

ClearBridge Large Cap Growth Fund

Class I: SBLYX Class A: SBLGX

Commentary | as of March 31, 2026

Key Takeaways

- **Markets:** Growth stocks sold off sharply in the first quarter as geopolitical conflict in the Middle East, rising bond yields and heightened scrutiny of AI-related returns pressured higher multiple equities. The Russell 1000 Growth Index declined 9.8%, significantly underperforming value.
- **Contributors:** Linde, Eaton, Netflix. Overweights to industrials, materials.
- **Detractors:** Intuit, Fair Isaac. Stock selection in industrials, health care.
- **Outlook:** Some early signs of positive early-cycle momentum in industrials have eroded somewhat due to the conflict, yet we remain optimistic that pent-up activity in the manufacturing economy can be supportive of portfolio results.

Performance Review

- Growth stocks were pressured as investors more pointedly questioned the return on investment from massive capital spending on AI buildouts as well as the viability of application software business models amid new generative AI tools introduced during the quarter. Rising bond yields resulting from the inflationary pressures of higher oil prices due to the U.S. and Israeli conflict with Iran also weighed on higher-multiple growth stocks.
- The Fund outperformed the benchmark (gross of fees) as we saw increased market dispersion away from the technology sector and momentum stocks that led the market in 2025.
- Materials was the largest contributor to relative performance in the quarter as industrial gases provider Linde and paint and coatings maker Sherwin-Williams were solid performers in an environment that has begun to reward companies with quality fundamentals.
- The Fund also saw contributions from a diversified mix of industrials names, led by Eaton, a key provider of equipment to enable electrical connectivity; W.W. Grainger, a distributor of industrial supplies; and RTX, a defense contractor.
- We were also encouraged by the rebound in Netflix after the streaming provider withdrew from a bidding war for Warner Bros. Discovery; we believe the fundamental setup for its business remains robust.
- Tax prep software maker Intuit, credit score provider Fair Isaac, cloud hyperscaler Oracle and enterprise software firm Salesforce were all impacted by a broad acceleration in the selloff among software companies feared to be disintermediated by AI. Fair Isaac, known for its FICO score, was also hurt by concerns about growing competition that we believe are overblown as the company continues to deliver considerable value to its customers.
- We completed an exit from Salesforce this quarter after trimming the position as part of our actions to reduce software exposure over the past year.
- We continue to be optimistic on trends in the semiconductor sector and added a new position in Texas Instruments, a company focused on analog semiconductor devices and embedded processing, with broad exposure to industrial markets.
- We also added two new positions in the health care sector with the additions of biopharmaceutical companies Roche and Alnylam Pharmaceuticals. These moves brought the portfolio's health care exposure back to a slight overweight versus the benchmark and continued our efforts to improve quality of our health care holdings.

Outlook

- We believe the start of 2026 demonstrated stabilization for the Fund compared to the prior year. While the top-heavy composition of the Russell 1000 Growth Index causes us to maintain a significant weighting to the Magnificent Seven, our mega cap exposure did not have an overriding influence on first-quarter performance. Instead, we were encouraged by the diversified contributions the Fund received across multiple sectors outside IT.
- Rising geopolitical risks also highlighted our ability as active managers to oversee the level of risk in the portfolio. As market volatility rose during the quarter with the Iran conflict, we continued to dial back risk by trimming strong recent performers to redeploy the proceeds into more attractive ideas. Looking ahead, some early signs of positive early-cycle momentum in industrials have eroded somewhat due to the conflict, yet we remain optimistic that pent-up activity in the manufacturing economy can be supportive of portfolio results.

Top Securities (% of Total)

Holding	Fund
NVIDIA Corp.	14.03
Amazon.Com, Inc.	7.01
Meta Platforms Inc. (FB)	6.01
Apple Inc.	5.83
Microsoft Corp	4.95
Netflix Inc	4.64
Visa Inc	3.89
Alphabet Inc. Class A	3.47
Eaton Corp PLC	2.48
W.W. Grainger, Inc.	2.39

Average annual total returns and fund expenses (%) - as of March 31, 2026

Class	CUSIP	Ticker	Without Sales Charge							With Maximum Sales Charge							Expenses		Sales Charges		Inception Date
			3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Gross	Net	Initial Charge	CDSC	
Class I	52469H784	SBLYX	-9.56	-9.56	6.38	16.21	8.36	13.43	9.89	-9.56	-9.56	6.38	16.21	8.36	13.43	9.89	0.73	0.73	—	—	10/15/1997
Class A	52469H826	SBLGX	-9.62	-9.62	6.08	15.87	8.05	13.10	9.71	-14.60	-14.60	0.26	13.71	6.78	12.43	9.48	1.01	1.01	5.50	—	8/29/1997
Benchmark	—	—	-9.78	-9.78	18.81	21.18	12.76	16.83	—	-9.78	-9.78	18.81	21.18	12.76	16.83	—	—	—	—	—	

Benchmark(s)

Benchmark = Russell 1000 Growth Index

Performance data quoted represents past performance, which does not guarantee future results. Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit franklintempleton.com.

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Net expenses are capped under a contractual agreement, which cannot be terminated prior to 12/31/2026 without Board consent. Actual expenses may be higher and may impact portfolio returns.

Maximum sales charges have been updated as of August 15, 2022, please refer the Fund's prospectus for more information.

What are the Risks?

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. **Short selling** is a speculative strategy. Unlike the possible loss on a security that is purchased, there is no limit on the amount of loss on an appreciating security that is sold short. The **investment style** may become out of favor, which may have a negative impact on performance. **Diversification** does not guarantee a profit or protect against a loss. **Active management** does not ensure gains or protect against market declines. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Glossary

The **Magnificent Seven** stocks are Apple, Amazon, Alphabet, Meta Platforms, Microsoft, Nvidia, and Tesla.

Important Information

The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

The **Russell 1000 Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe.

Important data provider notices and terms available at www.franklintempletondatasources.com. All data is subject to change.

Source: FTSE.

Holdings are provided for informational purposes only and should not be construed as a recommendation to purchase or sell any security.

© Franklin Distributors, LLC. Member FINRA/SIPC.

ClearBridge Investments, LLC, and Franklin Distributors, LLC, are Franklin Templeton companies.

Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.