FRANKLIN TEMPLETON | ClearBridge

ClearBridge Dynamic MDA U.S. Dividend Balanced Portfolios

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

The ClearBridge Dynamic MDA U.S. Dividend Balanced Portfolios strive to maximize simplicity and minimize emotion by shifting allocations across multiple ClearBridge strategies based on a quantitative system that uses well-known factor measures and methodologies.

Investment objective

Seeks:

- Income and long-term capital appreciation through diversification across multiple ClearBridge strategies to gain exposure to a mix of value stocks, dividend-paying stocks and bonds.

Investment philosophy

- Simplify asset allocation through the efficient delivery of a diversified model portfolio geared toward a specific growth objective.
- Take the emotion out of rebalancing by relying on a quantitative-based dynamic allocation system that relies on market-driven signals to change allocations.
- Pair the operational experience of ClearBridge Investments, a deeply seasoned MDA investment manager, with what ClearBridge considers to be their best ideas in growth and dividend-paying stocks.

Key differentiators

Potential diversification

- Portfolios are invested across three ClearBridge strategies: Appreciation, Dividend Strategy and Investment Grade ETFs.
- The strategy band range was chosen specifically to help keep turnover low, which may improve the tax efficiency of the portfolios, yet wide enough to maintain the benefits of dynamic allocation.

Active qualitative oversight

- Ongoing monitoring of asset allocation.
- The active management for which ClearBridge is recognized remains very relevant throughout the process. In fact, the ClearBridge Chief Investment Officer must confirm and approve all allocation signals and changes.

Simplified portfolio administration

- By keeping all investment managers, service and operational functions within one organization, ClearBridge believes they can deliver an efficient and effective experience.
- Positions are consolidated into one account, one statement.
- Allocation shifts are communicated regularly with full transparency.

Allocation bands:

- Appreciation: 20%-50%
- Dividend Strategy: 20%-50%
- Select ETF Investment Grade Bond: 15%-55%

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.

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

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

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Identify complementary strategies to build a single diversified portfolio

- Combine different ClearBridge strategies using appropriate reallocation triggers and weights with the goal of generating higher risk-adjusted returns (as measured by Sharpe ratios) than the underlying products or an equal-weighted combination.

STEP 2

Review allocations monthly

- The portfolio will shift allocations based on the level of one or more predetermined factor signals relative to their 12-month moving average. For the ClearBridge Dynamic MDA U.S. Dividend Balanced Portfolios, the factor is based on asset class (stocks vs. bonds).
- Allocation changes are triggered when the value of a factor is above or below the index's 12-month simple moving average for two consecutive months.

STEP 3

Confirmation of signal

- All allocation signals and changes require review and approval from ClearBridge CIO.
- Independent risk management at both strategy and portfolio levels.

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.

The investment process and models used by ClearBridge to determine the Dynamic MDA portfolios' allocations to their constituent strategies are subject to change. In such event, a Dynamic MDA portfolio's allocations may differ from the possible allocations set forth above. A Dynamic MDA portfolio's allocations also may vary from the allocations set forth above due to market movements and the relative performance of its constituent strategies. A Dynamic MDA portfolio's allocations in effect from time to time will be within the allocation bands set forth in the description of the ClearBridge Dynamic MDA portfolios in ClearBridge's and Franklin Templeton Private Portfolio Group's combined Form ADV brochure.

MDA disciplines may utilize Exchange Traded Fund (ETFs) disciplines. An ETF is a type of Investment Company whose investment objective is to achieve a return similar to that of a particular market index. An ETF will invest in either all of the securities or a representative sample of the securities included in the index they track. ETFs may be bought or sold throughout the day in the secondary market but are generally not redeemable by retail investors for the underlying basket of securities they track. Clients likely to find an MDA strategy that utilizes ETF disciplines most appropriate are those willing to accept market-like returns for the ETF discipline with little potential for the individual ETFs to outperform the indices they track. Potential investors should understand that the annual advisory fee charged in the MDA program is in addition to the management fees, operating expenses, and other expenses associated with an investment in ETFs.

Portfolio Information‡

As of June 30, 2026

Top Ten Holdings (%)

	Portfolio
NVIDIA Corp	4.88
Alphabet Inc	4.80
Apple Inc	3.74
Microsoft Corp	2.94
ExxonMobil Holdings Corp	2.36
JPMorgan Chase & Co	2.15
Broadcom Inc	2.10
Williams Cos Inc/The	1.87
Johnson & Johnson	1.77
Texas Instruments Inc	1.77
Total	**28.38**

Sector Weightings (%)

	Portfolio
Information Technology	20.44
Financials	12.23
Industrials	9.28
Communication Services	9.25
Health Care	7.99
Consumer Staples	5.72
Energy	5.52
Materials	4.88
Consumer Discretionary	4.14
Real Estate	2.23
Utilities	2.02
Unassigned	14.83
Cash & Cash Equivalents	1.48

Characteristics

	Portfolio
Number of Issuers	86
Estimated 3-5 Year EPS Growth	12.94%
Price to Earnings (12-Month Forward)	20.70x
Price to Book	8.87x
Dividend Yield	1.58%
Median Market Cap (Millions USD)	$186,316
Weighted Average Market Capitalization (Millions USD)	$885,206

Market Capitalization (%)

	Portfolio
10-50 Billion	18.66
50-250 Billion	34.30
250-500 Billion	11.00
>500 Billion	36.03

Dividend Yield is calculated without the deduction of fees and expenses.

‡ Source: FactSet. Portfolio characteristics listed are based on representative accounts and assumes no withdrawals, contributions or client-imposed restrictions. Portfolio characteristics of individual client accounts may differ from those of the representative accounts as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors.

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of June 30, 2026 – PRELIMINARY – (Inception date: 7/1/2015)

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Year	10 Year
U.S. Dividend Balanced–Pure Gross of Fees—(USD)	-0.53	6.51	4.80	11.33	12.71	7.90	9.18	9.54
U.S. Dividend Balanced–Net of Fees—(USD)	-0.78	5.74	3.27	8.11	9.45	4.76	6.01	6.37
Index Mix—(USD)	-0.64	10.99	7.43	16.74	15.85	9.30	11.80	11.63

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
U.S. Dividend Balanced–Pure Gross of Fees—(USD)	12.54	15.57	11.91	-11.39	19.38	7.64	23.76	-2.82	15.55	11.20
U.S. Dividend Balanced–Net of Fees—(USD)	9.29	12.23	8.67	-14.00	15.94	4.51	20.21	-5.67	12.21	7.98
Index Mix—(USD)	14.96	17.43	21.06	-17.87	18.99	16.65	27.28	-3.93	17.31	10.37

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.

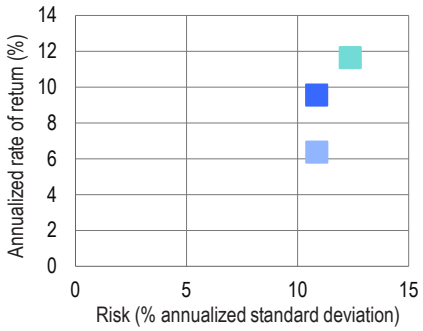
[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in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

The Index Mix consists of the following: 70% S&P 500 Index and 30% iBoxx $ Liquid Investment Grade Index.

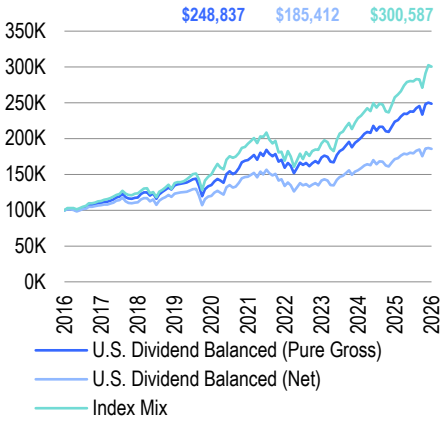
Performance Statistics [1] Preliminary (based on 10-year period ending June 30, 2026)

Risk/Return profile (%)



U.S. Dividend Balanced (Pure Gross)	
Annualized Return (%)	9.54
Annualized Standard Deviation (%)	10.86
U.S. Dividend Balanced (Net)	
Annualized Return (%)	6.37
Annualized Standard Deviation (%)	10.86
Index Mix	
Annualized Return (%)	11.63
Annualized Standard Deviation (%)	12.38

Growth of $100,000*



[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 **S&P 500 Index** features 500 leading U.S. publicly traded companies, with a primary emphasis on market capitalization. Source: © S&P Dow Jones Indices LLC. All rights reserved.

The **iBoxx $ Liquid Investment Grade Corporate Bond Index** consists of U.S. dollar-denominated, liquid investment grade corporate bonds. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI. IHS Markit.

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. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls.

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.

Separately Managed Accounts (SMAs) are investment services provided by Franklin Templeton Private Portfolio Group, LLC (FTPPG), a federally registered investment advisor. Client portfolios are managed based on investment instructions or advice provided by one or more of the following Franklin Templeton affiliated subadvisors: ClearBridge Investments, LLC. Management is implemented by FTPPG, the designated subadvisor or, in the case of certain programs, the program sponsor or its designee.

These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.

© Franklin Templeton. ClearBridge Investments, LLC is a Franklin Templeton affiliated company.

FRANKLIN TEMPLETON