Franklin ClearBridge Enhanced Income ETF

YLDE | The Nasdaq Stock Market LLC

Annual Shareholder Report | March 31, 2026

This annual shareholder report contains important information about Franklin ClearBridge Enhanced Income ETF for the period April 1, 2025, to March 31, 2026.
You can find additional information about the Fund at https://www.franklintempleton.com/regulatory-fund-documents. You can also request this information by contacting us at (800) DIAL BEN/342-5236.

This report describes changes to the Fund that occurred during the reporting period.

WHAT WERE THE FUND COSTS FOR THE LAST YEAR? (based on a hypothetical $10,000 investment)

Fund Name	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
Franklin ClearBridge Enhanced Income ETF	$50	0.47%

HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?

For the twelve months ended March 31, 2026, Franklin ClearBridge Enhanced Income ETF returned 11.64%. The Fund compares its performance to the S&P 500 Index and the CBOE S&P 500 BuyWrite Index, which returned 17.80% and 11.35%, respectively, for the same period.

PERFORMANCE HIGHLIGHTS

Top contributors to performance:

- ↑ ExxonMobil, in the energy sector, is an oil and gas exploration and production company which outperformed amid a rotation into the energy sector in the first quarter and higher oil prices due to the war in the Middle East in March 2026.
- ↑ Oracle, in the information technology (IT) sector, is the world's third-largest supplier of enterprise software and cloud services. The company saw its share price lifted amid a combination of strong quarterly earnings, surging cloud and artificial intelligence (AI) momentum and news of a significant new cloud service contract to begin implementation in 2028.
- ↑ Williams Companies, in the energy sector, is a natural-gas-focused midstream energy company. Shares were higher as it continued to perform well in a strengthening market for natural gas. Shares also strengthened due to positive sentiment on the AI growth opportunity for natural gas pipeline companies; in 2026, the company announced several new projects including another behind-the-meter power project, serving data centers.

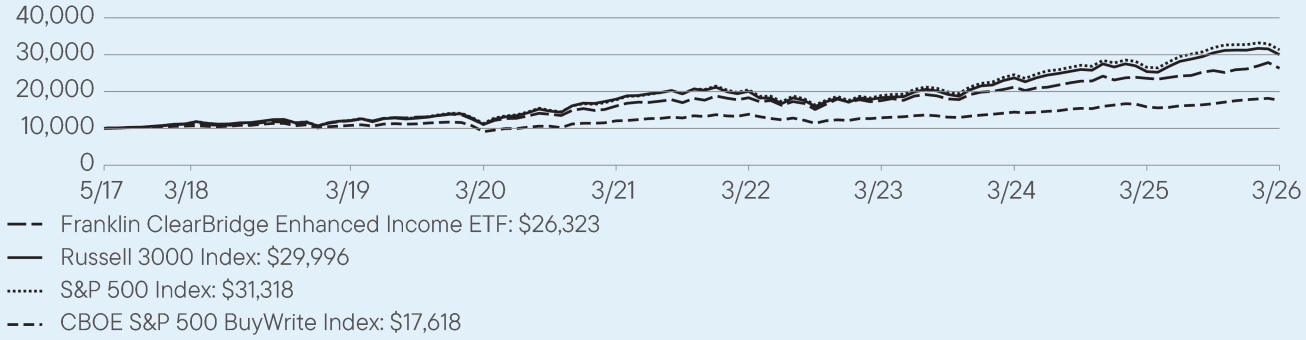
Top detractors from performance:

- ↓ Nvidia, a semiconductor company in the IT sector, performed well on surging AI demand; the stock does not meet the Fund's requirements for dividend-paying companies and is not eligible for ownership in the Strategy.
- ↓ An underweight to Alphabet, in the communication services sector, was a relative headwind. Alphabet's success with its Google Gemini chatbot and TPU chips for AI workloads boosted its shares in 2025, while the Department of Justice antitrust case concluded with less onerous penalties than feared, lifting sentiment.
- ↓ Increasing competitive dynamics in the wireless industry weighed on T-Mobile, the largest U.S. wireless carrier, in the communication services sector.

HOW DID THE FUND PERFORM OVER THE LAST 10 YEARS?

The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

VALUE OF A $10,000 INVESTMENT – FRANKLIN CLEARBRIDGE ENHANCED INCOME ETF 5/22/2017 — 3/31/2026



AVERAGE ANNUAL TOTAL RETURNS (%) Period Ended March 31, 2026

	1 Year	5 Year	Since Inception (5/22/2017)
Franklin ClearBridge Enhanced Income ETF (NAV)	11.64	10.40	11.55
Russell 3000 Index	18.09	10.87	13.28
S&P 500 Index	17.80	12.06	13.85
CBOE S&P 500 BuyWrite Index	11.35	7.92	6.60

Fund performance figures may reflect fee waivers and/or expense reimbursements, without which the performance would have been lower.

Effective February 28, 2025, the Fund changed its name and adopted the Fund's current investment strategies.

For current month-end performance, please call Franklin Templeton at (800) DIAL BEN/342-5236 or visit https://www.franklintempleton.com/investments/options/exchange-traded-funds.

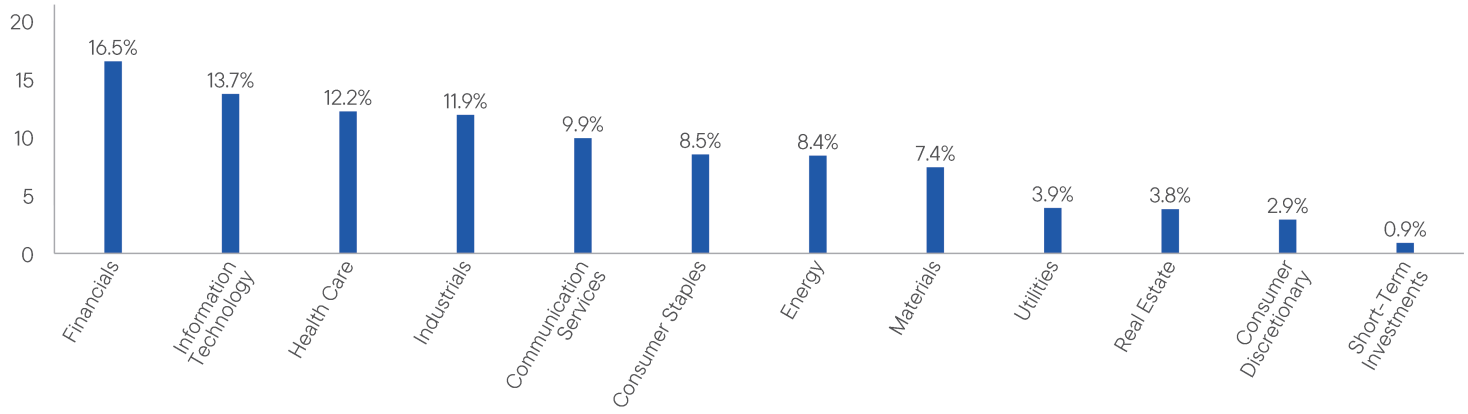
Important data provider notices and terms available at www.franklintempletondatasources.com.

KEY FUND STATISTICS (as of March 31, 2026)

Total Net Assets	$143,118,733
Total Number of Portfolio Holdings (excludes derivatives, except purchased options, if any)	55
Total Management Fee Paid (based on a unitary fee)	$526,549
Portfolio Turnover Rate	40%

WHAT DID THE FUND INVEST IN? (as of March 31, 2026)

Portfolio Composition* (% of Total Investments)



* Does not include derivatives, except purchased options, if any.

HOW HAS THE FUND CHANGED?

On August 1, 2025, the Fund's principal investment strategies were revised to reflect the Fund's policy to pay monthly distributions at a relatively stable level throughout each calendar year and to reflect the Fund's decreased exposure to the financial services and information technology sectors.

Related disclosure regarding the risks of targeted distribution policies was added to the Fund's principal risks and risks related to investing in the financial services and information technology sectors were removed as principal risks of the Fund.

Effective December 31, 2025, the investment management services provided by the Fund's sub-adviser, Franklin Managed Options Strategies, LLC, ("Franklin MOST") and the personnel of Franklin MOST who provided such services for the Fund, were transferred to O'Shaughnessy Asset Management, LLC ("OSAM"). On that date OSAM assumed the duties and obligations of Franklin MOST under the sub-advisory agreement between the Fund's investment manager and Franklin MOST with respect to the Fund.

This is a summary of certain changes to the Fund since April 1, 2025. For more complete information, you may review the Fund's current prospectus and any applicable supplements and the Fund's next prospectus, which we expect to be available by August 1, 2026, at https://www.franklintempleton.com/regulatory-fund-documents or upon request at (800) DIAL BEN/342-5236 or ETFs-Product@franklintempleton.com.

WHERE CAN I FIND ADDITIONAL INFORMATION ABOUT THE FUND?

Additional information is available on https://www.franklintempleton.com/regulatory-fund-documents, including its:

• prospectus • proxy voting information • financial information • holdings • tax information