



Appreciation Strategy

Strategy Overview

Primarily large cap growth and value stocks

Benchmark: S&P 500 Index

Strategy Inception: March 1970

Strategy AUM: \$12.0B

Holdings Range: 65-85¹

Objective: Seeks long-term appreciation of capital³

Investment Philosophy

The managers seek to provide consistent and competitive risk-adjusted returns through a market cycle by balancing upside participation in good markets, while trying to limit downside risk during difficult markets.

Performance

An emphasis on risk management has produced strong risk-adjusted returns.

Portfolio Management Team

► Scott Glasser

Managing Director, Chief Investment Officer, Portfolio Manager, 30 years experience

► Michael Kagan

Managing Director, Portfolio Manager, 36 years experience

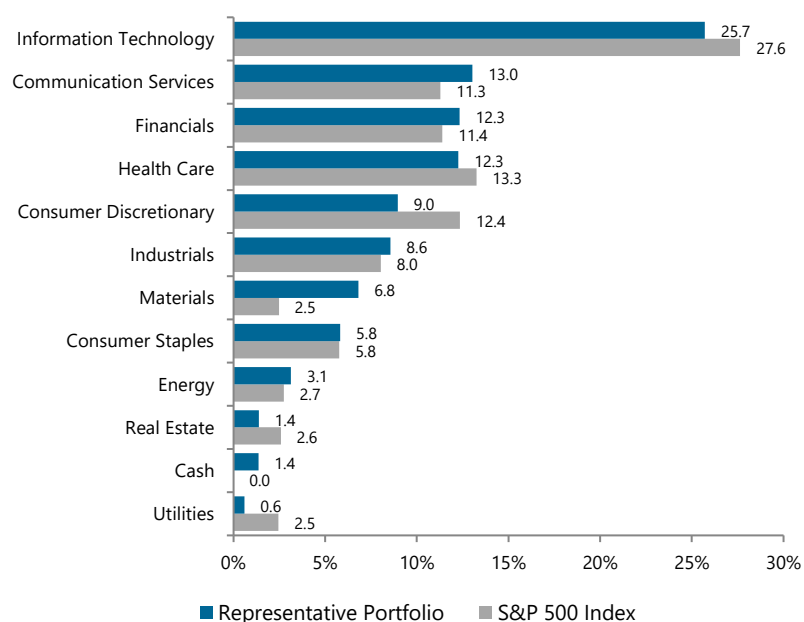
Fundamental Research Platform

- Dedicated portfolio analyst focused on Appreciation strategy
- Co-portfolio managers also leverage the firm's proprietary research team of experienced analysts for investment ideas and insights

Average Annual Total Returns (% Gross of Fees)²

	1 Qtr	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
ClearBridge Appreciation Composite	-0.29	13.40	26.05	15.50	16.16	13.46	15.95
S&P 500 Index	0.58	15.92	30.00	15.99	16.90	14.01	16.63

Sector Weightings^{1,2}



Investment Process

- Screen large cap stocks with an emphasis on identifying dominant, high-quality companies
- Evaluate stocks through proprietary research, pinpointing companies with dominant market positions, proven management teams and superior balance sheets
- Construct portfolio of stocks with attractive growth characteristics relative to their valuation levels
- Continuously review holdings, monitoring risk, valuation and potential buys and sells

Portfolio Characteristics & Risk Statistics^{1,2}

Characteristics	Representative Portfolio	S&P 500 Index
P/E Ratio (trailing 12 mos.)	22.9	24.3
P/E Ratio (forward 12 mos.)	20.6	21.0
Price/Book	7.8	7.9
EPS Growth Next 3-5 Years (%)	16.4	16.1
Weighted Median Market Cap (\$ bn)	256.8	192.8
Weighted Average Market Cap (\$ bn)	605.8	538.8
ROE	24.9	23.2
Dividend Yield	1.4	1.4
Turnover (trailing 12 mos.)	6.5	--

10 Year Risk Statistics	Composite	S&P 500 Index
Standard Deviation (%)	12.46	13.26
Sharpe Ratio	1.21	1.19
Tracking Error (%)	2.03	--
R ²	0.98	--
Alpha (%)	0.41	--
Beta	0.93	--

Top 10 Holdings¹

Security	% of Total Representative Portfolio
Microsoft Corp	8.40
Apple Inc	5.49
Alphabet Inc	4.32
JPMorgan Chase & Co	3.68
Amazon.com Inc	3.51
Berkshire Hathaway Inc	2.94
Home Depot Inc/The	2.71
Visa Inc	2.56
Facebook Inc	2.39
Thermo Fisher Scientific Inc	2.34
Total	38.34
Total Number of Holdings	71

¹ Source: FactSet. Representative portfolio characteristics, holdings, sector weightings and market capitalization are based on a representative portfolio and are subject to change at any time. Holdings, sector weightings, market capitalization and portfolio characteristics of individual client portfolios may differ, sometimes significantly, from those shown. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities and sectors listed.

² Past performance is no guarantee of future results. Please see GIPS endnotes. Performance is preliminary and subject to change. Performance returns less than one year are not annualized.

³ There is no guarantee that the Portfolio's objective will be met.

P/E ratios are weighted harmonic average. Price/Book is weighted average. Performance source: Internal. Benchmark source: Standard & Poor's. Neither ClearBridge

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respectively, have become part of the ClearBridge GIPS firm. In July 2020 Legg Mason, Inc. was purchased by Franklin Resources Inc. The ClearBridge Appreciation Composite invests primarily in medium and large capitalization companies, but may also invest in small capitalization companies. The manager seeks investments among a strong core of growth and value stocks, consisting primarily of blue chip companies dominant in their industries. Results are calculated in U.S. dollars. The S&P 500 Index is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. To receive a complete list and description of ClearBridge composites and/or a presentation that adheres to the GIPS standards, please contact ClearBridge Institutional Marketing. **Past performance is no guarantee of future results.**