FRANKLIN TEMPLETON | ClearBridge

ClearBridge Tactical Dividend Income Portfolios

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

The strategy targets high current income and income growth through exposure to high-quality, dividend-paying common stocks as well as MLPs, REITs and convertible securities.

Investment philosophy and strategy

- Our goal is to deliver high current income to shareholders while achieving long-term capital appreciation.
- The strategy considers a unique opportunity set including asset classes that many traditional dividend investors do not consider and are outside of conventional dividend paying stocks, such as Master Limited Partnerships (MLPs), Business Development Companies (BDCs), and Mandatory Converts.
- This flexible design empowers managers to emphasize income opportunities where they have the highest conviction.

The team seeks to:

- Invest in companies that are leaders in their sectors, exhibit sound or improving balance sheets, generate solid returns, and have relatively predictable earnings and cash flow streams.
- Focus on valuation with an emphasis on free cash flow generation and ability to return cash to shareholders.
- Identify securities with attractive current income streams or strong prospects for income growth and capital appreciation.
- Utilize equity related securities to enhance yield and provide further diversification.

Investment construction, process and approach

- Review macroeconomic and capital market conditions
- Assess attractiveness of equity income asset classes (stocks, MLPs, REITs, convertibles and preferreds)
- Identify secular and cyclical growth opportunities
- Screen for stocks with attractive relative and historical valuations and for higher-yielding, equity-related securities issued by sound, attractively valued companies

Key differentiators

- The strategy considers a unique opportunity set, including asset classes that many traditional dividend investors do not consider.
- Strong investing skill sets to deliver results: Portfolio Managers are seasoned equity income investors with long pedigrees (each with 20+ years of experience) and have actively invested in MLPs, BDCs, Mandatory Converts and REITs for at least 10 years.
- A fully integrated ESG process. Firm-wide fundamental research incorporates ESG perspectives across industry sectors.

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

Patrick McElroy, CFA
Managing Director
Portfolio Manager
Industry since 1992

Peter Vanderlee, CFA
Managing Director
Portfolio Manager
Industry since 1999

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.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Overall market assessment
~1,200 securities

- Explore investment universe for income opportunism
- Assess attractiveness of equity income asset classes
- Identify trends for secular and cyclical growth opportunities

STEP 2

Fundamental analysis
~400 securities

- Conduct in-depth fundamental and ESG company analysis
- Evaluate dividend profile
- Analysis security valuation

STEP 3

Portfolio construction

- integrate top-down views
- Construct well-diversified portfolio of typically 60-90 holdings
- Compare portfolio yield to investment target

STEP 4

Risk management

- Conduct quarterly portfolio risk review
- Monitor security risk profiles
- Adhere to sell discipline

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
Apple Inc	3.45
ASML Holding NV	3.39
Williams Cos Inc/The	2.78
Micron Technology Inc	2.46
Microsoft Corp	2.38
Union Pacific Corp	2.31
Alphabet Inc	2.28
JPMorgan Chase & Co	2.23
Goldman Sachs Group Inc/The	2.15
DTE Energy Co	2.07
Total	**25.50**

Sector Weightings (%)

	Portfolio	BM
Information Technology	19.97	12.70
Industrials	15.84	8.00
Energy	12.62	18.39
Financials	12.22	13.66
Real Estate	10.51	17.73
Health Care	9.28	8.77
Consumer Staples	6.04	5.09
Communication Services	4.55	2.28
Utilities	3.76	3.27
Materials	2.24	2.67
Consumer Discretionary	0.75	7.43
Cash & Cash Equivalents	2.22	0.00

Market Capitalization (%)

	Portfolio	BM
<10 Billion	6.99	15.09
10-50 Billion	8.89	22.55
50-250 Billion	45.52	34.89
250-500 Billion	14.27	9.18
>500 Billion	24.32	18.30

Characteristics

	Portfolio	BM
Number of Issuers	71	2,300
Price to Earnings (12-Month Forward)	22.25x	18.43x
Price to Book	4.87x	3.76x
Dividend Yield*	2.08%	2.68%
Median Market Cap (Millions USD)	$160,376	$74,838
Weighted Average Market Capitalization (Millions USD)	$534,393	$471,776

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: 7/1/2021)

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	Since Incept
Tactical Dividend Income–Pure Gross of Fees—(USD)	0.83	8.78	9.35	15.39	14.50	9.77	9.77
Tactical Dividend Income–Net of Fees—(USD)	0.58	8.00	7.77	12.06	11.20	6.59	6.59
Composite Index—(USD)	2.07	11.74	17.00	25.76	17.74	11.60	11.60

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

	2025	2024	2023	2022
Tactical Dividend Income–Pure Gross of Fees—(USD)	6.58	19.32	15.67	-10.77
Tactical Dividend Income–Net of Fees—(USD)	3.48	15.89	12.34	-13.40
Composite Index—(USD)	12.74	14.65	14.05	-5.60

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.

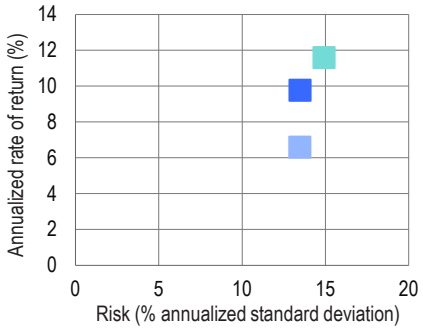
[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in 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 Composite Index consists of the following: 70% Russell 3000 Value Index, 15% Alerian MLP Index, and 15% MSCI US REIT (N) Index.

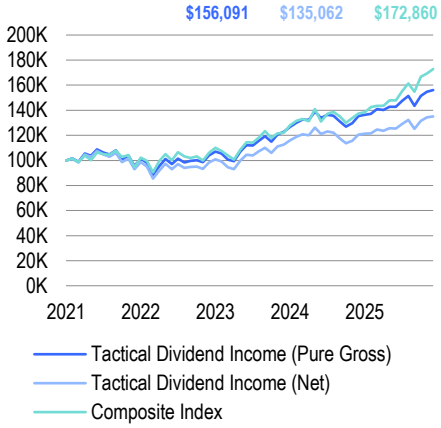
Performance Statistics [1] Preliminary (based on 5-year period ending June 30, 2026)

Risk/Return profile (%)

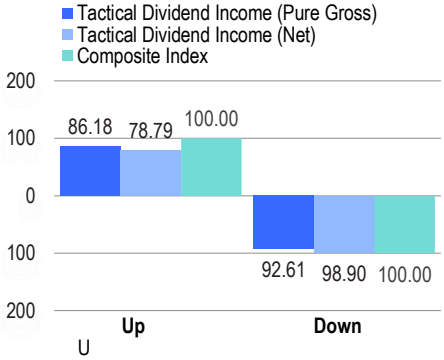


Tactical Dividend Income (Pure Gross)	
Annualized Return (%)	9.77
Annualized Standard Deviation (%)	13.48
Tactical Dividend Income (Net)	
Annualized Return (%)	6.59
Annualized Standard Deviation (%)	13.48
Composite Index	
Annualized Return (%)	11.60
Annualized Standard Deviation (%)	14.93

Growth of $100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	0.49	0.27	0.57
Beta	0.85	0.85	N/A
Alpha (%)	-0.61	-3.51	N/A
R-Squared	0.89	0.89	N/A

	(+) Months	(-) Months
Pure Gross:	36	24
Net:	36	24

[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 **Alerian MLP Index** is a composite of the 50 most prominent energy master limited partnerships (MLPs) and is calculated using a float-adjusted, capitalization-weighted methodology. Source: Alerian.

The **MSCI US REIT Index** is a free float-adjusted market capitalization weighted index that is comprised of equity Real Estate Investment Trusts (REITs). 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.

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. Business development companies (BDCs) are subject to liquidity, credit, interest rate, small company, and leverage risks. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. 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. **Real estate investment trusts (REITs)** are closely linked to the performance of the real estate markets and are subject to illiquidity, credit and interest rate risks, and risks associated with small- and mid-cap investments.

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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