

Franklin Low Volatility High Dividend Index ETFs

Financial Statements and Other Important Information

Semi-Annual | September 30, 2024

Franklin International Low Volatility High Dividend Index ETF

Franklin U.S. Low Volatility High Dividend Index ETF

Table of Contents

| Schedules of Investments | 1 |
|---|----|
| Statements of Assets and Liabilities | 15 |
| Statements of Operations | 16 |
| Statements of Changes in Net Assets | 17 |
| Financial Highlights | 19 |
| Notes to Financial Statements | 21 |
| Changes in and Disagreements with Accountants | 30 |
| Results of Meeting(s) of Shareholders | 30 |
| Remuneration Paid to Directors, Officers and Others | 30 |
| Board Approval of Management and Subadvisory Agreements | 31 |

Schedules of Investments (unaudited)

| Security | Shares | Value |
|--|-------------|---|
| Common Stocks — 98.0% | Sitates | value |
| Communication Services — 11.2% | | |
| Diversified Telecommunication Services — 7.4% | | |
| Bezeq The Israeli Telecommunication Corp. Ltd. | 1,020,439 | \$ 1,175,794 |
| BT Group PLC | 8,040,069 | 15,950,357 |
| Cogeco Communications Inc. | 16,954 | 897,303 |
| Koninklijke KPN NV | 2,061,970 | 8,443,335 |
| Nippon Telegraph & Telephone Corp. | 32,267,058 | 33,115,241 |
| Orange SA | 1,213,390 | 13,927,998 |
| Swisscom AG, Registered Shares | 15,576 | 10,201,814 |
| Telstra Group Ltd. | 5,854,060 | 15,757,671 |
| Total Diversified Telecommunication Services | 3,004,000 | 99,469,513 |
| Media — 0.2% | | 33,403,313 |
| ITV PLC | 2,421,124 | 2,599,685 |
| Wireless Telecommunication Services — 3.6% | 2,421,124 | ۷,۵۵۵,003 |
| Freenet AG | 67.654 | 2,017,502 |
| KDDI Corp. | 824,920 | 26,493,865 |
| SoftBank Corp. | 14,461,230 | 18,925,771 |
| Total Wireless Telecommunication Services | 14,401,230 | 47,437,138 |
| | | |
| Total Communication Services | | 149,506,336 |
| Consumer Discretionary — 7.4% | | |
| Automobile Components — 0.9% | 200 205 | 44.000.04 |
| Cie Generale des Etablissements Michelin SCA | 289,995 | 11,800,249 |
| Automobiles — 5.9% | | |
| Bayerische Motoren Werke AG | 239,301 | 21,146,768 |
| Mercedes-Benz Group AG | 477,821 | 30,951,139 |
| Stellantis NV | 1,976,961 | 27,376,875 |
| Total Automobiles | | 79,474,782 |
| Household Durables — 0.4% | | |
| Haseko Corp. | 193,271 | 2,530,061 |
| Man Wah Holdings Ltd. | 1,355,127 | 1,127,019 |
| Sangetsu Corp. | 50,300 | 989,191 |
| Total Household Durables | | 4,646,27 |
| Specialty Retail — 0.2% | | |
| Eagers Automotive Ltd. | 167,775 | 1,271,022 |
| Super Retail Group Ltd. | 135,438 | 1,707,256 |
| Total Specialty Retail | | 2,978,278 |
| Total Consumer Discretionary | | 98,899,580 |
| Consumer Staples — 7.6% | | |
| Beverages — 0.7% | | |
| Kirin Holdings Co. Ltd. | 627,757 | 9,593,658 |
| Consumer Staples Distribution & Retail — 2.1% | , - | , |
| Kesko oyj, Class B Shares | 117,499 | 2,513,200 |
| Tesco PLC | 5,443,451 | 26,190,762 |
| Total Consumer Staples Distribution & Retail | 2, 1.2, 101 | 28,703,962 |
| Food Products — 0.3% | | |
| WH Group Ltd. | 4,409,782 | 3,497,169 |

| Percentages shown based on Fund net assets) | | |
|---|-----------|---------------|
| Cecurity | Shares | Value |
| Household Products — 0.8% | | |
| Reckitt Benckiser Group PLC | 169,537 | \$ 10,408,493 |
| <i>Tobacco</i> — <i>3.7%</i> | | |
| Imperial Brands PLC | 577,152 | 16,822,57 |
| Japan Tobacco Inc. | 1,144,434 | 33,435,33 |
| Total Tobacco | | 50,257,902 |
| Total Consumer Staples | | 102,461,184 |
| nergy — 13.2% | | |
| Energy Equipment & Services — 0.1% | | |
| SBM Offshore NV | 66,314 | 1,213,02 |
| Oil, Gas & Consumable Fuels — 13.1% | | |
| Aker BP ASA | 193,876 | 4,163,696 |
| Ampol Ltd. | 188,114 | 3,984,29 |
| BP PLC | 5,778,833 | 30,362,405 |
| Cardinal Energy Ltd. | 185,229 | 876,134 |
| Eni SpA | 1,960,325 | 29,933,78 |
| Equinor ASA | 424,444 | 10,747,458 |
| Hafnia Ltd. | 198,741 | 1,417,065 |
| New Hope Corp. Ltd. | 585,043 | 2,114,602 |
| OMV AG | 84,360 | 3,611,596 |
| Parex Resources Inc. | 175,479 | 1,558,716 |
| Pembina Pipeline Corp. | 782,915 | 32,308,754 |
| Peyto Exploration & Development Corp. | 274,549 | 3,129,690 |
| Repsol SA | 774,426 | 10,237,619 |
| Serica Energy PLC | 479,013 | 857,770 |
| TORM PLC, Class A Shares | 32,974 | 1,123,569 |
| TotalEnergies SE | 475,813 | 31,065,344 |
| Whitecap Resources Inc. | 680,864 | 5,090,289 |
| Yancoal Australia Ltd. | 593,297 | 2,523,108 |
| Total Oil, Gas & Consumable Fuels | · | 175,105,89 |
| Total Energy | | 176,318,914 |
| inancials — 24.2% | | 170,010,01 |
| Banks — 13.9% | | |
| ANZ Group Holdings Ltd. | 978,624 | 20,693,500 |
| Bank of Nova Scotia | 667,035 | 36,384,625 |
| BOC Hong Kong Holdings Ltd. | 1,874,135 | 6,007,848 |
| Canadian Imperial Bank of Commerce | 480,669 | 29,506,555 |
| Credit Agricole SA | 899,431 | 13,777,303 |
| DBS Group Holdings Ltd. | 923,970 | 27,423,602 |
| DNB Bank ASA | 270,706 | 5,561,827 |
| Nordea Bank Abp | 941,614 | 11,128,916 |
| Oversea-Chinese Banking Corp. Ltd. | 1,218,852 | 14,356,213 |
| Svenska Handelsbanken AB, Class A Shares | 774,869 | 7,969,15 |
| United Overseas Bank Ltd. | 567,815 | 14,248,52 |
| Total Banks | 507,615 | 187,058,06 |
| Consumer Finance — 0.1% | | 107,000,000 |
| GUNSUNEL FINANCE — U. 1 % | | |

| Security | Shares | Value |
|--|-----------|---------------|
| • | Sildles | Value |
| Insurance — 10.2% | 000 000 | h 04.000.44 |
| AXA SA | | \$ 24,633,117 |
| Generali | 603,950 | 17,491,310 |
| Great-West Lifeco Inc. | 678,492 | 23,162,997 |
| Japan Post Holdings Co. Ltd. | 1,988,291 | 18,987,734 |
| Mapfre SA | 409,623 | 1,093,527 |
| Poste Italiane SpA | 489,980 | 6,884,749 |
| Power Corp. of Canada | 283,978 | 8,967,394 |
| Swiss Life Holding AG, Registered Shares | 10,800 | 9,038,943 |
| Zurich Insurance Group AG | 43,136 | 26,069,270 |
| Total Insurance | | 136,329,041 |
| Total Financials | | 324,339,878 |
| lealth Care — 5.0% | | |
| Pharmaceuticals — 5.0% | | |
| Novartis AG, Registered Shares | 276,371 | 31,829,106 |
| Ono Pharmaceutical Co. Ltd. | 316,300 | 4,226,842 |
| Roche Holding AG | 97,723 | 31,348,283 |
| Total Health Care | | 67,404,231 |
| ndustrials — 4.0% | | 01,101,201 |
| Air Freight & Logistics — 0.1% | | |
| Logista Integral SA | 28,724 | 867,474 |
| Building Products — 0.1% | 20,724 | 007,474 |
| Xinyi Glass Holdings Ltd. | 1,592,044 | 1,897,950 |
| Construction & Engineering — 0.4% | 1,332,044 | 1,037,330 |
| Hazama Ando Corp. | 193,447 | 1,513,333 |
| INFRONEER Holdings Inc. | 166,800 | 1,367,261 |
| Koninklijke BAM Groep NV | 240,687 | |
| Nishimatsu Construction Co. Ltd. | <u> </u> | 1,129,274 |
| | 30,613 | 1,088,705 |
| Okumura Corp. | 24,237 | 735,379 |
| Total Construction & Engineering | | 5,833,952 |
| Electrical Equipment — 0.1% | 04.007 | 4 447 000 |
| Signify NV | 61,287 | 1,447,332 |
| Ground Transportation — 0.2% | 201.000 | |
| MTR Corp. Ltd. | 891,926 | 3,370,200 |
| Industrial Conglomerates — 0.8% | | |
| CK Hutchison Holdings Ltd. | 1,186,625 | 6,828,727 |
| Keppel Ltd. | 685,220 | 3,543,689 |
| Total Industrial Conglomerates | | 10,372,418 |
| Machinery — 1.6% | | |
| Mitsuboshi Belting Ltd. | 24,119 | 670,253 |
| SKF AB, Class B Shares | 221,123 | 4,406,492 |
| Volvo AB, Class B Shares | 605,542 | 16,021,779 |
| Total Machinery | | 21,098,524 |
| Marine Transportation — 0.1% | | |
| Wallenius Wilhelmsen ASA | 87,833 | 1,035,718 |
| Passenger Airlines — 0.5% | | |
| Singapore Airlines Ltd. | 1,280,813 | 6,793,704 |

| (Percentages shown based on Fund net assets) | Oh | Value |
|---|-----------|-------------|
| Security Tradian Companies & Distributors 0.10/ | Shares | value |
| Trading Companies & Distributors — 0.1% | 74.057 | h 1.050.40 |
| Kanematsu Corp. | 74,057 | \$ 1,252,40 |
| Total Industrials | | 53,969,67 |
| Information Technology — 1.6% | | |
| Electronic Equipment, Instruments & Components — 0.1% | | |
| Venture Corp. Ltd. | 158,044 | 1,730,84 |
| IT Services — 0.1% | | |
| TietoEVRY oyj | 43,566 | 901,93 |
| Technology Hardware, Storage & Peripherals — 1.4% | | |
| Canon Inc. | 579,088 | 19,039,78 |
| Total Information Technology | | 21,672,56 |
| Materials — 8.1% | | |
| Chemicals — 0.5% | | |
| Nippon Soda Co. Ltd. | 35,200 | 613,73 |
| Solvay SA | 57,675 | 2,265,76 |
| Tosoh Corp. | 283,137 | 3,786,64 |
| Total Chemicals | | 6,666,13 |
| Construction Materials — 1.7% | | |
| Holcim AG | 230,924 | 22,601,01 |
| Metals & Mining — 5.9% | | |
| ARE Holdings Inc. | 57,046 | 723,84 |
| Fortescue Ltd. | 2,345,779 | 33,654,31 |
| Labrador Iron Ore Royalty Corp. | 50,657 | 1,205,91 |
| Nippon Steel Corp. | 208,700 | 4,665,98 |
| Rio Tinto PLC | 519,979 | 36,959,16 |
| Yamato Kogyo Co. Ltd. | 50,700 | 2,536,77 |
| Total Metals & Mining | | 79,745,99 |
| Total Materials | | 109,013,14 |
| Real Estate — 3.1% | | |
| Diversified REITs — 0.2% | | |
| Activia Properties Inc. | 604 | 1,380,78 |
| Hulic REIT Inc. | 750 | 728,81 |
| Total Diversified REITs | | 2,109,60 |
| Hotel & Resort REITs — 0.1% | | |
| CapitaLand Ascott Trust | 989,900 | 752,84 |
| Industrial REITs — 0.6% | | |
| CapitaLand Ascendas REIT | 2,423,866 | 5,407,37 |
| Mapletree Industrial Trust | 1,260,856 | 2,389,92 |
| Total Industrial REITs | | 7,797,29 |
| Office REITs — 0.1% | | |
| Japan Prime Realty Investment Corp. | 264 | 643,20 |
| Mori Hills REIT Investment Corp. | 927 | 824,99 |
| Total Office REITs | | 1,468,19 |
| Real Estate Management & Development — 1.8% | | |
| Daiwa House Industry Co. Ltd. | 400,695 | 12,619,76 |
| Henderson Land Development Co. Ltd. | 754,269 | 2,408,22 |

| Percentages shown based on Fund net assets) | | | | |
|--|---------|-----------|-----|--------------------------|
| Security | | Shares | | Value |
| Real Estate Management & Development — continued | | | | |
| Sino Land Co. Ltd. | | 755,045 | \$ | 829,164 |
| Sun Hung Kai Properties Ltd. | | 796,383 | | 8,771,235 |
| Total Real Estate Management & Development | | | | 24,628,385 |
| Retail REITs — 0.3% | | | | |
| AEON REIT Investment Corp. | | 808 | | 741,683 |
| Frasers Centrepoint Trust | | 571,709 | | 1,025,687 |
| Frontier Real Estate Investment Corp. | | 261 | | 776,395 |
| SmartCentres Real Estate Investment Trust | | 81,463 | | 1,604,597 |
| Total Retail REITs | | | | 4,148,362 |
| Total Real Estate | | | | 40,904,699 |
| Itilities — 12.6% | | | | |
| Electric Utilities — 7.3% | | | | |
| CK Infrastructure Holdings Ltd. | | 409,391 | | 2,803,940 |
| EDP SA | | 1,502,899 | | 6,880,333 |
| Enel SpA | | 4,483,013 | | 35,898,466 |
| Iberdrola SA | | 1,872,102 | | 29,021,225 |
| Origin Energy Ltd. | | 1,000,532 | | 6,948,134 |
| Power Assets Holdings Ltd. | | 621,749 | | 3,986,238 |
| Redeia Corp. SA | | 197,683 | | 3,854,306 |
| Terna - Rete Elettrica Nazionale SpA | | 908,128 | | 8,197,326 |
| Total Electric Utilities | | 555,125 | | 97,589,968 |
| Gas Utilities — 0.3% | | | | |
| Italgas SpA | | 530,161 | | 3,212,859 |
| Rubis SCA | | 41,640 | | 1,139,502 |
| Total Gas Utilities | | ,. | | 4,352,361 |
| Independent Power and Renewable Electricity Producers — 0.4% | | | | ., |
| Capital Power Corp. | | 130,044 | | 4,733,161 |
| Multi-Utilities — 4.6% | | .00,0 | | 1,700,707 |
| A2A SpA | | 1,999,091 | | 4,627,275 |
| Canadian Utilities Ltd., Class A Shares | | 138,843 | | 3,689,599 |
| Engle SA | | 1,034,509 | | 17,913,071 |
| Iren SpA | | 548,717 | | 1,245,614 |
| National Grid PLC | | 2,511,639 | | 34,700,592 |
| Total Multi-Utilities | | 2,011,000 | | 62,176,151 |
| Total Utilities | | | | |
| | | | | 168,851,641 |
| Total Common Stocks (Cost — \$1,178,515,933) | | | 1,4 | 313,341,848 |
| | Rate | | | |
| Preferred Stocks — 1.9% | | | | |
| Consumer Discretionary — 1.9% | | | | |
| Automobile Components — 0.0%†† | | | | |
| Schaeffler AG | 9.711% | 137,482 | | 711,026 ^{(a} |
| Automobiles — 1.9% | | , | | , , 52.5 |
| Volkswagen AG | 9.521% | 234,614 | | 24,916,805 ^{(a} |
| Total Preferred Stocks (Cost — \$29,956,532) | 2.02.70 | | | 25,627,831 |
| Total Investments before Short-Term Investments (Cost — \$1,208,472,465) | | | | 338,969,679 |

September 30, 2024

| Franklin International Low Volatility High Dividend Index ETF | | | | |
|--|--------|-----------|------|---------------|
| (Percentages shown based on Fund net assets) | | | | |
| Security | Rate | Shares | | Value |
| Short-Term Investments — 0.4% | | | | |
| Invesco Treasury Portfolio, Institutional Class (Cost — \$4,881,746) | 4.787% | 4,881,746 | \$ | 4,881,746 (b) |
| Total Investments — 100.3% (Cost — \$1,213,354,211) | | | 1, | 343,851,425 |
| Liabilities in Excess of Other Assets — (0.3)% | | | | (4,373,874) |
| Total Net Assets — 100.0% | | | \$1, | 339,477,551 |

^{††} Represents less than 0.1%.

Abbreviation(s) used in this schedule:

REIT — Real Estate Investment Trust

At September 30, 2024, the Fund had the following open futures contracts:

| | Number of Contracts | Expiration Date | Notional Amount | Market Value | Unrealized Appreciation |
|-------------------|---------------------|-----------------|--------------------|-----------------|----------------------------|
| Contracts to Buy: | | | | | |
| MSCI EAFE Index | 37 | 12/24 | \$4,526,710 | \$4,602,430 | \$75,720 |

Unrealized

At September 30, 2024, the Fund had the following open forward foreign currency contracts:

| (| Currency | | Currency | | Settlement | Appreciation |
|-----|-------------|-----|-------------|----------------------------------|------------|----------------|
| | urchased | | Sold | Counterparty | Date | (Depreciation) |
| USD | 185,309 | CHF | 157,109 | State Street Global Markets, LLC | 10/8/24 | \$ (1,126) |
| USD | 554,813 | CHF | 467,884 | State Street Global Markets, LLC | 10/8/24 | (406) |
| USD | 561,736 | CHF | 474,487 | State Street Global Markets, LLC | 10/8/24 | (1,318) |
| USD | 1,104,616 | CHF | 934,300 | State Street Global Markets, LLC | 10/8/24 | (4,079) |
| USD | 1,110,295 | CHF | 940,222 | State Street Global Markets, LLC | 10/8/24 | (5,428) |
| USD | 1,654,976 | CHF | 1,398,264 | State Street Global Markets, LLC | 10/8/24 | (4,287) |
| USD | 1,690,461 | CHF | 1,422,166 | State Street Global Markets, LLC | 10/8/24 | 2,835 |
| USD | 6,053,968 | CHF | 5,121,481 | State Street Global Markets, LLC | 10/8/24 | (23,482) |
| USD | 119,419,663 | CHF | 100,970,161 | State Street Global Markets, LLC | 10/8/24 | (397,451) |
| USD | 1,609 | DKK | 10,733 | State Street Global Markets, LLC | 10/8/24 | 1 |
| USD | 4,771 | DKK | 31,966 | State Street Global Markets, LLC | 10/8/24 | (17) |
| USD | 4,851 | DKK | 32,416 | State Street Global Markets, LLC | 10/8/24 | (4) |
| USD | 9,496 | DKK | 63,832 | State Street Global Markets, LLC | 10/8/24 | (65) |
| USD | 9,591 | DKK | 64,236 | State Street Global Markets, LLC | 10/8/24 | (30) |
| USD | 14,159 | DKK | 95,528 | State Street Global Markets, LLC | 10/8/24 | (149) |
| USD | 14,571 | DKK | 97,160 | State Street Global Markets, LLC | 10/8/24 | 18 |
| USD | 51,695 | DKK | 349,884 | State Street Global Markets, LLC | 10/8/24 | (711) |
| USD | 1,027,194 | DKK | 6,906,484 | State Street Global Markets, LLC | 10/8/24 | (7,268) |
| USD | 586,581 | EUR | 524,823 | State Street Global Markets, LLC | 10/8/24 | 638 |
| USD | 1,740,352 | EUR | 1,563,142 | State Street Global Markets, LLC | 10/8/24 | (4,832) |
| USD | 1,768,449 | EUR | 1,585,166 | State Street Global Markets, LLC | 10/8/24 | (1,324) |
| USD | 3,464,570 | EUR | 3,121,400 | State Street Global Markets, LLC | 10/8/24 | (20,345) |
| USD | 3,497,839 | EUR | 3,141,121 | State Street Global Markets, LLC | 10/8/24 | (9,093) |
| USD | 5,164,915 | EUR | 4,671,341 | State Street Global Markets, LLC | 10/8/24 | (50,446) |
| USD | 5,312,636 | EUR | 4,751,137 | State Street Global Markets, LLC | 10/8/24 | 8,186 |
| USD | 18,859,177 | EUR | 17,109,352 | State Street Global Markets, LLC | 10/8/24 | (242,713) |
| USD | 374,586,988 | EUR | 337,669,878 | State Street Global Markets, LLC | 10/8/24 | (2,407,581) |
| | | | | | | |

See Notes to Financial Statements.

⁽a) The rate shown represents the yield as of September 30, 2024.

⁽b) Rate shown is one-day yield as of the end of the reporting period.

| Fra | nklin Interna | ationa | I Low Volatility | High Dividend Index ETF | | |
|-----|------------------------|--------|------------------------|----------------------------------|--------------------|--------------------|
| | | | | | | Unrealized |
| (| Currency | | Currency | | Settlement | Appreciation |
| | urchased | | Sold | Counterparty | Date | (Depreciation) |
| USD | 238,639 | GBP | 178,446 | State Street Global Markets, LLC | 10/8/24 | \$ (718) |
| USD | 701,651 | GBP | 531,617 | State Street Global Markets, LLC | 10/8/24 | (11,429) |
| USD | 721,488 | GBP | 538,959 | State Street Global Markets, LLC | 10/8/24 | (1,441) |
| USD | 1,396,478 | GBP | 1,061,569 | State Street Global Markets, LLC | 10/8/24 | (27,450) |
| USD | 1,415,560 | GBP | 1,068,251 | State Street Global Markets, LLC | 10/8/24 | (17,331) |
| USD | 2,078,149 | GBP | 1,588,676 | State Street Global Markets, LLC | 10/8/24 | (52,811) |
| USD | 2,165,734 | GBP | 1,615,360 | State Street Global Markets, LLC | 10/8/24 | (1,018) |
| USD | 7,573,840 | GBP | 5,818,538 | State Street Global Markets, LLC | 10/8/24 | (230,816) |
| USD | 151,132,487 | GBP | 114,838,999 | State Street Global Markets, LLC | 10/8/24 | (2,906,015) |
| USD | 1,626 | ILS | 6,085 | State Street Global Markets, LLC | 10/8/24 | (10) |
| USD | 4,842 | ILS | 18,121 | State Street Global Markets, LLC | 10/8/24 | (31) |
| USD | 4,893 | ILS | 18,373 | State Street Global Markets, LLC | 10/8/24 | (47) |
| USD | 9,652 | ILS | 36,407 | State Street Global Markets, LLC | 10/8/24 | (138) |
| USD | 9,765 | ILS | 36,193 | State Street Global Markets, LLC | 10/8/24 | 33 |
| USD | 14,395 | ILS | 54,150 | State Street Global Markets, LLC | 10/8/24 | (165) |
| USD | 14,896 | ILS | 55,096 | State Street Global Markets, LLC | 10/8/24 | 82 |
| USD | 52,597 | ILS | 198,302 | State Street Global Markets, LLC | 10/8/24 | (725) |
| USD | 1,061,065 | ILS | 3,930,005 | State Street Global Markets, LLC | 10/8/24 | 4,319 |
| USD | 32,854 | NOK | 345,435 | State Street Global Markets, LLC | 10/8/24 | 55 |
| USD | 97,002 | NOK | 1,029,033 | State Street Global Markets, LLC | 10/8/24 | (706) |
| USD | 100,046 | NOK | 1,043,225 | State Street Global Markets, LLC | 10/8/24 | 990 |
| USD | 193,094 | NOK | 2,054,791 | State Street Global Markets, LLC | 10/8/24 | (2,011) |
| USD | 196,818 | NOK | 2,067,626 | State Street Global Markets, LLC | 10/8/24 | 493 |
| USD | 283,502 | NOK | 3,074,014 | State Street Global Markets, LLC | 10/8/24 | (8,380) |
| USD | 298,245 | NOK | 3,127,546 | State Street Global Markets, LLC | 10/8/24 | 1,280 |
| USD | 1,034,542 | NOK | 11,255,840 | State Street Global Markets, LLC | 10/8/24 | (34,217) |
| USD | 20,918,643 | NOK | 222,707,865 | State Street Global Markets, LLC | 10/8/24 | (227,817) |
| USD | 38,850 | SEK | 393,724 | State Street Global Markets, LLC | 10/8/24 | (8) |
| USD | 115,148 | SEK | 1,172,824 | State Street Global Markets, LLC | 10/8/24 | (603) |
| USD | 117,530 | SEK | 1,189,267 | State Street Global Markets, LLC | 10/8/24 | 156 |
| USD | 229,815 | SEK | 2,342,055 | State Street Global Markets, LLC | 10/8/24 | (1,332) |
| USD | 231,656 | SEK | 2,356,807 | State Street Global Markets, LLC | 10/8/24 | (946) |
| USD | 338,121 | SEK | 3,504,709 | State Street Global Markets, LLC | 10/8/24 | (7,773) |
| USD | 353,722 | SEK | 3,563,790 | State Street Global Markets, LLC | 10/8/24 | 1,998 |
| USD | 1,236,702 | SEK | 12,835,813 | State Street Global Markets, LLC | 10/8/24 | (30,115) |
| USD | 24,688,336 | SEK | 253,721,855 | State Street Global Markets, LLC | 10/8/24 | (352,474) |
| USD | 111,613 | AUD | 162,615 | UBS Securities LLC | 10/8/24 | (1,216) |
| USD | 326,392 | AUD | 484,491 | UBS Securities LLC | 10/8/24 | (9,769) |
| USD | 337,362 | AUD | 491,130 | UBS Securities LLC | 10/8/24 | (3,406) |
| USD | 649,942 | AUD | 967,447 | UBS Securities LLC | 10/8/24 | (21,316) |
| USD | 662,606 | AUD | 973,456 | UBS Securities LLC | 10/8/24 | (12,821) |
| USD | 963,645 | AUD | 1,447,675 | UBS Securities LLC | 10/8/24 | (40,817) |
| USD | 1,020,006 | AUD | 1,471,609 | UBS Securities LLC | 10/8/24 | (1,062) |
| USD | 3,519,236 | AUD | 5,302,083 | UBS Securities LLC | 10/8/24 | (159,585) |
| USD | 70,459,731 | AUD | 104,758,347 | UBS Securities LLC | 10/8/24 | (2,226,282) |
| USD | 207,995 | CAD | 279,839 | UBS Securities LLC | 10/8/24 | 812 |
| USD | 613,422 | CAD | 833,398 | UBS Securities LLC | 10/8/24 | (3,598) |
| USD | 627,337 | CAD | 845,172 | UBS Securities LLC | 10/8/24 | 1,601 |
| USD | | CAD | | UBS Securities LLC | | |
| USD | 1,226,232 1,233,780 | CAD | 1,664,191 1,674,738 | UBS Securities LLC | 10/8/24 10/8/24 | (5,878) (6,139) |
| | | | | | | |
| USD | 1,837,763 | CAD | 2,490,608 | UBS Securities LLC | 10/8/24 | (6,198) |

See Notes to Financial Statements.

September 30, 2024

| | Currency urchased | | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation |
|-------|----------------------|---------|-----------------------|---------------------------|--------------------|---|
| JSD | 1,878,952 | CAD | 2,533,339 | UBS Securities LLC | 10/8/24 | \$ 3,355 |
| JSD | 6,706,796 | CAD | 9,122,141 | UBS Securities LLC | 10/8/24 | (46,927) |
| JSD | 133,407,049 | CAD | 180,178,760 | UBS Securities LLC | 10/8/24 | 8,836 |
| JSD | 54,230 | HKD | 422,065 | UBS Securities LLC | 10/8/24 | (114) |
| JSD | 161,435 | HKD | 1,256,966 | UBS Securities LLC | 10/8/24 | (407) |
| JSD | 163,783 | HKD | 1,274,689 | UBS Securities LLC | 10/8/24 | (341) |
| JSD | 322,150 | HKD | 2,509,985 | UBS Securities LLC | 10/8/24 | (1,027) |
| JSD | 324,209 | HKD | 2,525,880 | UBS Securities LLC | 10/8/24 | (1,014) |
| JSD | 482,223 | HKD | 3,756,388 | UBS Securities LLC | 10/8/24 | (1,436) |
| JSD | 491,566 | HKD | 3,820,764 | UBS Securities LLC | 10/8/24 | (382) |
| JSD | 1,766,158 | HKD | 13,758,703 | UBS Securities LLC | 10/8/24 | (5,363) |
| JSD | 34,896,170 | HKD | 271,753,434 | UBS Securities LLC | 10/8/24 | (93,814 |
| JSD | 294,136 | JPY | 42,399,629 | UBS Securities LLC | 10/8/24 | (2,648 |
| JSD | 892,774 | JPY | 128,052,166 | UBS Securities LLC | 10/8/24 | (3,552) |
| JSD | 901,095 | JPY | 126,186,273 | UBS Securities LLC | 10/8/24 | 17,829 |
| JSD | 1,778,785 | JPY | 253,739,166 | UBS Securities LLC | 10/8/24 | 2,687 |
| JSD | 1,796,838 | JPY | 252,001,671 | UBS Securities LLC | 10/8/24 | 32,903 |
| JSD | 2,653,733 | JPY | 377,343,802 | UBS Securities LLC | 10/8/24 | 12,441 |
| JSD | 2,688,883 | JPY | 383,798,026 | UBS Securities LLC | 10/8/24 | 2,414 |
| JSD | 9,805,889 | JPY | 1,381,794,861 | UBS Securities LLC | 10/8/24 | 133,745 |
| JSD | 189,260,502 | JPY | 27,127,919,083 | UBS Securities LLC | 10/8/24 | (626,684) |
| JSD | 104,845 | SGD | 134,800 | UBS Securities LLC | 10/8/24 | (350 |
| JSD | 310,186 | SGD | 401,522 | UBS Securities LLC | 10/8/24 | (3,153) |
| JSD | 316,802 | SGD | 407,134 | UBS Securities LLC | 10/8/24 | (918 |
| JSD | 618,426 | SGD | 801,800 | UBS Securities LLC | 10/8/24 | (7,282 |
| JSD | 624,235 | SGD | 806,845 | UBS Securities LLC | 10/8/24 | (5,410 |
| JSD | 920,303 | SGD | 1,199,971 | UBS Securities LLC | 10/8/24 | (16,130 |
| JSD | 953,526 | SGD | 1,220,141 | UBS Securities LLC | 10/8/24 | 1,352 |
| JSD | 3,375,168 | SGD | 4,395,208 | UBS Securities LLC | 10/8/24 | (54,763 |
| JSD | 66,615,562 | SGD | 86,621,148 | UBS Securities LLC | 10/8/24 | (981,827 |
| let u | nrealized dep | reciati | on on open forward fo | oreign currency contracts | | \$(11,211,252 |

Abbreviation(s) used in this table:

AUD — Australian Dollar

CAD — Canadian Dollar

CHF — Swiss Franc

DKK — Danish Krone

EUR — Euro GBP — British Pound HKD — Hong Kong Dollar

ILS — Israeli Shekel JPY — Japanese Yen

NOK — Norwegian Krone

SEK — Swedish Krona

SGD — Singapore Dollar

USD — United States Dollar

Franklin International Low Volatility High Dividend Index ETF

| Summary of Investments by Country# | |
|------------------------------------|--------|
| Japan | 15.2% |
| Canada | 11.4 |
| Australia | 9.3 |
| United Kingdom | 8.6 |
| France | 8.5 |
| United States | 8.3 |
| Italy | 8.0 |
| Germany | 5.9 |
| Singapore | 5.9 |
| Switzerland | 5.8 |
| Spain | 3.4 |
| Hong Kong | 2.1 |
| Sweden | 2.1 |
| Norway | 1.6 |
| Finland | 1.1 |
| Netherlands | 0.9 |
| Portugal | 0.5 |
| China | 0.4 |
| Austria | 0.3 |
| Belgium | 0.2 |
| Israel | 0.1 |
| Short-Term Investments | 0.4 |
| | 100.0% |

[#] As a percentage of total investments. Please note that the Fund holdings are as of September 30, 2024, and are subject to change.

| Percentages shown based on Fund net assets) | | |
|---|---------|---------------|
| Security | Shares | Value |
| Common Stocks — 98.8% | | |
| Communication Services — 4.5% | | |
| Diversified Telecommunication Services — 2.4% | | |
| Verizon Communications Inc. | 314,915 | \$ 14,142,833 |
| Media — 2.1% | | |
| Interpublic Group of Cos. Inc. | 175,195 | 5,541,418 |
| Omnicom Group Inc. | 64,585 | 6,677,443 |
| Total Media | | 12,218,86 |
| Total Communication Services | | 26,361,694 |
| Consumer Discretionary — 6.9% | | |
| Hotels, Restaurants & Leisure — 4.3% | | |
| Darden Restaurants Inc. | 56,971 | 9,350,650 |
| McDonald's Corp. | 52,836 | 16,089,091 |
| Total Hotels, Restaurants & Leisure | | 25,439,74 |
| Specialty Retail — 2.6% | | |
| Home Depot Inc. | 38,211 | 15,483,097 |
| Total Consumer Discretionary | , | 40,922,838 |
| Consumer Staples — 24.4% | | 10,022,000 |
| Beverages — 7.5% | | |
| Coca-Cola Co. | 214,117 | 15,386,448 |
| Keurig Dr Pepper Inc. | 405,659 | 15,204,099 |
| PepsiCo Inc. | 79,613 | 13,538,191 |
| Total Beverages | 73,013 | 44,128,738 |
| Consumer Staples Distribution & Retail — 1.8% | | 44,120,730 |
| Sysco Corp. | 135,221 | 10,555,35 |
| Food Products — 10.5% | 100,221 | 10,000,001 |
| General Mills Inc. | 168,025 | 12,408,646 |
| Hershey Co. | 69,691 | 13,365,340 |
| Kellanova | 126,640 | 10,221,115 |
| Kraft Heinz Co. | 328.858 | 11,546,204 |
| Mondelez International Inc., Class A Shares | 201,617 | 14,853,124 |
| Total Food Products | 201,017 | 62,394,429 |
| Household Products — 2.1% | | 02,394,423 |
| | 07 216 | 12 400 00 |
| Kimberly-Clark Corp. Tobacco — 2.5% | 87,216 | 12,409,093 |
| | 270.040 | 12 024 122 |
| Altria Group Inc. | 270,849 | 13,824,133 |
| Universal Corp. Vector Group Ltd. | 10,097 | 536,252 |
| Vector Group Ltd. Total Tobacco | 31,718 | 473,232 |
| | | 14,833,617 |
| Total Consumer Staples | | 144,321,228 |
| nergy — 5.4% | | |
| Oil, Gas & Consumable Fuels — 5.4% | | |
| Chevron Corp. | 86,321 | 12,712,493 |
| Diamondback Energy Inc. | 36,213 | 6,243,121 |
| DT Midstream Inc. | 24,853 | 1,954,937 |
| ONEOK Inc. | 117,667 | 10,722,994 |
| Total Energy | | 31,633,545 |

| Security | Shares | Value |
|---|---------|------------|
| • | Sildles | Value |
| inancials — 7.2% Banks — 6.4% | | |
| | 17.007 | ф C70 ОГ |
| Atlantic Union Bankshares Corp. | 17,867 | \$ 673,050 |
| Bank of Hawaii Corp. | 11,935 | 749,160 |
| Community Financial System Inc. | 11,430 | 663,740 |
| CVB Financial Corp. | 32,092 | 571,879 |
| First Commonwealth Financial Corp. | 19,261 | 330,326 |
| First Financial Bancorp | 14,101 | 355,768 |
| First Hawaiian Inc. | 29,193 | 675,818 |
| First Interstate BancSystem Inc., Class A Shares | 28,647 | 878,890 |
| First Merchants Corp. | 10,232 | 380,630 |
| FNB Corp. | 89,743 | 1,266,274 |
| Fulton Financial Corp. | 48,693 | 882,804 |
| Hope Bancorp Inc. | 29,226 | 367,079 |
| NBT Bancorp Inc. | 7,889 | 348,930 |
| Northwest Bancshares Inc. | 28,148 | 376,620 |
| Old National Bancorp | 95,107 | 1,774,697 |
| PNC Financial Services Group Inc. | 56,132 | 10,376,000 |
| Preferred Bank | 3,772 | 302,703 |
| Provident Financial Services Inc. | 26,764 | 496,740 |
| Towne Bank | 10,710 | 354,073 |
| United Bankshares Inc. | 22,028 | 817,239 |
| US Bancorp | 298,772 | 13,662,843 |
| Valley National Bancorp | 166,544 | 1,508,889 |
| Westamerica BanCorp | 5,418 | 267,758 |
| Total Banks | | 38,081,910 |
| Insurance — 0.7% | | |
| CNA Financial Corp. | 10,800 | 528,552 |
| Fidelity National Financial Inc. | 54,867 | 3,405,046 |
| Total Insurance | | 3,933,598 |
| Mortgage Real Estate Investment Trusts (REITs) — 0.1% | | |
| Ladder Capital Corp. | 28,285 | 328,100 |
| Total Financials | | 42,343,614 |
| Health Care — 2.4% | | |
| Pharmaceuticals — 2.4% | | |
| Johnson & Johnson | 86,550 | 14,026,293 |
| ndustrials — 4.9% | | |
| Aerospace & Defense — 2.7% | | |
| Lockheed Martin Corp. | 27,469 | 16,057,275 |
| Professional Services — 1.9% | 27,100 | 10,007,270 |
| Paychex Inc. | 82,166 | 11,025,85 |
| Trading Companies & Distributors — 0.3% | 02,100 | 11,020,000 |
| MSC Industrial Direct Co. Inc., Class A Shares | 18,914 | 1 627 72 |
| | 10,914 | 1,627,739 |
| Total Industrials | | 28,710,873 |
| nformation Technology — 5.1% | | |
| Communications Equipment — 2.6% | | |
| Cisco Systems Inc. | 285,776 | 15,208,999 |

| (Percentages shown based on Fund net assets) | | |
|--|---------|--------------|
| Security | Shares | Value |
| IT Services — 2.5% | | |
| International Business Machines Corp. | 68,413 | \$ 15,124,74 |
| Total Information Technology | | 30,333,74 |
| Materials — 2.5% | | |
| Chemicals — 1.3% | | |
| LyondellBasell Industries NV, Class A Shares | 77,488 | 7,431,09 |
| Containers & Packaging — 1.2% | | |
| Packaging Corp. of America | 26,545 | 5,717,79 |
| Sonoco Products Co. | 30,017 | 1,639,82 |
| Total Containers & Packaging | | 7,357,62 |
| Total Materials | | 14,788,72 |
| Real Estate — 11.6% | | |
| Diversified REITs — 1.2% | | |
| American Assets Trust Inc. | 13,533 | 361,60 |
| Broadstone Net Lease Inc. | 49,900 | 945,60 |
| Essential Properties Realty Trust Inc. | 55,858 | 1,907,55 |
| WP Carey Inc. | 59,463 | 3,704,54 |
| Total Diversified REITs | | 6,919,30 |
| Health Care REITs — 0.6% | | |
| CareTrust REIT Inc. | 33,911 | 1,046,49 |
| Healthpeak Properties Inc. | 71,337 | 1,631,47 |
| LTC Properties Inc. | 12,186 | 447,10 |
| National Health Investors Inc. | 6,796 | 571,27 |
| Total Health Care REITs | | 3,696,34 |
| Hotel & Resort REITs — 0.2% | | |
| Apple Hospitality REIT Inc. | 89,248 | 1,325,33 |
| Industrial REITs — 0.5% | | |
| LXP Industrial Trust | 77,957 | 783,46 |
| STAG Industrial Inc. | 50,686 | 1,981,31 |
| Total Industrial REITs | | 2,764,78 |
| Office REITs — 0.3% | | |
| Easterly Government Properties Inc. | 35,520 | 482,36 |
| Highwoods Properties Inc. | 39,371 | 1,319,32 |
| Total Office REITs | | 1,801,68 |
| Residential REITs — 2.5% | | |
| Equity Residential | 63,520 | 4,729,69 |
| Essex Property Trust Inc. | 15,950 | 4,711,94 |
| Mid-America Apartment Communities Inc. | 32,184 | 5,114,03 |
| Total Residential REITs | | 14,555,68 |
| Retail REITs — 3.0% | | |
| Agree Realty Corp. | 37,486 | 2,823,82 |
| Brixmor Property Group Inc. | 102,191 | 2,847,04 |
| Getty Realty Corp. | 12,017 | 382,26 |
| Kimco Realty Corp. | 198,486 | 4,608,84 |
| NETSTREIT Corp. | 39,491 | 652,78 |
| NNN REIT Inc. | 45,524 | 2,207,45 |

| Percentages shown based on Fund net assets) | | |
|---|---------|--------------|
| Security | Shares | Value |
| Retail REITs — continued | | |
| Regency Centers Corp. | 51,978 | \$ 3,754,371 |
| Retail Opportunity Investments Corp. | 44,842 | 705,365 |
| Total Retail REITs | | 17,981,948 |
| Specialized REITs — 3.3% | | |
| CubeSmart | 59,860 | 3,222,264 |
| EPR Properties | 28,719 | 1,408,380 |
| Four Corners Property Trust Inc. | 19,941 | 584,471 |
| Gaming and Leisure Properties Inc. | 57,759 | 2,971,700 |
| National Storage Affiliates Trust | 35,434 | 1,707,919 |
| Uniti Group Inc. | 74,263 | 418,843 |
| VICI Properties Inc. | 275,785 | 9,186,398 |
| Total Specialized REITs | | 19,499,975 |
| Total Real Estate | | 68,545,058 |
| Utilities — 23.9% | | ,, |
| Electric Utilities — 16.8% | | |
| ALLETE Inc. | 19,237 | 1,234,823 |
| Alliant Energy Corp. | 70,655 | 4,288,052 |
| American Electric Power Co. Inc. | 127,197 | 13,050,412 |
| Duke Energy Corp. | 122,871 | 14,167,026 |
| Entergy Corp. | 64,949 | 8,547,938 |
| Evergy Inc. | 85,829 | 5,322,256 |
| Exelon Corp. | 276,803 | 11,224,362 |
| FirstEnergy Corp. | 124,861 | 5,537,585 |
| IDACORP Inc. | 13,904 | 1,433,363 |
| OGE Energy Corp. | 64,246 | 2,635,371 |
| Pinnacle West Capital Corp. | 45,167 | 4,001,345 |
| Portland General Electric Co. | 40,122 | 1,921,844 |
| Southern Co. | 161,986 | 14,607,898 |
| Xcel Energy Inc. | 176,337 | 11,514,806 |
| Total Electric Utilities | | 99,487,081 |
| Gas Utilities — 0.7% | | |
| New Jersey Resources Corp. | 21,178 | 999,602 |
| Northwest Natural Holding Co. | 11,697 | 477,471 |
| ONE Gas Inc. | 17,917 | 1,333,383 |
| Spire Inc. | 16,171 | 1,088,147 |
| Total Gas Utilities | | 3,898,603 |
| Multi-Utilities — 6.4% | | |
| Ameren Corp. | 71,897 | 6,288,111 |
| Avista Corp. | 22,213 | 860,754 |
| Black Hills Corp. | 20,751 | 1,268,301 |
| Consolidated Edison Inc. | 77,801 | 8,101,418 |
| DTE Energy Co. | 49,681 | 6,379,537 |
| NiSource Inc. | 167,141 | 5,791,436 |

September 30, 2024

| (Percentages shown based on Fund net assets) | | | |
|--|--------|-----------|--------------|
| Security | | Shares | Value |
| Multi-Utilities — continued | | | |
| Northwestern Energy Group Inc. | | 12,426 | \$ 711,016 |
| WEC Energy Group Inc. | | 88,651 | 8,526,453 |
| Total Multi-Utilities | | | 37,927,020 |
| Total Utilities | | | 141,312,710 |
| Total Investments before Short-Term Investments (Cost — \$524,897,606) | | | 583,300,319 |
| | Rate | | |
| Short-Term Investments — 0.9% | | | |
| Invesco Treasury Portfolio, Institutional Class (Cost — \$5,319,944) | 4.787% | 5,319,944 | 5,319,94 |
| Total Investments — 99.7% (Cost — \$530,217,550) | | | 588,620,263 |
| Other Assets in Excess of Liabilities — 0.3% | | | 1,624,308 |
| Total Net Assets — 100.0% | | | \$590.244.57 |

⁽a) Rate shown is one-day yield as of the end of the reporting period.

Abbreviation(s) used in this schedule:

REIT — Real Estate Investment Trust

At September 30, 2024, the Fund had the following open futures contracts:

| | Number of Contracts | Expiration Date | Notional Amount | Market Value | Unrealized Appreciation |
|----------------------|------------------------|--------------------|--------------------|-----------------|----------------------------|
| Contracts to Buy: | | | | | |
| E-mini S&P 500 Index | 11 | 12/24 | \$3,134,958 | \$3,197,838 | \$62,880 |

Statements of Assets and Liabilities (unaudited)

| | Franklin International Low Volatility High Dividend Index ETF | Franklin U.S. Low Volatility High Dividend Index ETF |
|---|---|--|
| Assets: | | |
| Investments, at value (Cost — \$1,213,354,211 and \$530,217,550, respectively) | \$1,343,851,425 | \$ 588,620,263 |
| Foreign currency, at value (Cost — \$1,484,109 and \$0, respectively) | 1,485,954 | <u> </u> |
| Dividends receivable | 5,707,985 | 1,582,698 |
| Receivable for securities sold | 2,240,295 | _ |
| Receivable for Fund shares sold | 339,033 | _ |
| Unrealized appreciation on forward foreign currency contracts | 239,059 | _ |
| Receivable from brokers — net variation margin on open futures contracts | 75,720 | 62,880 |
| European Union tax reclaims receivable (Note 1) | 69,529 | _ |
| Deposits with brokers for open futures contracts | 19,828 | 110,348 |
| Total Assets | 1,354,028,828 | 590,376,189 |
| Liabilities: Unrealized depreciation on forward foreign currency contracts Payable for securities purchased | 11,450,311 2.645.678 | |
| , | 77- | 101 010 |
| Investment management fee payable | 413,554 | 131,618 |
| European Union tax reclaims contingency fees payable (Note 1) Total Liabilities | 41,734 14.551.277 | 131,618 |
| Total Net Assets | \$1,339,477,551 | \$ 590,244,571 |
| Net Assets: | | |
| Par value (Note 5) | \$ 433 | \$ 145 |
| Paid-in capital in excess of par value | 1,236,209,380 | 731,137,494 |
| Total distributable earnings (loss) | 103,267,738 | (140,893,068) |
| Total Net Assets | \$1,339,477,551 | \$ 590,244,571 |
| Shares Outstanding | 43,260,000 | 14,500,000 |
| Net Asset Value | \$30.96 | \$40.71 |

Statements of Operations (unaudited)

For the Six Months Ended September 30, 2024

| | Franklin International Low Volatility High Dividend Index ETF | Franklin U.S. Low Volatility High Dividend Index ETF |
|--|---|---|
| Investment Income: | | |
| Dividends | \$ 36,415,509 | \$ 12,223,446 |
| European Union tax reclaims (Note 1) | (3,950)† | _ |
| Less: Foreign taxes withheld | (3,412,773) | _ |
| Total Investment Income | 32,998,786 | 12,223,446 |
| Expenses: | | |
| Investment management fee (Note 2) | 2,095,094 | 806,674 |
| European Union tax reclaims contingency fees (Note 1) | (884)† | _ |
| Total Expenses | 2,094,210 | 806,674 |
| Net Investment Income | 30,904,576 | 11,416,772 |
| Currency Transactions (Notes 1, 3 and 4): | vard Foreign Currency Contracts a | and Foreign |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: | | |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions | 20,168,167 | (26,163,328) |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts | 20,168,167 320,416 | |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts | 20,168,167 320,416 (17,307,620) | (26,163,328) |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions | 20,168,167 320,416 (17,307,620) 86,305 | (26,163,328) 242,669 — |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) | 20,168,167 320,416 (17,307,620) | (26,163,328) |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 | (26,163,328) 242,669 ——————————————————————————————————— |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 | (26,163,328) 242,669 — — (25,920,659) 84,343,510 |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 | (26,163,328) 242,669 ——————————————————————————————————— |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts Forward foreign currency contracts | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 (22,511,290) | (26,163,328) 242,669 — — (25,920,659) 84,343,510 |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts Forward foreign currency contracts Foreign currencies | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 (22,511,290) 114,766 | (26,163,328) 242,669 — (25,920,659) 84,343,510 25,310 — — |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts Forward foreign currency contracts Foreign currencies Change in Net Unrealized Appreciation (Depreciation) | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 (22,511,290) 114,766 39,585,678 | (26,163,328) 242,669 — — (25,920,659) 84,343,510 |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts Forward foreign currency contracts Foreign currencies Change in Net Unrealized Appreciation (Depreciation) Net Gain on Investments, Futures Contracts, Forward Foreign Currency Contracts | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 (22,511,290) 114,766 39,585,678 | (26,163,328) 242,669 ——————————————————————————————————— |
| Currency Transactions (Notes 1, 3 and 4): Net Realized Gain (Loss) From: Investment transactions Futures contracts Forward foreign currency contracts Foreign currency transactions Net Realized Gain (Loss) Change in Net Unrealized Appreciation (Depreciation) From: Investments Futures contracts Forward foreign currency contracts Foreign currencies Change in Net Unrealized Appreciation (Depreciation) | 20,168,167 320,416 (17,307,620) 86,305 3,267,268 61,937,276 44,926 (22,511,290) 114,766 39,585,678 | (26,163,328) 242,669 — (25,920,659) 84,343,510 25,310 — |

[†] Reversal of excess European Union tax reclaim and Contingency fees related to the filing of European Union tax reclaims for the period ended September 2024.

Statements of Changes in Net Assets

Franklin International Low Volatility High Dividend Index ETF

| For the Six Months Ended September 30, 2024 (unaudited) | | |
|--|------------------|-------------------------|
| and the Year Ended March 31, 2024 | September | 30 March 31 |
| Operations: | | |
| Net investment income | \$ 30,904,5 | 576 \$ 27,709,425 |
| Net realized gain | 3,267,2 | 268 20,583,073 |
| Change in net unrealized appreciation (depreciation) | 39,585,6 | 66,732,081 |
| Increase in Net Assets From Operations | <i>73,757,</i> ! | 522 115,024,579 |
| Distributions to Shareholders From (Note 1): | | |
| Total distributable earnings | (25,599,9 | 76) (46,119,061) |
| Decrease in Net Assets From Distributions to Shareholders | (25,599,9 | 76) (46,119,061) |
| Fund Share Transactions (Note 5): | | |
| Net proceeds from sale of shares (15,480,000 and 16,980,000 shares issued, respectively) | 467,791,4 | 471,542,240 |
| Cost of shares repurchased (780,000 and 2,100,000 shares repurchased, respectively) | (23,667,7 | 725) (60,046,121) |
| Increase in Net Assets From Fund Share Transactions | 444,123, | 725 411,496,119 |
| Increase in Net Assets | 492,281,2 | 271 480 ,401,637 |
| Net Assets: | | |
| Beginning of period | 847,196,2 | 280 366,794,643 |
| End of period | \$1,339,477,5 | 551 \$847,196,280 |
| | | |

Statements of Changes in Net Assets (cont'd)

Franklin U.S. Low Volatility High Dividend Index ETF

| For the Six Months Ended September 30, 2024 (unaudited) | | |
|--|----------------|----------------|
| and the Year Ended March 31, 2024 | September 30 | March 31 |
| Operations: | | |
| Net investment income | \$ 11,416,772 | \$ 36,862,026 |
| Net realized loss | (25,920,659) | (28,677,443) |
| Change in net unrealized appreciation (depreciation) | 84,368,820 | (8,687,566) |
| Increase (Decrease) in Net Assets From Operations | 69,864,933 | (502,983) |
| Distributions to Shareholders From (Note 1): | | |
| Total distributable earnings | (12,399,997) | (36,357,087) |
| Decrease in Net Assets From Distributions to Shareholders | (12,399,997) | (36,357,087) |
| Fund Share Transactions (Note 5): | | |
| Net proceeds from sale of shares (50,000 and 5,400,000 shares issued, respectively) | 1,813,376 | 201,347,194 |
| Cost of shares repurchased (3,400,000 and 17,650,000 shares repurchased, respectively) | (126,861,376) | (629,252,600) |
| Decrease in Net Assets From Fund Share Transactions | (125,048,000) | (427,905,406) |
| Decrease in Net Assets | (67,583,064) | (464,765,476) |
| Net Assets: | | |
| Beginning of period | 657,827,635 | 1,122,593,111 |
| End of period | \$ 590,244,571 | \$ 657,827,635 |

Financial Highlights

Franklin International Low Volatility High Dividend Index ETF

| For a share of beneficial intere | est outstanding t | hroughout e | ach year ende | ed March 31, | unless othe | rwise noted: | |
|---|-------------------|-------------|---------------|-------------------|----------------|--------------|----------------|
| | 20241,2 | 20241 | 20231 | 20221,3 | 20211,4 | 20201,4 | 20191,4 |
| Net asset value, beginning of period | \$29.66 | \$26.81 | \$27.06 | \$25.83 | \$21.25 | \$27.15 | \$26.42 |
| Income (loss) from operations: | | | | | | | |
| Net investment income | 0.89 | 1.32 | 1.25 | 0.41 | 1.13 | 1.00 | 1.18 |
| Net realized and unrealized gain (loss) | 1.13 | 3.70 | 0.50 | 1.12 | 4.78 | (5.47) | 1.85 |
| Total income (loss) from operations | 2.02 | 5.02 | 1.75 | 1.53 | 5.91 | (4.47) | 3.03 |
| Less distributions from: | | | | | | | |
| Net investment income | (0.72) | (1.50) | (1.06) | (0.30) | (1.33) | (1.13) | (1.16) |
| Net realized gains | _ | (0.67) | (0.94) | _ | _ | (0.30) | (1.14) |
| Total distributions | (0.72) | (2.17) | (2.00) | (0.30) | (1.33) | (1.43) | (2.30) |
| Net asset value, end of period | \$30.96 | \$29.66 | \$26.81 | \$27.06 | \$25.83 | \$21.25 | \$27.15 |
| Total return, based on NAV ⁵ | 6.96% | 19.68% | 6.90% | 5.98 % | 28.28 % | (17.20)% | 12.65 % |
| Net assets, end of period (000s) | \$1,339,478 | \$847,196 | \$366,795 | \$102,291 | \$80,576 | \$53,552 | \$53,751 |
| Ratios to average net assets: | | | | | | | |
| Gross expenses | 0.40%6 | 0.40% | 0.41%7 | 0.40%6 | 0.40% | 0.40% | 0.40% |
| Net expenses | 0.406 | 0.40 | 0.417 | 0.406 | 0.40 | 0.40 | 0.40 |
| Net investment income | 5.90 ⁶ | 4.81 | 4.81 | 3.75 ⁶ | 4.51 | 4.28 | 4.54 |
| Portfolio turnover rate ⁸ | 34% | 64% | 78% | 24% | 54% | 96% | 41% |

¹ Per share amounts have been calculated using the average shares method.

² For the six months ended September 30, 2024 (unaudited).

³ For the period November 1, 2021 through March 31, 2022.

⁴ For the year ended October 31.

⁵ Performance figures may reflect fee waivers and/or expense reimbursements. In the absence of fee waivers and/or expense reimbursements, the total return would have been lower. The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁶ Annualized.

⁷ Expense ratios are including non-recurring European Union tax reclaim contingent fees that were incurred by the Fund during the period. Without these fees, the gross and net expense ratios would have been 0.40% and 0.40%, respectively, for the year ended March 31, 2023.

⁸ Portfolio turnover excludes the value of portfolio securities received or delivered as a result of in-kind fund share transactions.

Financial Highlights (cont'd)

Franklin U.S. Low Volatility High Dividend Index ETF

| For a share of beneficial interest outstand | ing throughou | ıt each yea | r ended Ma | arch 31, unl | less otherw | vise noted: | |
|---|----------------|-------------|-------------------|---------------|---------------|-------------|---------|
| | 20241,2 | 20241 | 2023 ¹ | 20221,3 | 20211,4 | 20201,4 | 20191,4 |
| Net asset value, beginning of period | \$36.85 | \$37.30 | \$39.65 | \$37.31 | \$29.36 | \$33.77 | \$30.19 |
| Income (loss) from operations: | | | | | | | |
| Net investment income | 0.71 | 1.42 | 1.33 | 0.43 | 0.99 | 1.13 | 1.11 |
| Net realized and unrealized gain (loss) | 3.92 | (0.49) | (2.46) | 2.45 | 8.01 | (4.45) | 3.36 |
| Total income (loss) from operations | 4.63 | 0.93 | (1.13) | 2.88 | 9.00 | (3.32) | 4.47 |
| Less distributions from: | | | | | | | |
| Net investment income | (0.77) | (1.38) | (1.22) | (0.54) | (1.05) | (1.09) | (0.89) |
| Total distributions | (0.77) | (1.38) | (1.22) | (0.54) | (1.05) | (1.09) | (0.89) |
| Net asset value, end of period | \$40.71 | \$36.85 | \$37.30 | \$39.65 | \$37.31 | \$29.36 | \$33.77 |
| Total return, based on NAV ⁵ | <i>12.80</i> % | 2.66% | (2.85)% | 7.76 % | <i>31.07%</i> | (9.90)% | 15.15 |
| Net assets, end of period (millions) | \$590 | \$658 | \$1,123 | \$728 | \$743 | \$671 | \$824 |
| Ratios to average net assets: | | | | | | | |
| Gross expenses | 0.27%6 | 0.27% | 0.27% | 0.27%6 | 0.27% | 0.27% | 0.279 |
| Net expenses | 0.276 | 0.27 | 0.27 | 0.276 | 0.27 | 0.27 | 0.27 |
| Net investment income | 3.826 | 3.96 | 3.54 | 2.716 | 2.84 | 3.69 | 3.50 |
| Portfolio turnover rate ⁷ | 38% | 65% | 52 % | 14% | 52 % | 48% | 299 |

¹ Per share amounts have been calculated using the average shares method.

² For the six months ended September 30, 2024 (unaudited).

 $^{^{3}\,}$ For the period November 1, 2021 through March 31, 2022.

⁴ For the year ended October 31.

⁵ Performance figures may reflect fee waivers and/or expense reimbursements. In the absence of fee waivers and/or expense reimbursements, the total return would have been lower. The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁶ Annualized.

⁷ Portfolio turnover excludes the value of portfolio securities received or delivered as a result of in-kind fund share transactions.

Notes to Financial Statements (unaudited)

1. Organization and significant accounting policies

Franklin International Low Volatility High Dividend Index ETF ("International Low Volatility High Dividend Index ETF") and Franklin U.S. Low Volatility High Dividend Index ETF" ("U.S. Low Volatility High Dividend Index ETF") (the "Funds") are separate diversified investment series of Legg Mason ETF Investment Trust (the "Trust"). The Trust, a Maryland statutory trust, is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company.

The Funds are exchange-traded funds ("ETFs"). ETFs are funds that trade like other publicly-traded securities. The Funds are designed to track an index. Similar to shares of an index mutual fund, each share of the Funds represents an ownership interest in an underlying portfolio of securities intended to track an index. Unlike shares of a mutual fund, which can be bought from and redeemed by the issuing fund by all shareholders at a price based on net asset value ("NAV"), shares of the Funds may be directly purchased from and redeemed by the Funds at NAV solely by certain large institutional investors who have entered into agreements with the Funds' distributor ("Authorized Participants"). Also unlike shares of a mutual fund, shares of the Funds are listed on a national securities exchange and trade in the secondary market at market prices that change throughout the day.

Shares of the Funds are listed and traded at market prices on the Cboe BZX Exchange, Inc. for International Low Volatility High Dividend Index ETF and NASDAQ for U.S. Low Volatility High Dividend Index ETF. The market price for a Fund's shares may be different from a Fund's NAV. The Funds issue and redeem shares at NAV only in blocks of a specified number of shares or multiples thereof ("Creation Units"). Only Authorized Participants may purchase or redeem Creation Units directly with the Funds at NAV. Creation Units are issued and redeemed generally in-kind for a basket of securities and/or cash. Except when aggregated in Creation Units, shares of the Funds are not redeemable securities. Shareholders who are not Authorized Participants may not redeem shares directly from the Funds at NAV.

International Low Volatility High Dividend Index ETF and U.S. Low Volatility High Dividend Index ETF seek to track the investment results of the Franklin International Low Volatility High Dividend Hedged Index and Franklin Low Volatility High Dividend Index, respectively (together, the "Indices"). The Franklin International Low Volatility High Dividend Hedged Index seeks to provide more stable income through investments in stocks of profitable companies in developed markets outside of the United States with relatively high dividend yields or anticipated dividend yields and lower price and earnings volatility while mitigating exposure to exchange-rate fluctuations between the U.S. dollar and other international currencies. The Franklin Low Volatility High Dividend Index seeks to provide more stable income through investments in stocks of profitable U.S. companies with relatively high dividend yields and lower price and earnings volatility. The Indices are based on a proprietary methodology created and sponsored by Franklin Advisers, Inc. ("Franklin Advisers"), the Funds' subadviser.

The Funds follow the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946, Financial Services — Investment Companies ("ASC 946"). The following are significant accounting policies consistently followed by the Funds and are in conformity with U.S. generally accepted accounting principles ("GAAP"), including, but not limited to, ASC 946. Estimates and assumptions are required to be made regarding assets, liabilities and changes in net assets resulting from operations when financial statements are prepared. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ. Subsequent events have been evaluated through the date the financial statements were issued.

(a) Investment valuation. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services typically use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Investments in open-end funds are valued at the closing net asset value per share of each fund on the day of valuation. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. When the Funds hold securities or other assets that are denominated in a foreign currency, the Funds will use the currency exchange rates, generally determined as of 4:00 p.m. (London Time). If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before each Fund calculates its net asset value, the Funds value these securities as determined in accordance with procedures approved by the Funds' Board of Trustees.

Notes to Financial Statements (unaudited) (cont'd)

Pursuant to policies adopted by the Board of Trustees, the Funds' manager has been designated as the valuation designee and is responsible for the oversight of the daily valuation process. The Funds' manager is assisted by the Global Fund Valuation Committee (the "Valuation Committee"). The Valuation Committee is responsible for making fair value determinations, evaluating the effectiveness of the Funds' pricing policies, and reporting to the Funds' manager and the Board of Trustees. When determining the reliability of third party pricing information for investments owned by the Funds, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts' research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Trustees, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Trustees quarterly.

The Funds use valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

- Level 1 unadjusted guoted prices in active markets for identical investments
- Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 significant unobservable inputs (including the Funds' own assumptions in determining the fair value of investments)

The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Funds' assets and liabilities carried at fair value:

International Low Volatility High Dividend Index ETF

| | ASSETS | 3 | | | | | |
|--------------------------------------|---------|---------------------|------|--|--|-------|------------|
| Description | | ed Prices vel 1) | Obse | r Significant rvable Inputs Level 2) | Significant Unobservable Inputs (Level 3) | | Total |
| Long-Term Investments†: | | | | | | | |
| Common Stocks | \$1,313 | 3,341,848 | | _ | _ | \$1,3 | 13,341,848 |
| Preferred Stocks | 25 | 5,627,831 | | _ | _ | | 25,627,831 |
| Total Long-Term Investments | 1,338 | 3,969,679 | | _ | _ | 1,3 | 38,969,679 |
| Short-Term Investments† | | 1,881,746 | | _ | _ | | 4,881,746 |
| Total Investments | \$1,343 | 3,851,425 | | | _ | \$1,3 | 43,851,425 |
| Other Financial Instruments: | | | | | | | |
| Futures Contracts†† | \$ | 75,720 | | _ | _ | \$ | 75,720 |
| Forward Foreign Currency Contracts†† | | _ | \$ | 239,059 | _ | | 239,059 |
| Total Other Financial Instruments | \$ | 75,720 | \$ | 239,059 | _ | \$ | 314,779 |
| Total | \$1,343 | 3,927,145 | \$ | 239,059 | _ | \$1,3 | 44,166,204 |

LIABILITIES

| Description | Quoted Prices (Level 1) | Other Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|--------------------------------------|----------------------------|---|--|---------------|
| Other Financial Instruments: | | | | |
| Forward Foreign Currency Contracts†† | _ | \$11,450,311 | _ | \$ 11,450,311 |

[†] See Schedule of Investments for additional detailed categorizations.

U.S. Low Volatility High Dividend Index ETF

| - | | | | |
|---|---|---|-----|--|
| л | • | v | - 1 | |
| м | - | u | _ | |

| | AUULIU | | | |
|------------------------------|----------------------------|---|--|---------------|
| Description | Quoted Prices (Level 1) | Other Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
| Common Stocks† | \$583,300,319 | _ | _ | \$583,300,319 |
| Short-Term Investments† | 5,319,944 | - | | 5,319,944 |
| Total Investments | \$588,620,263 | _ | _ | \$588,620,263 |
| Other Financial Instruments: | | | | |
| Futures Contracts†† | \$ 62,880 | <u> </u> | <u>—</u> | \$ 62,880 |
| Total | \$588,683,143 | _ | _ | \$588,683,143 |
| | | | | |

[†] See Schedule of Investments for additional detailed categorizations.

(b) Futures contracts. The Funds use futures contracts generally to gain or manage exposure to certain asset classes, sectors, or markets or for cash management purposes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Funds are required to deposit cash or securities with a broker in an amount equal to a certain percentage of the contract amount. This is known as the "initial margin" and subsequent payments ("variation margin") are made or received by the Funds each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily, but is recorded as a net variation margin payable or receivable. The daily changes in contract value are recorded as unrealized appreciation or depreciation in the Statements of Operations and the Funds recognize a realized gain or loss when the contract is closed.

Futures contracts involve, to varying degrees, risk of loss in excess of the amounts reflected in the financial statements. In addition, there is the risk that the Funds may not be able to enter into a closing transaction because of an illiquid secondary market.

(c) Forward foreign currency contracts. The Funds enter into a forward foreign currency contract to hedge against foreign currency exchange rate risk on its non-U.S. dollar denominated securities or to facilitate settlement of a foreign currency denominated portfolio transaction. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price with delivery and settlement at a future date. The contract is marked-to-market daily and the change in value is recorded by the Funds as an unrealized gain or loss. When a forward foreign currency contract is closed, through either delivery or offset by entering into another forward foreign currency contract, the Funds recognize a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it is closed.

Forward foreign currency contracts involve elements of market risk in excess of the amounts reflected on the Statements of Assets and Liabilities. The Funds bear the risk of an unfavorable change in the foreign exchange rate underlying the forward foreign currency contract. Risks may also arise upon entering into these contracts from the potential inability of the counterparties to meet the terms of their contracts.

(d) Foreign currency translation. Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions.

^{††} Reflects the unrealized appreciation (depreciation) of the instruments.

^{††} Reflects the unrealized appreciation (depreciation) of the instruments.

Notes to Financial Statements (unaudited) (cont'd)

The Funds do not isolate that portion of the results of operations resulting from fluctuations in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, including gains and losses on forward foreign currency contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Funds' books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the values of assets and liabilities, other than investments in securities, on the date of valuation, resulting from changes in exchange rates.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of U.S. dollar denominated transactions as a result of, among other factors, the possibility of lower levels of governmental supervision and regulation of foreign securities markets and the possibility of political or economic instability.

(e) Foreign investment risks. The Funds' investments in foreign securities may involve risks not present in domestic investments. Since securities may be denominated in foreign currencies, may require settlement in foreign currencies or may pay interest or dividends in foreign currencies, changes in the relationship of these foreign currencies to the U.S. dollar can significantly affect the value of the investments and earnings of the Funds. Foreign investments may also subject the Funds to foreign government exchange restrictions, expropriation, taxation or other political, social or economic developments, all of which affect the market and/or credit risk of the investments.

(f) Counterparty risk and credit-risk-related contingent features of derivative instruments. The Funds may invest in certain securities or engage in other transactions where the Funds are exposed to counterparty credit risk in addition to broader market risks. The Funds may invest in securities of issuers, which may also be considered counterparties as trading partners in other transactions. This may increase the risk of loss in the event of default or bankruptcy by the counterparty or if the counterparty otherwise fails to meet its contractual obligations. The Funds' subadviser attempts to mitigate counterparty risk by (i) periodically assessing the creditworthiness of its trading partners, (ii) monitoring and/or limiting the amount of its net exposure to each individual counterparty based on its assessment and (iii) requiring collateral from the counterparty for certain transactions. Market events and changes in overall economic conditions may impact the assessment of such counterparty risk by the subadviser. In addition, declines in the values of underlying collateral received may expose the Funds to increased risk of loss.

With exchange traded and centrally cleared derivatives, there is less counterparty risk to the Funds since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, the credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, the Funds do not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default of the clearing broker or clearinghouse.

The Funds have entered into master agreements, such as an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement, with certain of its derivative counterparties that govern over-the-counter ("OTC") derivatives and provide for general obligations, representations, agreements, collateral posting terms, netting provisions in the event of default or termination and credit related contingent features. The credit related contingent features include, but are not limited to, a percentage decrease in the Funds' net assets or net asset value per share over a specified period of time. If these credit related contingent features were triggered, the derivatives counterparty could terminate the positions and demand payment or require additional collateral.

Under an ISDA Master Agreement, the Funds may, under certain circumstances, offset with the counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment. However, absent an event of default by the counterparty or a termination of the agreement, the terms of the ISDA Master Agreements do not result in an offset of reported amounts of financial assets and financial liabilities in the Statements of Assets and Liabilities across transactions between the Funds and the applicable counterparty. The enforceability of the right to offset may vary by jurisdiction.

Collateral requirements differ by type of derivative. Collateral or margin requirements are set by the broker or exchange clearinghouse for exchange traded derivatives while collateral terms are contract specific for OTC traded derivatives. Cash collateral that has been pledged to cover obligations of the Funds under derivative contracts, if any, will be reported separately in the Statements of Assets and Liabilities. Securities pledged as collateral, if any, for the same purpose are noted in the Schedules of Investments.

As of September 30, 2024, International Low Volatility High Dividend Index ETF held forward foreign currency contracts with credit related contingent features which had a liability position of \$11,450,311. If a contingent feature in the master agreements would have been triggered, the Fund would have been required to pay this amount to its derivatives counterparties.

- (g) Security transactions and investment income. Security transactions are accounted for on a trade date basis. Interest income (including interest income from payment-in-kind securities) is recorded on the accrual basis. Amortization of premiums and accretion of discounts on debt securities are recorded to interest income over the lives of the respective securities, except for premiums on certain callable debt securities, which are amortized to the earliest call date. Dividend income is recorded on the ex-dividend date for dividends received in cash and/or securities. Foreign dividend income is recorded on the ex-dividend date or as soon as practicable after International Low Volatility High Dividend Index ETF determines the existence of a dividend declaration after exercising reasonable due diligence. The cost of investments sold is determined by use of the specific identification method. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Funds may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.
- (h) REIT distributions. The character of distributions received from Real Estate Investment Trusts ("REITs") held by the Funds is generally comprised of net investment income, capital gains, and return of capital. It is the policy of the Funds to estimate the character of distributions received from underlying REITs based on historical data provided by the REITs. After each calendar year end, REITs report the actual tax character of these distributions. Differences between the estimated and actual amounts reported by the REITs are reflected in the Funds' records in the year in which they are reported by the REITs by adjusting related investment cost basis, capital gains and income, as necessary.
- (i) Distributions to shareholders. Distributions from net investment income of the Funds, if any, are declared and paid on a quarterly basis. Distributions of net realized gains, if any, are declared at least annually. Distributions to shareholders of the Funds are recorded on the ex-dividend date and are determined in accordance with income tax regulations, which may differ from GAAP.
- (j) Federal and other taxes. It is the Funds' policy to comply with the federal income and excise tax requirements of the Internal Revenue Code of 1986 (the "Code"), as amended, applicable to regulated investment companies. Accordingly, the Funds intend to distribute their taxable income and net realized gains, if any, to shareholders in accordance with timing requirements imposed by the Code. Therefore, no federal or state income tax provision is required in the Funds' financial statements.

Management has analyzed the Funds' tax positions taken on income tax returns for all open tax years and has concluded that as of March 31, 2024, no provision for income tax is required in the Funds' financial statements. The Funds' federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

Under the applicable foreign tax laws, a withholding tax may be imposed on interest, dividends and capital gains at various rates.

As a result of several court cases, in certain countries across the European Union, International Low Volatility High Dividend Index ETF filed additional tax reclaims for previously withheld taxes on dividends earned in those countries ("EU reclaims"). Income recognized, if any, for EU reclaims is reflected as European Union tax reclaims in the Statements of Operations and any related receivable is reflected as European Union tax reclaims receivable in the Statements of Assets and Liabilities. Any fees associated with these filings are reflected as European Union tax reclaims contingency fees in the Statements of operations. When uncertainty exists as to the ultimate resolution of these proceedings, the likelihood of receipt of these EU reclaims, and the potential timing of payment, no amounts are reflected in the financial statements. For U.S. income tax purposes, EU reclaims received by International Low Volatility High Dividend Index ETF, if any, reduce the amount of foreign taxes Fund shareholders can use as tax deductions or credits on their income tax returns.

(k) Reclassification. GAAP requires that certain components of net assets be reclassified to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share.

2. Investment management agreement and other transactions with affiliates

Franklin Templeton Fund Adviser, LLC ("FTFA") is each Fund's investment manager. Franklin Advisers is each Fund's subadviser. Western Asset Management Company, LLC ("Western Asset") manages the portion of each Fund's cash and short-term instruments allocated to it. FTFA, Franklin Advisers and Western Asset are indirect, wholly-owned subsidiaries of Franklin Resources, Inc. ("Franklin Resources").

FTFA provides administrative and certain oversight services to the Funds. FTFA delegates to the subadviser the day-to-day portfolio management of the Funds. Each Fund is responsible for paying interest expenses, taxes, brokerage expenses, future 12b-1 fees (if any), acquired fund fees and expenses, extraordinary expenses and the management fee payable to FTFA under the investment management agreement.

Notes to Financial Statements (unaudited) (cont'd)

Under the investment management agreement and subject to the general supervision of the Funds' Board of Trustees, FTFA as to each Fund provides or causes to be furnished all investment management, supervisory, administrative and other services reasonably necessary for the operation of the Fund, including certain distribution services (provided pursuant to a separate distribution agreement) and investment advisory services (provided pursuant to separate subadvisory agreements) under a unitary fee structure.

Each Fund pays an investment management fee, calculated daily and paid monthly, at an annual rate of the Fund's average daily net assets as follows:

| | Annualized Fee Rate |
|--|---------------------|
| International Low Volatility High Dividend Index ETF | 0.40% |
| U.S. Low Volatility High Dividend Index ETF | 0.27% |

As compensation for its subadvisory services, FTFA as to each Fund pays Franklin Advisers 90% of the investment management fee paid by the Fund to FTFA, net of (i) all fees and expenses incurred by FTFA under the investment management agreement (including without limitation any subadvisory fee paid to another subadviser to the Fund) and (ii) expense waivers, if any, and reimbursements. FTFA as to each Fund pays Western Asset monthly a fee of 0.02% of the portion of each Fund's average daily net assets allocated to Western Asset for the management of cash and other short-term instruments, net of expense waivers, if any, and reimbursements.

Franklin Distributors, LLC ("Franklin Distributors") serves as the distributor of Creation Units for the Funds on an agency basis. Franklin Distributors is an indirect, wholly-owned broker-dealer subsidiary of Franklin Resources.

The Funds' Board of Trustees has adopted a Rule 12b-1 shareholder services and distribution plan and under that plan, each Fund is authorized to pay service and/or distribution fees calculated at an annual rate of up to 0.25% of its average daily net assets. No service and/or distribution fees are currently paid by the Funds, and there are no current plans to impose these fees

All officers and one Trustee of the Trust are employees of Franklin Resources or its affiliates and do not receive compensation from the Trust

3. Investments

During the six months ended September 30, 2024, the aggregate cost of purchases and proceeds from sales of investments (excluding in-kind transactions and short-term investments) were as follows:

| | Purchases | Sales |
|--|---------------|---------------|
| International Low Volatility High Dividend Index ETF | \$378,923,101 | \$355,457,193 |
| U.S. Low Volatility High Dividend Index ETF | 224,314,921 | 227,486,240 |

During the six months ended September 30, 2024, in-kind transactions (Note 5) were as follows:

| | Contributions | Redemptions | Realized gain (loss)* |
|--|---------------|---------------|-----------------------|
| International Low Volatility High Dividend Index ETF | \$430,355,819 | \$ 23,647,458 | \$5,382,306 |
| U.S. Low Volatility High Dividend Index ETF | 1,813,112 | 126,809,269 | 5,357,519 |

^{*} Net realized gains on redemptions in-kind are not taxable to the remaining shareholders of the Fund.

The in-kind contributions and in-kind redemptions shown in this table may not agree with the Funds' Share Transactions on the Statements of Changes in Net Assets. This table represents the accumulation of each Fund's daily net shareholder transactions while the Statements of Changes in Net Assets reflects gross shareholder transactions including any cash component of the transactions.

At September 30, 2024, the aggregate cost of investments and the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

| | International Low Volatility High Dividend Index ETF | | | | |
|------------------------------------|--|-------------------------------------|-------------------------------------|--|--|
| | Cost | Gross Unrealized Appreciation | Gross Unrealized Depreciation | Net Unrealized Appreciation (Depreciation) | |
| Securities | \$1,221,630,329 | \$144,358,436 | \$(22,137,340) | \$122,221,096 | |
| Futures contracts | _ | 75,720 | _ | 75,720 | |
| Forward foreign currency contracts | _ | 239,059 | (11,450,311) | (11,211,252) | |

| U.S. Low Volatilit | v Hiah Divid | end Index ETF |
|--------------------|--------------|---------------|
|--------------------|--------------|---------------|

| | | Gross Unrealized | Gross Unrealized | Net Unrealized | |
|-------------------|---------------|---------------------|---------------------|---------------------|--|
| | Cost | Appreciation | Depreciation | Appreciation | |
| Securities | \$537,496,985 | \$60,289,183 | \$(9,165,905) | \$51,123,278 | |
| Futures contracts | | 62,880 | _ | 62,880 | |

4. Derivative instruments and hedging activities

Below is a table, grouped by derivative type, that provides information about the fair value and the location of derivatives within the Statements of Assets and Liabilities at September 30, 2024.

International Low Volatility High Dividend Index ETF

ASSET DERIVATIVES¹

| | Foreign | Equity | |
|------------------------------------|---------------|----------|-----------|
| | Exchange Risk | Risk | Total |
| Futures contracts ² | _ | \$75,720 | \$ 75,720 |
| Forward foreign currency contracts | \$239,059 | _ | 239,059 |
| Total | \$239,059 | \$75,720 | \$314,779 |

LIABILITY DERIVATIVES¹

| | Foreign |
|------------------------------------|---------------|
| | Exchange Risk |
| Forward foreign currency contracts | \$11,450,311 |

- Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation and for liability derivatives is payables/net unrealized depreciation.
- Includes cumulative unrealized appreciation (depreciation) of futures contracts as reported in the Schedules of Investments. Only net variation margin is reported within the receivables and/or payables on the Statements of Assets and Liabilities.

The following tables provide information about the effect of derivatives and hedging activities on the Fund's Statement of Operations for the six months ended September 30, 2024. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in net unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

AMOUNT OF NET REALIZED GAIN (LOSS) ON DERIVATIVES RECOGNIZED

| | Foreign | Equity | | |
|------------------------------------|----------------|-----------|------|------------|
| | Exchange Risk | Risk | | Total |
| Futures contracts | _ | \$320,416 | \$ | 320,416 |
| Forward foreign currency contracts | \$(17,307,620) | _ | (1 | 7,307,620) |
| Total | \$(17,307,620) | \$320,416 | \$(1 | 6,987,204) |

CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED

| | Foreign | Equity | | |
|------------------------------------|----------------|----------|------|------------|
| | Exchange Risk | Risk | | Total |
| Futures contracts | <u> </u> | \$44,926 | \$ | 44,926 |
| Forward foreign currency contracts | \$(22,511,290) | _ | (2: | 2,511,290) |
| Total | \$(22,511,290) | \$44,926 | \$(2 | 2,466,364) |

During the six months ended September 30, 2024, the volume of derivative activity for the Fund was as follows:

| | Average Market | |
|--|----------------|--|
| | Value | |
| Futures contracts (to buy) | \$ 5,922,987 | |
| Forward foreign currency contracts (to sell) | 1,043,487,631 | |

Notes to Financial Statements (unaudited) (cont'd)

The following table presents the Fund's OTC derivative assets and liabilities by counterparty net of amounts available for offset under an ISDA Master Agreement and net of the related collateral pledged (received) by the Fund as of September 30, 2024.

| | | Gross | Net Assets | | |
|----------------------------------|-------------------------|-------------------------|----------------|------------|---------------------|
| | Gross Assets | Liabilities | (Liabilities) | | |
| | Subject to | Subject to | Subject to | Collateral | |
| | Master | Master | Master | Pledged | Net |
| Counterparty | Agreements ¹ | Agreements ¹ | Agreements | (Received) | Amount ² |
| State Street Global Markets, LLC | \$ 21,084 | \$ (7,098,682) | \$ (7,077,598) | _ | \$ (7,077,598) |
| UBS Securities LLC | 217,975 | (4,351,629) | (4,133,654) | _ | (4,133,654) |
| Total | \$239,059 | \$(11,450,311) | \$(11,211,252) | _ | \$(11,211,252) |

¹ Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities.

Below is a table, grouped by derivative type, that provides information about the fair value and the location of derivatives within the Statements of Assets and Liabilities at September 30, 2024.

U.S. Low Volatility High Dividend Index ETF

ASSET DERIVATIVES¹

| | Equity |
|--------------------------------|----------|
| | Risk |
| Futures contracts ² | \$62,880 |

Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation and for liability derivatives is payables/net unrealized depreciation.

The following tables provide information about the effect of derivatives and hedging activities on the Fund's Statement of Operations for the six months ended September 30, 2024. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in net unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

| | Risk |
|---|--------------------|
| Futures contracts | \$242,669 |
| CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) ON DERIV | VATIVES RECOGNIZED |
| | Equity |
| | Risk |
| Futures contracts | \$25,310 |

| Average iviarket | |
|------------------|--|
| Value | |
| \$3,332,673 | |

Equity

5. Fund share transactions

Futures contracts (to buy)

At September 30, 2024, the Trust had an unlimited number of shares of beneficial interest authorized with a par value of \$0.00001 per share. Each Fund's shares are issued and redeemed by the Funds only in Creation Units or Creation Unit aggregations, where 60,000 and 50,000 shares of International Low Volatility High Dividend Index ETF and U.S. Low Volatility High Dividend Index ETF, respectively, constitute a Creation Unit. Such transactions are generally on an in-kind basis, with a separate cash payment, which is a balancing cash component to equate the transaction to the net asset value per share of each Fund on the transaction date. Transactions in capital shares of the Funds are disclosed in detail in the Statements of Changes in Net Assets. Authorized Participants are subject to standard creation and redemption transaction fees to offset transfer and other transaction costs associated with the issuance and redemption of Creation Units. Such transactions

² Represents the net amount receivable (payable) from (to) the counterparty in the event of default.

Includes cumulative unrealized appreciation (depreciation) of futures contracts as reported in the Schedules of Investments. Only net variation margin is reported within the receivables and/or payables on the Statements of Assets and Liabilities.

fees are treated as increases in capital and are disclosed in the Funds' Statements of Changes in Net Assets. Creations and redemptions for cash (when cash creations and redemptions are available or specified) may be subject to an additional variable fee.

6. Deferred capital losses

As of March 31, 2024, International Low Volatility High Dividend Index ETF and U.S. Low Volatility High Dividend Index ETF had deferred capital losses of \$7,255,831 and \$171,544,896, respectively, which have no expiration date, that will be available to offset future taxable capital gains.

Changes in and Disagreements with AccountantsFor the period covered by this report

Not applicable.

Results of Meeting(s) of Shareholders For the period covered by this report

Not applicable.

Remuneration Paid to Directors, Officers and Others For the period covered by this report

Not applicable. Remuneration paid to directors, officers, and others is included as part of the all-inclusive management fee and not paid directly by the fund.

Board Approval of Management and Subadvisory Agreements (unaudited)

Legg Mason ETF Investment Trust Franklin International Low Volatility High Dividend Index ETF Franklin U.S. Low Volatility High Dividend Index ETF

(each a Fund)

At an in-person meeting held on May 29, 2024 (Meeting), the Board of Trustees (Board) of the Legg Mason ETF Investment Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved the continuance of (i) the investment management agreement between Franklin Templeton Fund Adviser, LLC (FTFA) and the Trust, on behalf of each Fund; (ii) the investment sub-advisory agreement between FTFA and Franklin Advisers, Inc. (FAV), an affiliate of FTFA, on behalf of each Fund; and (iii) the investment sub-advisory agreement between FTFA and Western Asset Management Company, LLC (Western Asset LLC), an affiliate of FTFA, on behalf of each Fund (each a Management Agreement) for an additional one-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of each Management Agreement. Although the Management Agreements for each Fund were considered at the same Board meeting, the Board considered the information provided to it about each Fund together and with respect to each Fund separately as the Board deemed appropriate. FTFA, FAV and Western Asset LLC are each referred to herein as a Manager.

In considering the continuation of each Management Agreement, the Board reviewed and considered information provided by each Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to each Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a virtual contract renewal meeting at which the Independent Trustees first conferred amongst themselves and Independent Trustee counsel about contract renewal matters, and then met with management to request additional information that the Independent Trustees reviewed and considered prior to and at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of each Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by each Manager; (ii) the investment performance of each Fund, as well as each Fund's tracking error against a specified benchmark index as of a recent period; (iii) the costs of the services provided and profits realized by each Manager and its affiliates from the relationship with each Fund; (iv) the extent to which economies of scale are realized as each Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of each Management Agreement, the Board, including a majority of the Independent Trustees, determined, through the exercise of its business judgment, that the terms of each Management Agreement are fair and reasonable and that the continuance of each Management Agreement is in the best interests of the applicable Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by each Manager and its affiliates to the Funds and their shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of each Manager, as well as information on succession planning where appropriate; the structure of investment personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for each Fund; reports on expenses and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by each Manager and its affiliates; and management fees charged by each Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board acknowledged the ongoing integration of the Putnam family of funds into the Franklin Templeton (FT) family of funds and management's continued development of strategies to address areas of heightened concern in the registered fund industry, including various regulatory initiatives and continuing geopolitical concerns.

Board Approval of Management and Subadvisory Agreements (unaudited) (cont'd)

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of Franklin Resources, Inc. (FRI), the Manager's parent, and its commitment to the registered fund business as evidenced by its continued introduction of new funds, reassessment of the fund offerings in response to FT acquisitions and the market environment, as well as project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to technological innovation and advancement, including its initiative to create a new enterprise-wide artificial intelligence platform.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by each Manager and its affiliates to the Funds and their shareholders.

Fund Performance

The Board reviewed and considered the performance results of each Fund for various time periods ended December 31, 2023. The Board considered the performance returns for each Fund in comparison to the performance returns of registered funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the registered funds included in a Performance Universe. The Board also reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. The Board referenced earlier discussions with management on matters related to, among other things, the expansion and rationalization of the overall product line, including investments in novel asset classes, as well as the growth in assets from internal and external clients. In addition, the Board acknowledged information provided regarding management's strategy to grow market share through the use of innovative data and technology and investments in marketing and distribution. The Board noted management's high level of client engagement and the strength of its internal audit and compliance program. A summary of each Fund's performance results is below.

Franklin International Low Volatility High Dividend Index ETF - The Performance Universe for the Fund included the Fund and all retail and institutional international large-cap value funds and exchange-traded funds. The Fund commenced operations on July 27, 2016, and thus has been in operation for less than 10 years. The Board noted that the Fund's annualized total return for the three- and five-year periods was above the median of its Performance Universe, but for the one-year period was below the median of its Performance Universe. The Board also noted that, although below median, the Fund's annualized total return for the one-year period was 17.20%. The Board further noted the small size of the Fund's Performance Universe and that therefore no quintile information was available for the Fund. The Board also noted that, in light of the Fund's use of a "passive" or indexing investment approach, management evaluates the Fund based on its tracking error against a specified benchmark. The Board further noted that for the one-year period ended December 31, 2023, the Fund's tracking error was within the tolerance anticipated for the Fund. The Board concluded that the Fund's performance was satisfactory.

Franklin U.S. Low Volatility High Dividend Index ETF - The Performance Universe for the Fund included the Fund and all retail and institutional multi-cap value funds and exchange-traded funds. The Fund commenced operations on December 28, 2015, and thus has been in operation for less than 10 years. The Board noted that the Fund's annualized total return for the one-, three- and five-year periods was below the median and in the fifth quintile (worst) of its Performance Universe. The Board also noted that, although below median, the Fund's annualized total return for the three- and five-year periods was 7.20% and 8.35%, respectively. The Board also noted that, in light of the Fund's use of a "passive" or indexing investment approach, management evaluates the Fund based on its tracking error against a specified benchmark. The Board further noted that for the one-year period ended December 31, 2023, the Fund's tracking error was within the tolerance anticipated for the Fund. The Board discussed the Fund's relative underperformance with management and management explained that, unlike the Fund's Performance Universe peers, the Fund has an orientation towards equity securities with relatively high yield and low price and earnings volatility which tend to underperform in strong positive equity environments which occurred, at times, over the reporting periods. Management discussed with the Board the fact that the Fund uses a "passive" investment approach tracking the investment results of the Franklin Low Volatility High Dividend Index and that management was conducting research to determine if potential enhancements could be made to the index construction rules in an effort to deliver more consistent Fund performance. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Comparative Fees and Expenses

The Board reviewed and considered information regarding each Fund's actual total expense ratio, noting that each Fund pays a Unified Fee (as defined below). The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate), of each Fund in comparison to the median expense ratio and median Management Rate, respectively, of other exchange-traded funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from each fund's most recent annual or semi-annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of the methodology used by Broadridge to select the exchange-traded funds included in an Expense Group.

The Expense Group for the Franklin International Low Volatility High Dividend Index ETF was comprised of strategic beta exchange-traded funds, which included the Fund, which is currently classified as an international large-cap value fund, 10 international equity income funds and one international multi-cap value fund. The Expense Group for the Franklin U.S. Low Volatility High Dividend Index ETF was comprised of strategic beta exchange-traded funds, which included the Fund and six other multi-cap value funds. The Board noted that the Management Rate and actual total expense ratio were below the medians of each Fund's respective Expense Group. The Board further noted that each Fund has a unified management fee (Unified Fee) and that pursuant to the Unified Fee arrangement FTFA pays for all operating expenses of the Fund, except interest expenses, taxes, brokerage expenses, future Rule 12b-1 fees (if any), acquired fund fees and expenses, extraordinary expenses and the management fee (Unified Fee Arrangement). The Board also noted that each of FAV and Western Asset LLC is paid by FTFA out of the Unified Fee FTFA receives from each Fund and that the allocation of the fee between FTFA and each of FAV and Western Asset LLC reflected the services provided by each to each Fund. The Board concluded that the Management Rate charged to each Fund and the sub-advisory fee paid to each of FAV and Western Asset LLC are reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by each Manager and its affiliates in connection with the operation of each Fund. In this respect, the Board considered the Fund profitability analysis provided by the Manager that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual Funds during the 12-month period ended September 30, 2023 (the most recent fiscal year-end for FRI). The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Funds' profitability report presentations from prior years. The Board also noted that an independent registered public accounting firm has been engaged by the Manager to periodically review and assess the allocation methodologies to be used solely by the Funds' Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of fund operations conducted by each Manager and its affiliates may not be fully reflected in the expenses allocated to each Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures by the Manager but, over the long run, is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Funds, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which each Manager and its affiliates might derive ancillary benefits from fund operations, including potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by each Manager and its affiliates from providing services to each Fund was not excessive in view of the nature, extent and quality of services provided to each Fund.

33

Board Approval of Management and Subadvisory Agreements (unaudited) (cont'd)

Economies of Scale

The Board reviewed and considered the extent to which each Manager may realize economies of scale, if any, as each Fund grows larger and whether each Fund's management fee structure reflects any economies of scale for the benefit of shareholders. The Board considered that each Fund would likely experience benefits from the Unified Fee at the Fund's projected asset levels because of FTFA's contractual requirement to bear most of the Fund's ordinary operating expenses. The Board noted that, under the Unified Fee, it is not anticipated that any of the Funds will generate significant, if any, profit for FTFA and/or its affiliates for some time. The Board considered management's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments the Manager incurs across the FT family of funds as a whole. The Board also noted management's representation that the Franklin International Low Volatility High Dividend Index ETF and the Franklin U.S. Low Volatility High Dividend Index ETF had net assets of \$654 million and \$873 million, respectively, as of December 31, 2023, and experienced a profit for the fiscal year ended September 30, 2023. The Board concluded that to the extent economies of scale may be realized by the Manager and its affiliates, each Fund's management fee structure provided a sharing of benefits with a Fund and its shareholders as the Fund grows.

Conclusion

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of each Management Agreement for an additional one-year period.













Franklin Low Volatility High Dividend Index ETFs

Trustees

Rohit Bhagat Deborah D. McWhinney Anantha K. Pradeep Jennifer M. Johnson *Chair*

Investment manager

Franklin Templeton Fund Adviser, LLC

Subadviser

Franklin Advisers, Inc.

Custodian

The Bank of New York Mellon

Transfer agent

The Bank of New York Mellon 240 Greenwich Street New York, NY 10286

Independent registered public accounting firm

PricewaterhouseCoopers LLP San Francisco, CA

Franklin Low Volatility High Dividend Index ETFs

Franklin International Low Volatility High Dividend Index ETF Franklin U.S. Low Volatility High Dividend Index ETF

The Funds are separate investment series of Legg Mason ETF Investment Trust, a Maryland statutory trust. Franklin Low Volatility High Dividend Index ETFs Legg Mason Funds 620 Eighth Avenue, 47th Floor New York, NY 10018

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year as an exhibit to their reports on Form N-PORT. The Funds' Forms N-PORT are available on the SEC's website at www.sec.gov. To obtain information on Form N-PORT, shareholders can call the Funds at 1-877-721-1926.

Information on how the Funds voted proxies relating to portfolio securities during the prior 12-month period ended June 30th of each year and a description of the policies and procedures that the Funds use to determine how to vote proxies related to portfolio transactions are available (1) without charge, upon request, by calling the Funds at 1-877-721-1926, (2) at www.franklintempleton.com and (3) on the SEC's website at www.sec.gov.

This report is submitted for the general information of the shareholders of Franklin International Low Volatility High Dividend Index ETF and Franklin U.S. Low Volatility High Dividend Index ETF. This report is not authorized for distribution to prospective investors in the Funds unless preceded or accompanied by a current prospectus.

Investors should consider each Fund's investment objectives, risks, charges and expenses carefully before investing. Each prospectus contains this and other important information about the Funds. Please read the prospectuses carefully before investing.

www.franklintempleton.com

© 2024 Franklin Distributors, LLC, Member FINRA/SIPC. All rights reserved.

Franklin Templeton Funds Privacy and Security Notice

Your Privacy Is Our Priority

Franklin Templeton* is committed to safeguarding your personal information. This notice is designed to provide you with a summary of the non-public personal information Franklin Templeton may collect and maintain about current or former individual investors; our policy regarding the use of that information; and the measures we take to safeguard the information. We do not sell individual investors' non-public personal information to anyone and only share it as described in this notice.

Information We Collect

When you invest with us, you provide us with your non-public personal information. We collect and use this information to service your accounts and respond to your requests. The non-public personal information we may collect falls into the following categories:

- Information we receive from you or your financial intermediary on applications or other forms, whether we receive the form
 in writing or electronically. For example, this information may include your name, address, tax identification number, birth
 date, investment selection, beneficiary information, and your personal bank account information and/or email address if you
 have provided that information.
- Information about your transactions and account history with us, or with other companies that are part of Franklin Templeton, including transactions you request on our website or in our app. This category also includes your communications to us concerning your investments.
- Information we receive from third parties (for example, to update your address if you move, obtain or verify your email address or obtain additional information to verify your identity).
- Information collected from you online, such as your IP address or device ID and data gathered from your browsing activity and location. (For example, we may use cookies to collect device and browser information so our website recognizes your online preferences and device information.) Our website contains more information about cookies and similar technologies and ways you may limit them.
- Other general information that we may obtain about you such as demographic information.

Disclosure Policy

To better service your accounts and process transactions or services you requested, we may share non-public personal information with other Franklin Templeton companies. From time to time we may also send you information about products/services offered by other Franklin Templeton companies although we will not share your non-public personal information with these companies without first offering you the opportunity to prevent that sharing.

We will only share non-public personal information with outside parties in the limited circumstances permitted by law. For example, this includes situations where we need to share information with companies who work on our behalf to service or maintain your account or process transactions you requested, when the disclosure is to companies assisting us with our own marketing efforts, when the disclosure is to a party representing you, or when required by law (for example, in response to legal process). Additionally, we will ensure that any outside companies working on our behalf, or with whom we have joint marketing agreements, are under contractual obligations to protect the confidentiality of your information, and to use it only to provide the services we asked them to perform.

Confidentiality and Security

Our employees are required to follow procedures with respect to maintaining the confidentiality of our investors' non-public personal information. Additionally, we maintain physical, electronic and procedural safeguards to protect the information. This includes performing ongoing evaluations of our systems containing investor information and making changes when appropriate.

At all times, you may view our current privacy notice on our website at https://www.franklintempleton.com/help/privacy-policy or contact us for a copy at (800) 632-2301.

*For purposes of this privacy notice Franklin Templeton shall refer to the following entities:

Franklin Templeton Funds Privacy and Security Notice (cont'd)

Fiduciary Trust International of the South (FTIOS), as custodian for individual retirement plans Franklin Advisers. Inc.

Franklin Distributors, LLC, including as program manager of the Franklin Templeton 529 College Savings Plan and the NJBEST 529 College Savings Plan

Franklin Mutual Advisers, LLC

Franklin, Templeton and Mutual Series Funds

Franklin Templeton Institutional, LLC

Franklin Templeton Investments Corp., Canada

Franklin Templeton Investments Management, Limited UK

Legg Mason Funds

Templeton Asset Management, Limited

Templeton Global Advisors, Limited

Templeton Investment Counsel, LLC

If you are a customer of other Franklin Templeton affiliates and you receive notices from them, you will need to read those notices separately.

ETF Index Disclaimers

Franklin International Low Volatility High Dividend Index ETF

The MSCI World ex-US IMI Index (the "MSCI Index") was used by Franklin Advisers, Inc. ("Franklin Advisers"), the Fund's subadviser, as the reference universe for selection of the component securities included in the Franklin International Low Volatility High Dividend Hedged Index (the "Underlying Index"). MSCI Inc. does not in any way sponsor, support, promote or endorse the Underlying Index or Franklin International Low Volatility High Dividend Index ETF (the "Fund"). MSCI Inc. was not and is not involved in any way in the creation, calculation, maintenance or review of the Underlying Index. The MSCI Index was provided on an "as is" basis. MSCI Inc., its affiliates and any other person or entity involved in or related to compiling, computing or creating the MSCI Index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including without limitation lost profits) or any other damages in connection with the MSCI Index, the Underlying Index or the Fund.

The Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Underlying Index and/or Underlying Index trade mark or the Underlying Index Price at any time or in any other respect. The Underlying Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Underlying Index is calculated correctly. Irrespective of its obligations towards the Fund, Solactive AG has no obligation to point out errors in the Underlying Index to third parties including but not limited to investors and/or financial intermediaries of the Fund. Neither publication of the Underlying Index by Solactive AG nor the licensing of the Underlying Index or the Underlying Index trade mark for the purpose of use in connection with the Fund constitutes a recommendation by Solactive AG to invest capital in this Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Fund.

Franklin Advisers does not guarantee the accuracy and/or the completeness of the Underlying Index or any data included therein, and Franklin Advisers shall not have any liability for any errors, omissions or interruptions therein. Franklin Advisers makes no warranty, express or implied, as to results to be obtained by the Fund, owners of the shares of the Fund or any other person or entity from the use of the Underlying Index, or any data included therein, either in connection with the Fund or for any other use. Franklin Advisers makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Underlying Index or any data included therein. Without limiting any of the foregoing, in no event shall Franklin Advisers have any liability for any special, punitive, direct, indirect or consequential damages (including lost profits) arising out of matters relating to the use of the Underlying Index, even if notified of the possibility of such damages.

Franklin U.S. Low Volatility High Dividend Index ETF

Solactive AG does not sponsor, promote, sell or support in any manner the Franklin Low Volatility High Dividend Index ETF (the "Fund"). Solactive AG does not offer any express or implicit guarantee or assurance either with regard to the results of using the Solactive US Broad Market Index (the "Solactive Index" or the "Underlying Index") and/or Solactive Index trade mark or the Solactive Index Price at any time or in any other respect. The Solactive Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Solactive Index is calculated correctly. Irrespective of its obligations towards the Fund, Solactive AG has no obligation to point out errors in the Solactive Index to third parties including but not limited to investors and/or financial intermediaries of the Fund. Neither publication of the Solactive Index by Solactive AG nor the licensing of the Solactive Index or Solactive Index trade mark for the purpose of use in connection with the Fund constitutes a recommendation by Solactive AG to invest capital in the Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in the Fund.

Solactive AG does not offer any express or implicit guarantee or assurance either with regard to the results of using the Fund's Underlying Index and/or Underlying Index trade mark or the Underlying Index Price at any time or in any other respect. The Fund's Underlying Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Underlying Index is calculated correctly. Irrespective of its obligations towards the Fund, Solactive AG has no obligation to point out errors in the Underlying Index to third parties including but not limited to investors and/or financial intermediaries of the Fund. Neither publication of the Underlying Index by Solactive AG nor the licensing of the Underlying Index or Underlying Index trade mark for the purpose of use in connection with the Fund constitutes a recommendation by Solactive AG to invest capital in the Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in the Fund.

Franklin Advisers, Inc. ("Franklin Advisers") does not guarantee the accuracy and/or the completeness of the Underlying Index or any data included therein, and Franklin Advisers shall not have any liability for any errors, omissions or interruptions therein. Franklin Advisers makes no warranty, express or implied, as to results to be obtained by the Fund, owners of the shares of the Fund or any other person or entity from the use of the Underlying Index, or any data included therein, either in connection with the Fund or for any other use. Franklin Advisers makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Underlying Index or any data included therein. Without limiting any of the foregoing, in no event shall Franklin Advisers have any liability for any special, punitive, direct, indirect or consequential damages (including lost profits) arising out of matters relating to the use of the Underlying Index, even if notified of the possibility of such damages.



© 2024 Franklin Templeton. All rights reserved.

LMETF-SFSOI 11/24