (2021: £3,000) respectively.

Note 21: Post balance sheet events

On 24 March 2022, the Board declared a fourth interim dividend of 1.50p per share.

As at 7 April 2022, the Company had bought back a further 985,975 ordinary shares at an average price of 333.2p per share.



4: INVESTOR INFORMATION

Directors and Advisers

Directors

Gillian Watson (Chairman)
Lindsay Dodsworth
Marian Glen
Gary Le Sueur
Christopher Metcalfe

Alternative Investment Fund Manager and Company Secretary

Franklin Templeton Investment Trust Management Limited
5 Morrison Street
Edinburgh EH3 8BH

Investment Manager

Martin Currie Investment Management Limited
Saltire Court
20 Castle Terrace
Edinburgh EH1 2ES
www.martincurrie.com

Martin Currie Investment Management Limited is authorised and regulated by the Financial Conduct Authority.

Registered office

Martin Currie Global Portfolio Trust plc
Saltire Court
20 Castle Terrace
Edinburgh EH1 2ES
Registered in Scotland, registered number SC192761

Independent Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Broker

JPMorgan Cazenove Limited
25 Bank Street
Canary Wharf
London E14 5SP

Registrar

Link Group
10th Floor
Central Square
29 Wellington Street
Leeds LS1 4DL
www.linkgroup.eu

Bankers

The Royal Bank of Scotland International Limited
London Branch, 1 Princes Street
London EC2R 8BP

Depositary

JPMorgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP

Custodian

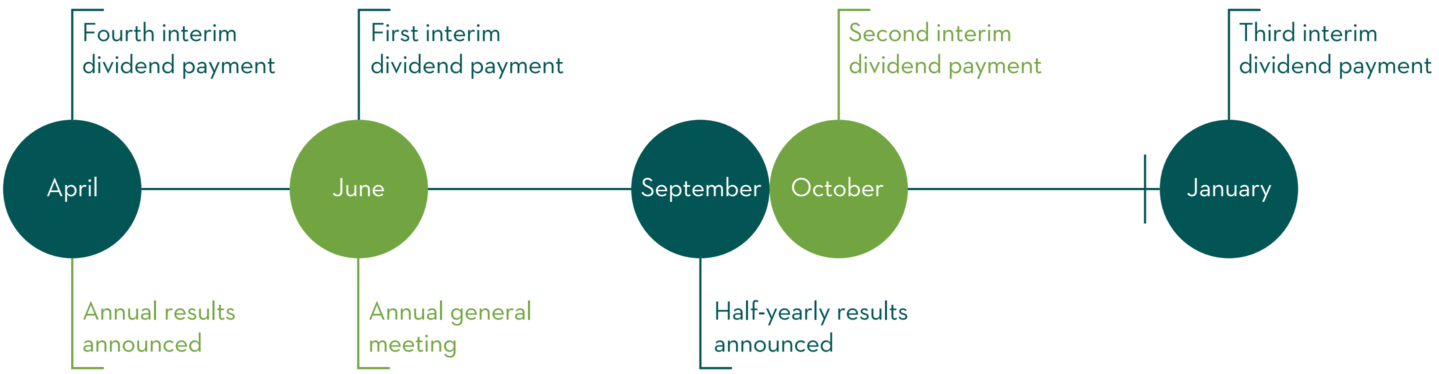
JPMorgan Chase Bank N.A.
25 Bank Street
Canary Wharf
London E14 5JP

Association of Investment Companies

9th Floor
24 Chiswell Street
London EC1Y 4YY
www.theaic.co.uk

Martin Currie Global Portfolio Trust is a member of the AIC (the trade body of the investment company industry).

Financial calendar – key dates 2022/23



STOCK LENDING DISCLOSURE

At the reporting date the Company was no longer involved in securities financing transactions (SFTs) as defined in Article 3 of Regulation (EU) 2015/2365. As a result of this there are no outstanding balances, collateral, or SFTR counterparties at the reporting date.

During the reporting year the Company was engaged in securities lending, the net securities lending income is disclosed in note 2 to the financial statements.

The European Securities and Markets Authority ('ESMA') has published guidelines on Alternative Performance Measures ('APMs'). APMs are defined as being a 'financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable accounting framework.' The guidelines aim to improve comparability, reliability and/or comprehensibility of APMs. The Company uses the following APMs throughout the annual report, financial statements and notes to the financial statements:

Benchmark total return

A measure showing how the benchmark has performed over a period of time, considering both capital returns and dividends paid to shareholders.

Discount/Premium

Discount

The amount, expressed as a percentage, by which the share price is less than the net asset value per share.

Premium

The amount, expressed as a percentage, by which the share price is more than the net asset value per share.

As at 31 January 2022 the share price was 356.5p and the net asset value per share (cum-income) was 364.6p, the discount was therefore 2.2% (2021: 3.3%).

Gearing

Gearing means borrowing money to buy more assets in the hope that the company makes enough profit to pay back the debt and interest and leave something extra for shareholders. However, if the investment portfolio does not perform well, gearing can increase losses. The more an investment company gears, the higher the risk.

The gearing on 31 January 2022 was 9.5% (2021: 9.9%). The calculation of gearing is provided below.

	2022 £000	2021 £000
Borrowing (a)	30,000	30,000
Net assets (b)	315,834	303,571
Gearing % (a)/(b)	9.5%	9.9%

NAV per share

A common measure of the underlying value of a share in an investment company.

The net asset value ('NAV') is the value of the investment company's assets, less any liabilities that it has. The NAV per share is the NAV divided by the number of shares in issue. This will very often be different to the share price. The difference is known as the discount or premium.

The NAV per share quoted is the cum-income NAV per share unless otherwise noted.

As shown in note 15 the NAV per share was 364.6p as at 31 January 2022 (2021: 358.2p).

NAV total return

A measure showing how the net asset value ('NAV') per share has performed over a period of time, considering both capital returns and dividends paid to shareholders.

NAV total return shows performance which is not affected by movements in discounts and premiums. It also considers the fact that different investment companies pay out different levels of dividends.

The NAV total return performance, calculated using the cum-income NAV, for the year end 31 January 2022 was 2.9%.

	2022	2021
NAV at start of financial year	358.2p	301.9p
NAV at end of financial year	364.6p	358.2p
Effect of dividend reinvestment[1]	4.0p	4.7p
NAV at the end of the financial year including effect of dividends	368.6p	362.9p
NAV total return	2.9%	20.2%

[1]Dividend assumed to be reinvested on ex-date (see table of ex-dates overleaf).

Share price total return

A measure showing how the share price has performed over a period of time, considering both capital returns and dividends paid to shareholders. The share price total return for the year end 31 January 2022 was -2.6%.

	2022	2021
Share price at start of financial year	370.0p	311.0p
Share price at end of financial year	356.5p	370.0p
Effect of dividend reinvestment[1]	3.9p	4.7p
Share price at the end of the year including effect of dividends	360.4p	374.7p
Share price total return	-2.6%	20.5%

[1]Dividend assumed to be reinvested on ex-date (see table of ex-dates overleaf).

31 January 2022	Dividend rate	NAV	Share price
31 January 2021	n/a	358.2p	370.0p
8 April 2021	1.5p	373.4p	369.0p
8 July 2021	0.9p	402.6p	402.0p
7 October 2021	0.9p	389.0p	386.0p
6 January 2022	0.9p	396.5p	402.0p
31 January 2022	n/a	364.6p	356.5p

31 January 2021			
31 January 2020	n/a	301.9p	311.0p
9 April 2020	1.5p	283.0p	283.0p
2 July 2020	0.9p	326.4p	322.0p
1 October 2020	0.9p	342.4p	339.5p
7 January 2021	0.9p	371.2p	374.0p
31 January 2021	n/a	358.2p	370.0p

Ongoing charges

Ongoing charges are the total of the Company's expenses including both the investment management fee (excluding performance fees, if any) and other costs expressed as a percentage of NAV.

The calculation of the ongoing charges is provided below.

Ongoing charges are calculated with reference to the following figures:

	Year ended 31 January 2022			Year ended 31 January 2021		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Investment management fee	(328)	(1,312)	(1,640)	(216)	(864)	(1,080)
Other expenses	(629)	–	(629)	(486)	–	(486)
Total expenses	(957)	(1,312)	(2,269)	(702)	(864)	(1,566)
Average net assets over the year			335,858			270,168
Ongoing charges			0.68%			0.58%
Ongoing charges plus performance fee[1]			0.68%			1.62%

[1]With effect from 1 February 2021, the performance fee arrangement was discontinued.

Full details of the investment management fee are included in the Report of the directors on page 43, details of the Directors' fees are included in the Directors' remuneration statement on pages 52 and 53.

Assets

Anything owned or controlled that has value. For investment companies, this might include shares and securities, property, cash etc.

Basis Points

A common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001, and is used to denote the percentage change in a financial instrument.

Benchmark

An index or other measure against which the performance of an investment company is compared or its objectives are set.

The financial statements will include an explanation of how a company has performed against its benchmark over the year and the reasons for any under or over performance.

Bid price

The price at which you sell your shares when two prices are quoted. This is sometimes shown as the 'sell' price and will be the lower of the two prices shown.

Dividend

Income from an investment in shares. Dividends are usually paid twice a year but can also be paid quarterly or monthly. Not all investment companies pay dividends. Dividend income is not guaranteed and may fall as well as rise.

Environmental, social and corporate governance (ESG)

Assessment of material environmental, social and corporate governance (ESG) factors and the potential impact on that company's cash flows, statement of financial position, reputation and, ultimately, corporate value in the long term.

Leverage

Leverage is defined in the AIFM Regulations as any method by which the Company increases its exposure, whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. Leverage is measured in terms of the Company's exposure and is expressed as a percentage of net asset value. Pursuant to the AIFM Regulations, it can be calculated using a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Internal and external AIFM

Under the AIFM Regulations, the AIFM of a company may be either (a) another person appointed by or on behalf the company and which, through that appointment, is responsible for managing the company (an 'external AIFM'); or (b) where the legal form of the company permits internal management and the board chooses not to appoint an external AIFM, the company itself (an 'internal AIFM'). Franklin Templeton Investment Trust Management Limited is the external AIFM of the Company.

Investment company

A closed-ended fund which invests in a diversified portfolio of assets. Investors buy and sell their shares in the investment company on a stock exchange.

Investment trust

An investment company which is based in the UK and which meets certain tax conditions so that it does not pay tax on gains made within the portfolio.

Net assets – cum-income

A measure of the size of an investment company. The total value of all assets held, less liabilities and prior charges, including income for the current year.

Net assets – excluding income

A measure of the size of an investment company. The total value of all assets held, less liabilities and prior charges, excluding income for the current year.

Offer price

The price at which you can buy shares when two prices are quoted. This is also shown as the 'buy' price and will be the higher of the two prices.

Peer group

The Board monitors performance against the Company's peer group, the AIC Global Sector.

Share buybacks

Describes an investment company buying its own shares and reducing the number of shares held in the market.

Share buybacks can be used to return money to shareholders but are also often used to tackle a company's discount. Discounts may reflect an imbalance between the demand for shares and the number of shares held in the market. The hope is that, by reducing the number of shares held in the market, the buyback will help to prevent the discount widening or even reduce it. See also under Treasury shares below.

Share price

The price of a share as determined by the stock market.

If you see a single share price shown, it is likely that this is the mid-market price. This is different to the price at which you buy and sell the shares, which are known as the bid price (sell) and offer price (buy).

Stock lending

The act of loaning a stock or security to a third party for a fee.

Treasury shares

Shares in a company's own share capital which the company itself owns and which can be sold to investors to raise new funds.

Treasury shares come into existence only when a company buys back shares. Instead of cancelling the shares (i.e. they cease to exist) they are held 'in Treasury' by the company and can be sold at a later date to raise new funds.

Volatility

A measure of how much a share moves up and down in price over a period of time.

Zero discount policy

A mechanism that aims to ensure that, in normal market conditions, the share price trades close to NAV.

WAYS TO INVEST IN THE COMPANY

The Company's shares qualify for tax efficient wrapper products like individual savings accounts ('ISAs') and self-invested personal pensions ('SIPPs') as well as many other investment wrappers that can be used, including those designed for children.

Platforms, fund supermarkets and online stockbrokers

You can invest using a number of fund platforms and fund supermarkets. Many offer wrapper products like ISAs and SIPPs and children's savings products. A number of real-time execution only stockbroking services also allow you to trade online, manage your portfolio and buy UK listed shares. These services do not offer financial advice and if you are unsure about investing, we recommend that you speak to a qualified financial adviser.

Independent financial advisers

An increasing number of independent financial advisers are including investment trusts within their investment recommendations for clients. To find an adviser who advises on investment trusts, visit www.unbiased.co.uk.

Private client stockbrokers

If you have a large sum to invest, you may want to contact a private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit the Personal Investment Management & Financial Advice Association: www.pimfa.co.uk.

Link Group

You can buy and sell shares directly by visiting www.linkgroup.eu/share-deal or by calling the Link dealing team on 0371 664 0454. To change your address, request tax vouchers or obtain an up to date valuation of your shareholding please visit www.signalshares.com.

Alternatively, contact Link Group on 0371 664 0300 calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open 9:00am – 5:30pm Mon-Fri).

Trading codes

(You may be asked for these when investing)

TIDM code: MNP	Sedol: 0537241
Reuters code: MNP.L	ISIN: GB0005372411

Shareholder services

The registrars of the Company are Link Group. You can buy and sell shares directly by calling the Link dealing team on 0371 664 0454.

For other services you can contact Link by telephone, online or by email to shareholderenquiries@linkgroup.co.uk.

Contact details	www.linkgroup.eu	0371 664 0300
Opening times	24 hours	9:00am - 5:30pm Monday to Friday
Change your address	✓	✓
Request dividend confirmations	–	✓
Valuation	✓	✓
Online proxy voting	✓	–
Dividend payment records	✓	✓
Register and change bank mandate instructions for receipt of dividends	✓	✓
Elect to receive shareholder communication electronically	✓	✓
Request/download shareholder forms	✓	✓

Checking the share price

The share price is available through many sources including www.londonstockexchange.com and www.martincurrieglobal.com.

Notice is hereby given that the annual general meeting ('AGM') of Martin Currie Global Portfolio Trust plc (the 'Company') will be held at the Waldorf Astoria The Caledonian, Princes Street, Edinburgh EH1 2AB on Thursday, 16 June 2022 at 11.00 am, to consider and, if thought fit, pass the resolutions below.

The resolutions numbered 1 to 13 are proposed as ordinary resolutions and must receive more than 50% of the votes cast in favour in order to be passed. The resolutions numbered 14 to 18 are proposed as special resolutions and must receive at least 75% of the votes cast in in favour in order to be passed.

Ordinary business

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. That the Report of the directors and auditors and the financial statements for the year ended 31 January 2022 be received;
2. That the Directors' annual remuneration report for the year ended 31 January 2022 be approved;
3. That the Directors' remuneration policy be approved;
4. That the dividend policy be approved;
5. That Marian Glen be re-elected as a Director;
6. That Gary Le Sueur be re-elected as a Director;
7. That Christopher Metcalfe be re-elected as a Director;
8. That Gillian Watson be re-elected as a Director;
9. That Lindsay Dodsworth be elected as a Director;
10. That Ernst & Young LLP be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company;
11. That the Directors be authorised to fix the remuneration of the auditors for the year ending 31 January 2023; and
12. That, in substitution for any existing authority, the directors of the Company be and are hereby generally and unconditionally authorised pursuant to s551 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in s560 of the Act) up to a maximum nominal amount of £1,427,173 (being approximately one third of the issued share capital of the Company (excluding Treasury shares) as at 7 April 2022, being the latest practicable date before the date of this notice) provided that the authority hereby given shall expire on 30 July 2023 or, if earlier, the conclusion of the annual general meeting of the Company in 2023 save that the Company may, at any time before the expiry of such authority, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such authority and the directors may allot equity securities in pursuance of such an offer or agreement as if such authority had not expired.

Special business

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

13. That the proposed new investment policy, as detailed in the Annual Report and Financial Statements and a copy of which is initialled by the Chairman for the purpose of identification and production at the annual general meeting, be and is hereby approved and adopted with effect from 16 June 2022 as the Company's investment policy in place of its existing investment policy.

To consider and, if thought fit, pass the following resolutions as special resolutions:

14. That, pursuant to Article 12 of the Articles of Association of the Company and in accordance with s701 of the Companies Act 2006 (the 'Act') and in substitution for any existing authority, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of s693(4) of the Act) of Ordinary shares of 5 pence each in the capital of the Company provided that:
    (a) the maximum aggregate number of Ordinary shares hereby authorised to be purchased is 12,836,001 (or, if less, 14.99% of the number of Ordinary shares in issue (excluding Treasury shares) immediately prior to the passing of this resolution);
    (b) the minimum price which may be paid for an Ordinary share is 5 pence (exclusive of expenses);
    (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be not more than the higher of
        (i) 5% above the average of the mid-market quotations for an Ordinary share of the Company as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the date of purchase; and
        (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange;
    (d) the authority hereby conferred shall expire 15 months after the date of passing of this resolution or, if earlier, at the conclusion of the AGM of the Company in 2023, unless such authority is renewed, issued or revoked prior to such time; and
    (e) the Company may conclude a contract to purchase Ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary shares in pursuance of any such contract as if the authority hereby confirmed had not expired.

15. That the Directors be and they are hereby empowered in accordance with s570 and s573 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in s560 of the Act), where they are generally authorised pursuant to the authority to allot equity securities conferred upon them by resolution 11 and/or to sell Ordinary shares held by the Company as Treasury shares, for cash, as if s561 of the Act did not apply provided that the power conferred by this resolution shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £428,152 (being an amount equal to 10% of issued equity share capital (excluding Treasury shares) as at 7 April 2022 being the latest practicable date before the date of this notice). Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 30 July 2023 or, if earlier at the conclusion of the annual general meeting of the Company in 2023, save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

16. That, in addition to any authority granted under resolution 15, the Directors be and they are hereby empowered in accordance with s570 and s573 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in s560 of the Act), where they are generally authorised pursuant to the authority to allot equity securities conferred upon them by resolution 11 and/or to sell Ordinary shares held by the Company as Treasury shares, for cash, as if s561 of the Act did not apply provided that the power conferred by this resolution shall be limited to the further allotment of equity securities having a nominal amount not exceeding in aggregate £428,152 (being an amount equal to 10% of issued equity share capital (excluding Treasury shares) as at 7 April 2022 being the latest practicable date before the date of this notice).

    Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 30 July 2023 or, if earlier, at the conclusion of the annual general meeting of the Company in 2023, save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

17. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice. Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 30 July 2023 or, if earlier, at the conclusion of the annual general meeting of the Company in 2023.

18. That the Articles of Association produced to the Meeting and signed by the chairman of the Meeting for the purposes of identification be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association with effect from the conclusion of the Meeting.

By order of the Board
Franklin Templeton Investment Trust Management Limited
Secretary
12 April 2022
Registered office: Saltire Court, 20 Castle Terrace,
Edinburgh EH1 2ES

1. All shareholders are entitled to attend or vote at the meeting. Shareholders are strongly encouraged to appoint a proxy in accordance with note 3.

   While we hope that shareholders will be able to attend, the Directors are aware that Government guidance and regulation relating to the Covid-19 pandemic may change. If we are obliged to change the arrangements for the AGM after publishing this document, details will be published via a Stock Exchange announcement and on our website. Shareholders who plan to attend the AGM are encouraged to check the website before travelling.
2. The Company has specified that to be entitled to attend and vote at the meeting (and for the purpose of determining the number of votes they may cast), members must be entered on the register of members 48 hours before the time fixed for the meeting.
3. A member entitled to attend, speak and vote may appoint a proxy or proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
   A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To be valid, proxies must be lodged at the office of the registrars of the Company not less than 48 hours (excluding non-working days) before the time of the meeting. A form of proxy is enclosed. In usual circumstances, appointment of a proxy will not preclude a member from attending and voting in person.
4. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a member provided that no more than one corporate representative exercises powers over the same share.
5. Any person to whom this notice is sent who is a person nominated under s146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the annual general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. There are no contracts between the Company and the directors, other than their letters of appointment and deeds of indemnity.
7. As at 7 April 2022 (being the latest practicable date prior to the publication of this Notice) the Company's issued voting share capital consisted of 85,630,429 Ordinary shares (carrying one vote each). Therefore, the total voting rights in the Company as at 7 April 2022 were 85,630,429 votes, in respect of the Ordinary shares only.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Link Group (CREST Participant ID: RA10), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) form which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

   CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
9. Pursuant to s319A of the Companies Act 2006, the Company must provide an answer to any question which is put by a member attending the annual general meeting relating to the business being considered, except if a response would not be in the interest of the Company or for the good order of the meeting or if to do so would involve the disclosure of confidential information.

10. Members may require the Company to place on its website a statement, made available also to the Company's auditors, setting out any matter relating to the audit of the Company's financial statements, including the independent auditors' report and the conduct of the audit, which members intend to raise at the annual general meeting. The Company becomes required to place such a statement on the website once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted such a request to the Company. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.
11. In accordance with s338 of the Companies Act 2006, shareholders may require the Company to give members notice of a resolution which may properly be moved and is intended to be moved at the annual general meeting. The request must be received by the Company at least six weeks before the AGM and not later than 5 May 2022. The resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise). The resolution must not be defamatory of any person, frivolous or vexatious. The request must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported. The Company becomes required to give members notice of a resolution to be moved at the annual general meeting once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted a request to the Company in accordance with the provisions of this paragraph. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.
12. In accordance with s338A of the Companies Act 2006, shareholders may require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business).
    The request must be received by the Company at least six weeks before the AGM and not later than 5 May 2022.
    The matter of business must not be defamatory of any person, frivolous or vexatious. The request must identify the matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported.

    The request must be accompanied by a statement setting out the grounds for the request. The Company becomes required to give members notice of a resolution to be moved at the annual general meeting once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted such a request to the Company in accordance with the provisions of this paragraph. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.
13. Information regarding the annual general meeting, including the information required by s311A of the Companies Act 2006, is available from: www.martincurrieglobal.com.

Martin Currie Global Portfolio Trust has an award winning website at martincurrieglobal.com. This offers a wealth of information about the Company.

Shareholder Communication Awards 2017 WINNER
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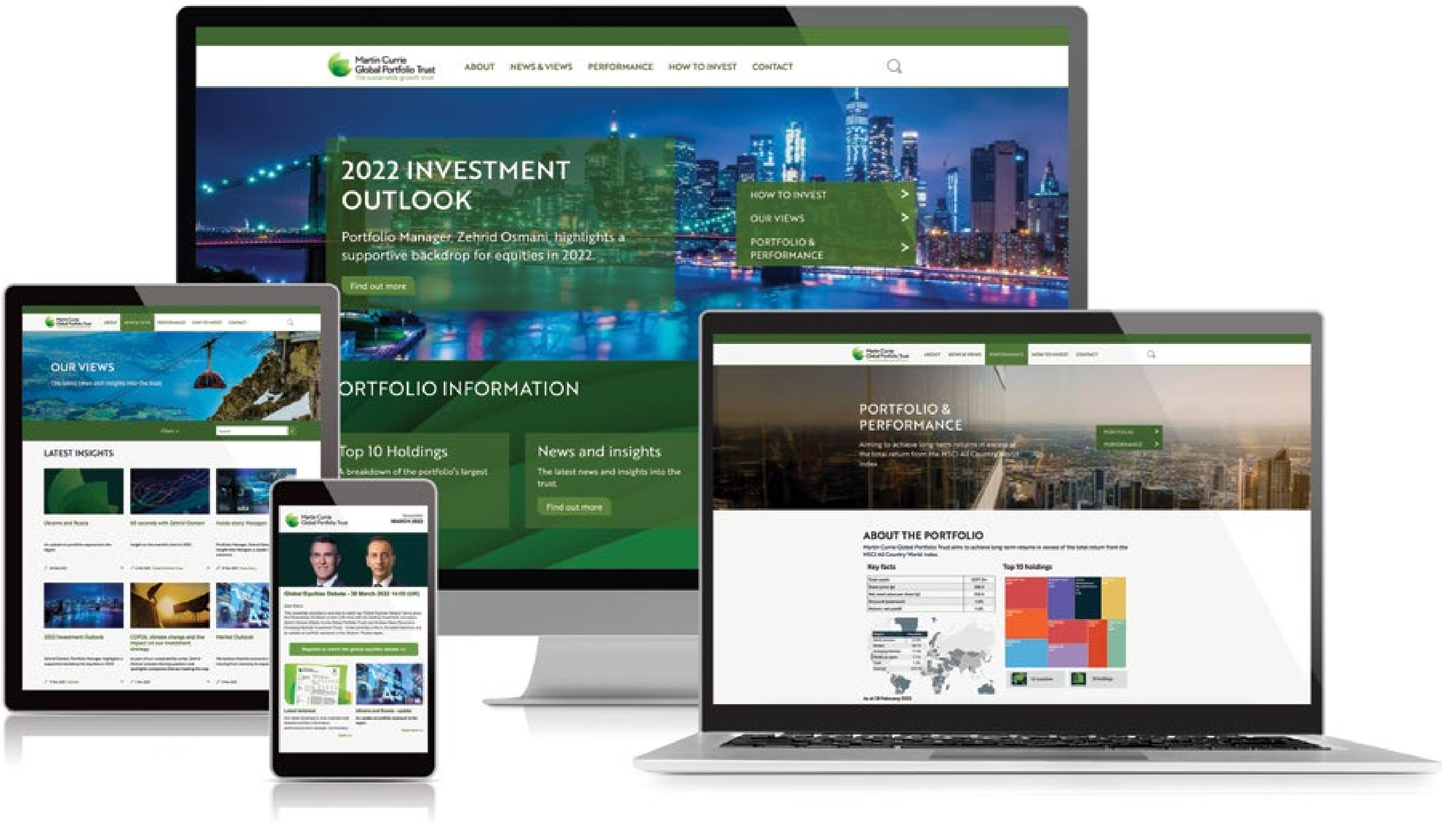

Enquiries

If you have an enquiry about Martin Currie Global Portfolio Trust, please get in touch.

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www.martincurrieglobal.com

Calls to the above may be recorded.

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MARTIN CURRIE