FRANKLIN TEMPLETON | ClearBridge

ClearBridge Value ESG Portfolios

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

The ClearBridge Value ESG Portfolios focus on large-, medium- and small-company stocks.

The ESG Investment Program actively incorporates environmental, social and governance (ESG) factors into the fundamental research platform and the stock selection process. In addition, ongoing company engagement and shareholder advocacy are key components of the Program.

A few examples of the ESG considerations include:

- Innovative workplace policies, employee benefits and programs
- Environmental management system strength, eco-efficiency and life-cycle analysis
- Community involvement, strategic philanthropy and reputation management
- Strong corporate governance and independence on the board

ClearBridge is a Signatory to the UN Principles for Responsible Investment and is affiliated with the Investor Network on Climate Risk, the Carbon Disclosure Project, the Interfaith Center on Corporate Responsibility, the Global Impact Investing Network, and the US Forum for Sustainable and Responsible Investment.

Investment objective

Long-term capital growth. Current income is a secondary consideration.

Investment philosophy

- The strategy applies value criteria to attempt to find the most inefficiently priced stocks in the small-, mid- and large-capitalization sectors. The goal is to achieve above-average returns while seeking to manage risk.
- The managers integrate environmental, social and governance (ESG) factors into the stock selection process.
- They believe competitive risk-adjusted returns can be achieved by capitalizing on the convergence between a company's investment potential and its ESG management aspects.

When evaluating an individual stock, the portfolio managers look for:

- Low market valuations
- Positive changes in earnings prospects because of factors such as:
  - New, improved or unique products and services
  - New or rapidly expanding markets for the company's products
  - New management
  - Changes in the economic, financial, regulatory or political environment that are likely to affect the company
- Effective research, product development and marketing
- A business strategy not yet recognized by the marketplace

Portfolio positioning

- Designed for investors seeking a core value portfolio, with the ability to invest in all market capitalizations
- Offers a long-term buy-and-hold strategy, which may reduce portfolio turnover[1]

Key differentiators

Incorporates additional measures to avoid traditional pitfalls of value investing

- Fundamental research around high Return on Invested Capital (ROIC) business is bedrock to investment process.
- Use of quantitative screening focuses fundamental budget on key valuation measures by sector and areas to tilt the portfolio.
- Use of top-down themes and trends (with multiyear view) shapes areas to avoid and exploit the market.

Strong research support across organizations

- Dedicated research team of fundamental and quantitative analysts

Experienced investment management team

Strategy inception: 2005

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

Reed Cassady, CFA
Managing Director
Portfolio Manager
Industry since 2007

Sam Peters, CFA
Managing Director
Portfolio Manager
Industry since 1993

Jean Yu, CFA, PhD
Managing Director
Portfolio Manager
Industry since 2022

Diversification does not ensure a profit or protect against market loss.

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

[1] Market, security and/or other investment considerations may result in higher turnover from time to time. Also, all capitalization ranges will not necessarily be represented in an individual account.

Effective September 30, 2024, ClearBridge All Cap Value ESG Portfolios was renamed ClearBridge Value ESG Portfolios. There was no change to the investment objective, principal investment strategies or investment policies.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Define the investment universe

- Identify quality equity investments in different categories, which may include common stocks in the Russell 1000 Value Index.

STEP 2

Evaluate stocks using proprietary discipline

- Emphasize market and industry themes and trends.
- Stress long-term value in analyzing quantitative, fundamental and technical factors.

STEP 3

Apply fundamental analysis to select securities

- Emphasize companies with healthy balance sheets selling at or near book value and at prices that do not accurately reflect cash flows, tangible assets or management skills.

STEP 4

Construct a diversified portfolio and review holdings

- Built a portfolio of best ideas that have met our ESG criteria.
- Re-examine a current holding when fundamentals or technical factors deteriorate, full growth potential is reached, or there is unusual insider buying/selling.

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
Amazon.com Inc	6.86
Bank of America Corp	3.41
GE Vernova Inc	3.35
Johnson & Johnson	3.13
Fairfax Financial Holdings Ltd	3.13
UnitedHealth Group Inc	2.37
CVS Health Corp	2.32
Eli Lilly & Co	2.28
Micron Technology Inc	2.19
Chevron Corp	2.10
Total	**31.13**

Sector Weightings (%)

	Portfolio	BM
Financials	19.27	19.12
Health Care	17.49	12.60
Industrials	16.72	11.39
Energy	11.87	5.49
Consumer Discretionary	8.97	10.63
Information Technology	7.60	18.60
Materials	7.04	3.81
Consumer Staples	4.24	7.48
Communication Services	2.96	3.29
Utilities	2.20	3.93
Real Estate	0.00	3.66
Cash & Cash Equivalents	1.64	0.00

Market Capitalization (%)

	Portfolio	BM
<10 Billion	11.60	4.01
10-50 Billion	28.20	20.50
50-250 Billion	25.81	34.57
250-500 Billion	14.01	13.67
>500 Billion	20.39	27.25

Characteristics

	Portfolio	BM
Number of Issuers	64	870
Estimated 3-5 Year EPS Growth	14.89%	14.47%
Price to Earnings (12-Month Forward)	16.12x	18.27x
Price to Book	4.47x	4.40x
Dividend Yield*	1.54%	1.67%
Median Market Cap (Millions USD)	$100,218	$156,914
Weighted Average Market Capitalization (Millions USD)	$437,333	$683,163

‡ 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	15 Year	20 Year
Value ESG–Pure Gross of Fees—(USD)	1.00	12.02	14.20	24.92	17.56	11.20	12.37	11.57	10.30	8.61
Value ESG–Net of Fees—(USD)	0.76	11.22	12.55	21.33	14.17	7.98	9.12	8.34	7.10	5.46
Russell 1000 Value Index—(USD)	2.27	13.87	16.26	27.12	17.79	11.17	12.10	11.52	11.47	8.79

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Value ESG–Pure Gross of Fees—(USD)	13.91	15.51	15.38	-7.58	29.68	2.67	24.36	-14.76	15.39	17.96
Value ESG–Net of Fees—(USD)	10.62	12.17	12.05	-10.30	25.97	-0.34	20.79	-17.28	12.06	14.56
Russell 1000 Value Index—(USD)	15.91	14.37	11.46	-7.54	25.16	2.80	26.54	-8.27	13.66	17.34

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.

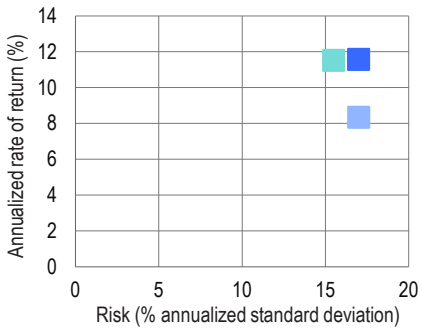
[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in 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.**

Effective September 30, 2024, the index used is the Russell 1000 Value Index. Prior to the change, the index used was the Russell 3000 Value Index.

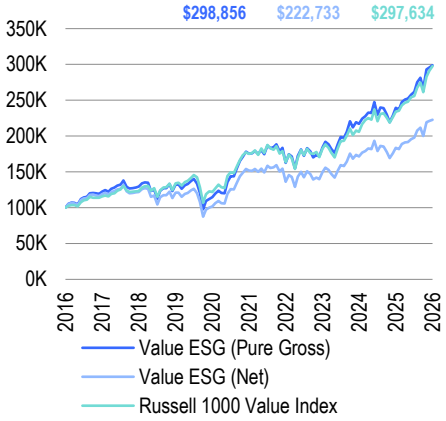
Performance Statistics [1] Preliminary (based on 10-year period ending June 30, 2026)

Risk/Return profile (%)

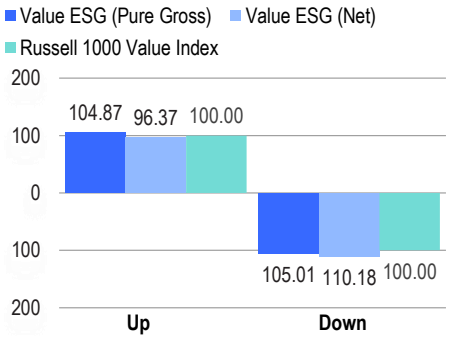


Value ESG (Pure Gross)	
Annualized Return (%)	11.57
Annualized Standard Deviation (%)	17.00
Value ESG (Net)	
Annualized Return (%)	8.34
Annualized Standard Deviation (%)	17.00
Russell 1000 Value Index	
Annualized Return (%)	11.52
Annualized Standard Deviation (%)	15.51

Growth of $100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	0.59	0.42	0.63
Beta	1.07	1.07	N/A
Alpha (%)	-0.37	-3.28	N/A
R-Squared	0.95	0.95	N/A

	(+) Months	(-) Months
Pure Gross:	78	42
Net:	78	42

[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 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. Source: FTSE.

The **Russell 3000 Value Index** measures the performance of the broad value segment of U.S. equity value universe. 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

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

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