FRANKLIN TEMPLETON | ClearBridge

ClearBridge Sustainability Leaders Portfolios

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

The ClearBridge Sustainability Leaders Portfolios invest in high-quality companies across market capitalizations with strong or improving environmental, social and governance (ESG) attributes and make an impact through company engagement.

Investment objective

Seeks:
Long-term growth of capital.

Investment philosophy

The investment team believes that:

- High-quality companies with a sustainable competitive advantage have the potential to outperform their peers over the long term.
- ESG analysis is integral to identifying attractive businesses and understanding company fundamentals.
- Active ownership, through direct engagement with companies as well as active proxy voting, is a critical aspect of active investment management.

Portfolio positioning

- Designed for investors seeking to pursue financial return while making a positive impact on the world
- Seeks to unlock the value found in ESG practices, which are recognized as important drivers of long-term corporate success
- Invests with a multi-year time horizon, resulting in lower portfolio turnover

What sets ClearBridge Investments apart

Fully integrated process
ESG evaluation is not a separate process at ClearBridge. Their fundamental research process incorporates ESG perspectives that go beyond traditional passive negative screens and overlays.

Proprietary rating system
Every company within the ClearBridge research universe receives a rating intended to signal to investment teams how well a company has executed against ESG practices. ClearBridge analysts assign companies one of four proprietary ESG ratings, ranging from AAA (highest) to B (lowest), based on company performance/behavior and a comparison with industry peers.

Company engagement
Advocacy via active proxy voting and engagement with company management. As high-conviction investors who own companies for the long haul, ClearBridge is positioned to help guide and influence company management on issues related to ESG.

Key differentiators

- High-conviction, low-turnover approach that invests in 40-60 high-quality companies with a demonstrated commitment to ESG principles and creating a positive impact
- Diversifies across positions, industries and market capitalizations with a meaningful allocation to sustainable business models that address global challenges
- Long-term investment horizon that facilitates company engagement to promote prudent financial management and best-in-class ESG practices

Management team

ClearBridge Investments is an active equity manager offering a broad range of strategies across global developed and emerging markets, local markets, and income.

Investment management team

Benedict Buckley, CFA
Director
Portfolio Manager
Industry since 2013

Dimitry Dayen CFA
Director
Portfolio Manager
Industry since 2005

Mary Jane McQuillen
Managing Director and Head of ESG
Portfolio Manager
Industry since 1996

Active share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Generate investment ideas

- Run quantitative screens to identify companies with quality attributes
- Evaluate ESG factors to identify exposure to products or services with positive impact, and companies that operate sustainably
- Evaluate opportunities on an ongoing basis

STEP 2

Apply fundamental analysis

- Integrate fundamental research with proprietary analysis of ESG factors
- Identify companies displaying ESG leadership and compelling risk/reward attributes
- Assign ESG rating

STEP 3

Construct portfolio

- Build portfolio of high-conviction ideas with a multi-year time horizon
- Diversify across multiple industries and market capitalizations
- Emphasize stock selection and minimize factor exposure

STEP 4

Engage and monitor regularly

- Engage company managements to further ESG goals
- Continually monitor portfolio using quantitative and fundamental tools
- Assess risk regularly

The investment process may change over time. The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee that investment objectives will be achieved.

Portfolio Information‡

As of June 30, 2026

Top Ten Holdings (%)

	Portfolio
NVIDIA Corp	7.48
Apple Inc	6.07
Alphabet Inc	5.45
Amazon.com Inc	4.11
ASML Holding NV	4.02
Johnson & Johnson	3.37
Microsoft Corp	3.16
JPMorgan Chase & Co	2.73
Broadcom Inc	2.71
United Rentals Inc	2.29
Total	**41.38**

Sector Weightings (%)

	Portfolio	BM
Information Technology	32.88	35.03
Financials	11.57	12.24
Industrials	11.03	10.40
Health Care	9.77	9.57
Communication Services	8.67	9.22
Consumer Discretionary	7.96	9.44
Materials	4.85	2.18
Consumer Staples	4.74	4.34
Real Estate	3.25	2.24
Utilities	2.92	2.19
Energy	0.00	3.16
Cash & Cash Equivalents	2.35	0.00

Market Capitalization (%)

	Portfolio	BM
<10 Billion	2.21	6.39
10-50 Billion	12.83	13.33
50-250 Billion	28.93	24.60
250-500 Billion	11.31	12.92
>500 Billion	44.72	42.76

Characteristics

	Portfolio	BM
Number of Issuers	55	2,998
Estimated 3-5 Year EPS Growth	14.73%	20.02%
Price to Earnings (12-Month Forward)	24.53x	21.94x
Price to Book	6.85x	6.09x
Dividend Yield*	0.90%	1.07%
Median Market Cap (Millions USD)	$341,466	$336,512
Weighted Average Market Capitalization (Millions USD)	$1,192,091	$1,185,808

‡ Source: FactSet. Portfolio characteristics listed are based on a model portfolio, not an actual client account. The model portfolio is a hypothetical portfolio whereby the portfolio characteristics are based on simulated trading and account activity of a client account invested in this strategy. The model portfolio assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the model portfolio as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors. **Dividend Yield is calculated without the deduction of fees and expenses.**

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of June 30, 2026 – PRELIMINARY

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
Sustainability Leaders –Pure Gross of Fees—(USD)	0.29	13.31	10.71	17.99	14.91	8.06	13.89	14.78
Sustainability Leaders –Net of Fees—(USD)	0.05	12.51	9.11	14.59	11.59	4.93	10.60	11.46
Russell 3000 Index—(USD)	-0.30	15.44	10.88	22.82	20.36	12.31	15.51	15.06

Calendar-Year Total Returns – Pure Gross and Net of Fees (%) ending December 31

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sustainability Leaders –Pure Gross of Fees—(USD)	11.02	15.31	17.13	-21.00	23.58	34.68	39.21	-1.63	21.97	6.95
Sustainability Leaders –Net of Fees—(USD)	7.81	11.99	13.75	-23.35	20.03	30.84	35.26	-4.51	18.47	3.84
Russell 3000 Index—(USD)	17.15	23.81	25.96	-19.21	25.66	20.89	31.02	-5.24	21.13	12.74

The strategy returns shown are preliminary composite returns, subject to future revision (downward or upward). Past performance is not a guarantee of future results. An investment in this strategy can lose value. Please visit www.franklintempleton.com for the latest performance figures. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

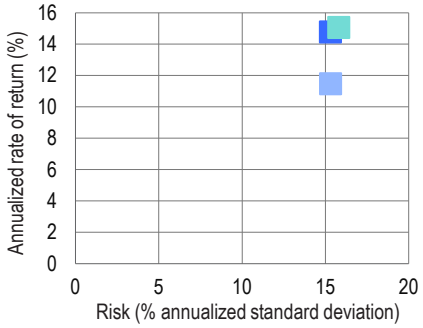
[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs. **To obtain specific information on available products and services or a GIPS® Report, contact your Franklin Templeton separately managed account sales team at (800) DIAL BEN/342-5236. ClearBridge Investments, LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.**

Prior to December 1, 2017, performance results were calculated using the ClearBridge Sustainability Leaders Composite, which was comprised of institutional account(s). ClearBridge follows substantially the same investment philosophy, strategies and processes in managing the Sustainability Leaders SMA account(s) that it does in managing the institutional ClearBridge Sustainability Leaders account(s). The performance of the ClearBridge Sustainability Leaders SMA Composite may vary from the performance of the institutional composite, especially over shorter time periods and during periods of extraordinary market conditions.

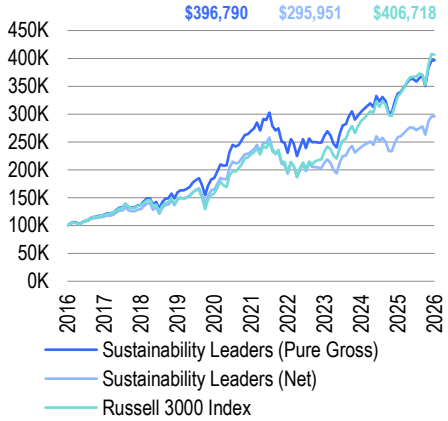
Performance Statistics [1] Preliminary (based on 10-year period ending June 30, 2026)

Risk/Return profile (%)

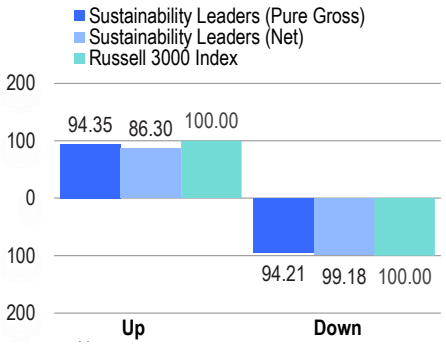


Sustainability Leaders (Pure Gross)	
Annualized Return (%)	14.78
Annualized Standard Deviation (%)	15.31
Sustainability Leaders (Net)	
Annualized Return (%)	11.46
Annualized Standard Deviation (%)	15.31
Russell 3000 Index	
Annualized Return (%)	15.06
Annualized Standard Deviation (%)	15.81

Growth of $100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	0.83	0.63	0.82
Beta	0.94	0.94	N/A
Alpha (%)	0.40	-2.53	N/A
R-Squared	0.95	0.95	N/A

	(+) Months	(-) Months
Pure Gross:	83	37
Net:	83	37

[1] Source: Franklin Templeton.

*For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on pure gross and net-of-fees quarterly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

Terms and definitions:

Dividend yield is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends. **Dividend yield is calculated without the deduction of fees and expenses.**

P/E (Year 1) is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **price-to-book ratio (P/B)** is a stock's price divided by the stock's per share book value. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

Weighted median market capitalization represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

Weighted average market capitalization represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

Market capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

Standard deviation measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk.

The **up-capture ratio** measures the manager's overall performance to the benchmark's overall performance, considering only quarters that are positive in the benchmark. An up-capture ratio of more than 100 indicates a manager who outperforms the relative benchmark in the benchmark's positive quarters.

The **down-capture ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only quarters that are negative in the benchmark. A down-capture ratio of less than 100 indicates a manager who outperforms the relative benchmark in the benchmark's negative quarters and protects more of a portfolio's value during down markets.

Alpha is a measure of performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. Alpha is a measure of the difference between actual returns and expected performance measuring sensitivity to index movements.

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark.

Sharpe ratio is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better a portfolio's historical risk-adjusted performance.

R-squared measures the strength of the linear relationship between a portfolio and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization. Source: FTSE.

What are the risks?

All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. The managers' **environmental, social and governance (ESG) strategies** may limit the types and number of investments available and, as a result, may forgo favorable market opportunities or underperform strategies that are not subject to such criteria. There is no guarantee that the strategy's ESG directives will be successful or will result in better performance.

Important Information

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