FRANKLIN TEMPLETON | ClearBridge

ClearBridge Global Infrastructure Income Fund

Class I: RGIVX Class A: RGAVX **Commentary | as of June 30, 2026**

Key Takeaways

- **Markets:** Listed infrastructure made positive gains in the second quarter, but trailed equities in a risk-on market that saw a deescalation of tensions in the Middle East and reinvigorated interest in semiconductor and AI infrastructure companies.
- Defensive sectors such as utilities underperformed in this environment, although all the sectors in the listed infrastructure universe we cover made positive gains. GDP-sensitive user-pays assets generally led as geopolitical tensions eased following the onset of the U.S.-Iran conflict in March. North American rails led the group as the freight cycle showed signs of recovery. Airports and toll roads also performed well as easing tensions laid the groundwork for an increase in global travel. Overall, utilities were positive across the United States, Canada and Europe, but some weakness crept in as investors began to question the elevated spending by hyperscalers on AI infrastructure, which includes the electricity needed to power data centers.
- Laggards in our universe included communications towers, which were relatively weak due to stagnant leasing growth and worries over higher-for-longer interest rates, and renewables, which saw some profit-taking and felt similar headwinds from AI spending concerns.
- **Contributors:** On a regional basis, the United States and Canada region was the top contributor for the quarter, with Canadian National Railway and Canadian energy infrastructure company South Bow the lead performers.
- **Detractors:** US renewables company Clearway Energy and UK water company Pennon were the largest detractors for the quarter.
- **Outlook:** There is little change to our outlook: we remain defensively positioned, with a tilt toward regulated and contracted utilities versus GDP-sensitive user-pays assets. We continue to expect strength amid the greater appreciation of real assets shown by the market in 2026, given their inflation protection in the current macroeconomic and fiscal backdrop.

Performance Review

- On a regional basis, the United States and Canada region was the top contributor for the quarter, with Canadian National Railway and Canadian energy infrastructure company South Bow the lead performers.
- Canadian National is the largest listed railroad in Canada. Its network is extensive, spanning over 20,000 miles across Canada, the United States and Mexico. Canadian National was supported by volumes that have outpaced guidance by 300+ bps while year-over-year headcount continues to decline, which has helped to drive margin improvements.
- South Bow is a North American liquids pipeline business that was spun out of TC Energy in October 2024. It has over 3,000 miles of pipeline, and its crown jewel asset, the Keystone Pipeline, connects the heavy crude produced in the Western Canadian Sedimentary Basin to key refinery markets along the US Gulf Coast. The company owns 7.6 million barrels of liquids storage capacity. South Bow's strong share price performance was driven by growing investor conviction and positive momentum surrounding the Prairie Connector project. Several key milestones were achieved during the quarter, including Bridger (its US partner) securing the Presidential Permit and South Bow announcing a successful open season of customer commitments.
- US renewables company Clearway Energy and Brookfield Renewable were the largest detractors for the quarter.
- Clearway Energy primarily owns and operates contracted renewable generation assets in the United States It also owns and operates conventional generation and thermal infrastructure assets. Clearway's recent underperformance reflects market concerns over persistent US inflation and the potential for higher interest rates as a result.
- Brookfield is a Canadian pure-play renewables operator and developer focused on international hydro, solar, wind and storage technology. As more private and public institutions announce ambitious carbon reduction initiatives, Brookfield's globally diversified, multi-technology renewables business makes it an attractive partner. Brookfield's development pipeline stands at 85 GW, providing confidence that the company can meet its targeted double-digit cash flow growth through to 2030. Brookfield also has a stake in Westinghouse and benefits from a potential buildout cycle in nuclear power. The company's share price declined following reports that the company is considering collapsing its C-Corp and LP structures into a single listed entity. While such a move could enhance liquidity and increase index inclusion over the longer term, it would likely eliminate the valuation premium currently enjoyed by the C-Corp shares.

Outlook

- There is little change to our outlook: we remain defensively positioned, with a tilt toward regulated and contracted utilities versus GDP-sensitive user-pays assets. We continue to expect strength amid the greater appreciation of real assets shown by the market in 2026, given their inflation protection in the current macroeconomic and fiscal backdrop. Many infrastructure assets operate under regulatory frameworks or long-term contractual structures that allow inflation and cost increases to be passed through to end users over time. We believe we are still in the early stages of an accelerated infrastructure investment cycle, driven by expanding mobility needs, rising energy demand, a shifting energy mix and the modernization of networks to enhance resilience against physical asset risk and environmental risk. We believe these investments underpin durable growth in earnings and dividends for listed infrastructure investors.

Morningstar Rating™

Overall Rating as of June 30, 2026

★★★★ **(4-Star)** Class I

★★★★ **(4-Star)** Class A

As of 06/30/2026 the fund's Class I and Class A shares received a 4 star overall Morningstar rating™, measuring risk-adjusted returns against 81, 75 and 56 Infrastructure funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics. The number of funds in the category for the Overall Rating are listed under the 3-year period.

Top Equity Issuers (% of Total)

Holding	Fund
Entergy Corporation	5.06
ENGIE S.A.	4.86
TC Energy Corporation	4.79
Pembina Pipeline Corporation	4.67
Aena SME SA	4.58
APA Group	4.52
Williams Companies, Inc.	4.47
Canadian National Railway Company	4.37
VINCI SA	4.09
Enel SpA	3.95

Not FDIC Insured | No Bank Guarantee | May Lose Value

Average annual total returns and fund expenses (%) - as of June 30, 2026

			Without Sales Charge							With Maximum Sales Charge							Expenses		Sales Charges		Inception
Class	CUSIP	Ticker	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	Date
Class I	52471E472	RGIVX	0.96	12.42	19.00	13.48	9.32	8.97	9.12	0.96	12.42	19.00	13.48	9.32	8.97	9.12	1.35	0.96	—	—	3/31/2016
Class A	52471E480	RGAVX	0.90	12.33	18.76	13.22	9.04	8.65	8.80	-4.65	6.13	12.24	11.11	7.75	8.01	8.18	1.41	1.31	5.50	—	3/31/2016
Benchmark	—	—	2.33	10.66	15.78	12.24	7.65	7.47	—	2.33	10.66	15.78	12.24	7.65	7.47	—	—	—	—	—	—

Benchmark(s)

Benchmark =FTSE Global Core Infrastructure 50/50 Index-NR

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. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 12/31/2027 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.
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. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. Companies in the **infrastructure industry** may be subject to a variety of factors, including high interest costs, high degrees of leverage, effects of economic slowdowns, increased competition, and impact resulting from government and regulatory policies and practices**. International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets.** To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Real estate investment trusts** (REITs) are closely linked to the performance of the real estate markets. REITs are subject to illiquidity, credit and interest rate risks, and risks associated with small- and mid-cap investments. Investments in energy-related **master limited partnerships and midstream entities** are subject to risks of declines in energy and commodity prices, decreases in energy demand, adverse weather conditions, natural or other disasters, changes in government regulation, and changes in tax laws. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. **Dividends** may fluctuate and are not guaranteed, and a company may reduce or eliminate its dividend at any time. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the fund's performance and result in greater fluctuation in the value of the fund's shares. 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.

Important Information

Effective June 1, 2025, the fund changed its benchmark to the FTSE Global Core Infrastructure 50/50 Index-NR.

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 **FTSE Global Core Infrastructure 50/50** includes developed and emerging market infrastructure and infrastructure-related listed securities allocated to 50% utilities, 30% transportation, including capping of 7.5% for railroads/railways, and a 20% mix of other sectors including pipelines, satellites and telecommunication towers. Source FTSE.

Net Returns (NR) include income net of tax withholding when dividends are paid. Source: FTSE.

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

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

Morningstar Rating™: Source: Morningstar®, 06/30/2026. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The fund's Class A shares received a Morningstar Rating of 3, 3 and 4 and fund's Class I shares received a Morningstar Rating of 3, 3 and 4 star(s) for the 3-, 5- and 10-year periods, respectively. Franklin Templeton provides this fund's Morningstar Rating™ for Class A and Class I shares only. Other share classes may have different Morningstar ratings. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

© 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.

FRANKLIN TEMPLETON