FRANKLIN TEMPLETON | WESTERN ASSET

Western Asset Municipal Opportunities Portfolios

Separately Managed Accounts Factsheet | as of September 30, 2026

Investment overview

Western Asset Municipal Opportunities Strategy offers a dynamic approach to traditional municipal separately managed account (SMA) management. The strategy deploys Western Asset's highest conviction sector, curve and issuer views across the investment-grade credit spectrum in a 100% individual bond solution.

Investment objective

Seeks to:

Provide above-average levels of tax-exempt income and risk-adjusted total returns through yield-curve management, sector allocation and security selection within diversified, long-term value-oriented portfolios. The strategy will seek to outperform the Bloomberg 1-15 Year Blend (1-17) Statistics Index and maintain a duration of +/-2.0 years of the index.

Strategy highlights

- **100% individual bond solution:** The strategy seeks to deliver client-driven flexibility within a fully discretionary fixed income portfolio, providing full visibility to underlying holdings and individual tax lots that support tax-efficient management.
- **Access to Western Asset's best fixed income ideas:** The strategy will benefit from Western Asset's global investment process, incorporating themes across duration, credit and structural complexities of the municipal market.
- **Full discretion across the investment-grade municipal market:** The strategy will seek income opportunities in securities beyond the highest-rated portion of the municipal market when investors are compensated for underlying risks, as independently assessed by Western Asset's credit resources.
- **Client flexibility and portfolio manager partnership:** Proprietary systems and technology are utilized to incorporate client-driven objectives, including state, sector or issuer preferences. Periodic discussions with the portfolio management team is encouraged.

Key differentiators

Team-managed approach

- The strategy benefits from a seasoned portfolio management team of 20 members with over 25 years of average experience.
- Experience bridged by firmwide credit resources and analytics: Six-member municipal credit research team levers.

The Western Asset difference

- Western Asset is a globally integrated fixed income manager committed to understanding the needs of each client, identifying investment solutions and delivering superior long-term investment results.
- Exclusive focus on fixed income management provides a unique perspective of continued relative valuation of municipals versus other asset classes.
- The municipal team leverages broader Western portfolio management resources and analytics, including the resources of 30+ global credit team to inform municipal sector views.
- Institutional-caliber buying power, trading expertise, and technology contribute to best execution in a market where access to inventories is increasingly difficult.
- Client-facing resources willing to engage.

Management team

Western Asset, one of the world's leading fixed income managers, was founded in 1971. With a focus on long-term fundamental value investing that employs a top-down, bottom-up approach, the firm has nine offices around the globe and deep experience across the range of fixed income sectors. Western Asset has been recognized for its emphasis on team management and intensive proprietary research, supported by robust risk management.

Western Asset team-managed approach

- Team unites groups of specialists dedicated to different market sectors.
- Each group of sector specialists utilizes their expertise in bottom-up analysis of each portfolio sector.

For tax-exempt securities, certain investors may be subject to the federal Alternative Minimum Tax, and state and local taxes may apply. Capital gains, if any, are fully taxable. Please see **"Important tax information"** on the last page.

State-specific and state-biased portfolios within this Portfolio focus on individual states and are more vulnerable to losses caused by adverse developments in those states than are national portfolios, which diversify investments across multiple states.

Investment process

STEP 1

Incorporation of client considerations

- Western's investment process begins with the establishment of objectives and guidelines, incorporating state, sector, liquidity and/or gain/loss considerations.

STEP 2

Interest rate and curve positioning

- Western's investment team incorporates a comprehensive firmwide macro process, utilizing a variety of domestic and international macroeconomic factors to establish duration and curve positioning.
- Structure: The macro views and forward-looking fixed income analytics inform structure opportunities including coupon dynamics and exploit mispriced call options.

STEP 3

Sector allocation

- The strategy employs Western Asset's best ideas across sectors of the municipal bond market with input from sector specialists.

STEP 4

Issue selection

- Using a bottom-up process, Western Asset seeks to identify issuers with improving credit characteristics or securities where investors are compensated for underlying risk factors.

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 September 30, 2026

Characteristics

	Portfolio
Yield to Worst	4.52%

Sector Weightings (%)

	Portfolio
Transportation	34.37
Industrial Revenue	13.89
Education	10.66
Power	10.09
Hospital/Healthcare	9.61
Water & Sewer	8.94
State General Obligation	4.49
Leasing	4.03
Local General Obligation	3.91

Credit Quality (%)

	Portfolio
AA	30.35
A	55.16
BBB	14.48

‡ Source: Western Asset. 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.

Credit Quality is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by S&P Global Ratings, Moody's Investors Service and/or Fitch Ratings, Inc. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, if two or more of the agencies have assigned differing ratings to a security, the highest rating is used. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the portfolio does not apply to the stability or safety of the portfolio. The methodology used for the calculation of credit quality ratings displayed may differ from the methodology for monitoring investment limits, if applicable. **Please note, the portfolio itself has not been rated by an independent rating agency**.

Performance

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

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	25 Yrs
Municipal Opportunities –Pure Gross of Fees—(USD)	-3.54	-5.00	-3.36	-1.78	2.80	0.48	1.03	1.65	2.57	3.25	3.37
Municipal Opportunities –Net of Fees—(USD)	-3.66	-5.36	-4.44	-3.23	1.28	-1.00	-0.46	0.15	1.06	1.72	1.84
Bloomberg 1-15 Yr Blend (1-17) Stat Index—(USD)	-3.74	-5.09	-3.77	-2.41	2.79	0.29	1.06	1.56	2.24	2.98	3.27

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Municipal Opportunities –Pure Gross of Fees—(USD)	4.83	1.53	5.04	-5.76	1.03	3.86	6.89	1.42	5.00	0.58
Municipal Opportunities –Net of Fees—(USD)	3.29	0.03	3.49	-7.16	-0.47	2.33	5.31	-0.08	3.45	-0.90
Bloomberg 1-15 Yr Blend (1-17) Stat Index—(USD)	5.18	0.88	5.26	-5.95	0.86	4.73	6.44	1.58	4.33	0.01

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" (1.5% is the maximum anticipated wrap fee for fixed income 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.

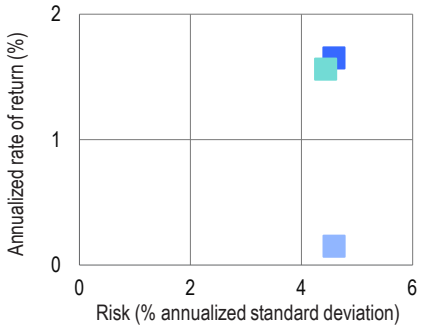
For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs.

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See last page for **Additional Performance Calculation Information.**

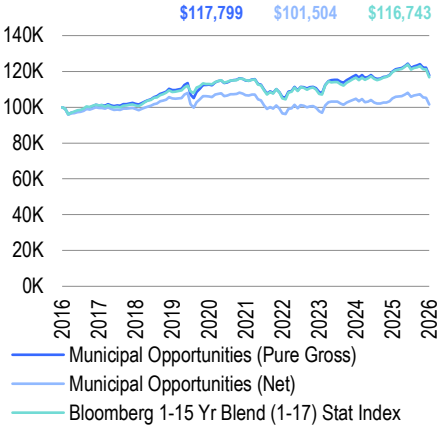
Performance Statistics [1] Preliminary (based on 10-year period ending September 30, 2026)

Risk/Return profile (%)

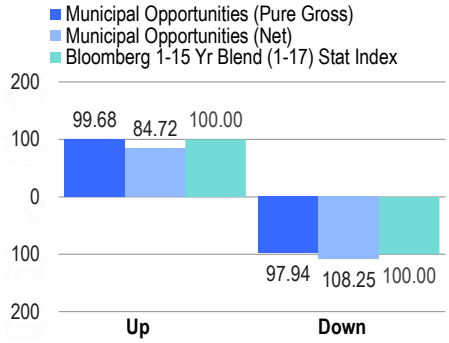


Municipal Opportunities (Pure Gross)	
Annualized Return (%)	1.65
Annualized Standard Deviation (%)	4.59
Municipal Opportunities (Net)	
Annualized Return (%)	0.15
Annualized Standard Deviation (%)	4.59
Bloomberg 1-15 Yr Blend (1-17) Stat Index	
Annualized Return (%)	1.56
Annualized Standard Deviation (%)	4.43

Growth of $100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	-0.16	-0.48	-0.19
Beta	1.00	1.00	N/A
Alpha (%)	0.10	-1.39	N/A
R-Squared	0.93	0.93	N/A

	(+) Months	(-) Months
Pure Gross:	76	44
Net:	76	44

[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" (1.5% is the maximum anticipated wrap fee for fixed income 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:

Weighted Average Life: An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings.

Effective Duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

Duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes.

Yield to worst (YTW) is based on a portfolio's current holdings on one specific day, is gross of all portfolio expenses, and is calculated based on assumptions that prepayment occurs if the bond has called or put provisions and the issuer can offer a lower coupon rate based on current market rates. If market rates are higher than the current yield of a bond, the YTW calculation will assume no prepayments are made, and YTW will equal the yield to maturity. The YTW will be the lowest of yield to maturity or yield to call (if the bond has prepayment provisions). The YTW of a bond portfolio is the market-weighted average of the YTWs of all the bonds in the portfolio.

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 fund and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **Bloomberg 1-15 Year Blend (1-17) Municipal Bond Index** consists of a broad selection of investment-grade general obligation and revenue bonds of maturities from 1 to 17 years. Source: Bloomberg Indices.

What are the risks?

All investments involve risks, including possible loss of principal. 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. **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. Portfolios focused on a **single state** are subject to greater risk of adverse economic and regulatory changes than a geographically diversified portfolio. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default.

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