



## Large Cap Value Strategy

### Strategy Overview

Pure style large cap value strategy with a high conviction approach

**Benchmark:** Russell 1000 Value Index

**Strategy Inception:** May 1990

**Strategy AUM:** \$6.6B

**Holdings Range:** 45-55<sup>1</sup>

### Objective:

Long-term growth of capital<sup>3</sup>

### Investment Philosophy

Exploit market inefficiencies through an interactive research driven approach to identify companies with strong business franchises and attractive valuations.

### Performance

The Strategy has delivered competitive returns over multiple time periods.

### Portfolio Management Team

▶ **Robert Feitler**  
Managing Director, Portfolio Manager,  
27 years experience

▶ **Dmitry Khaykin**  
Managing Director, Portfolio Manager,  
25 years experience

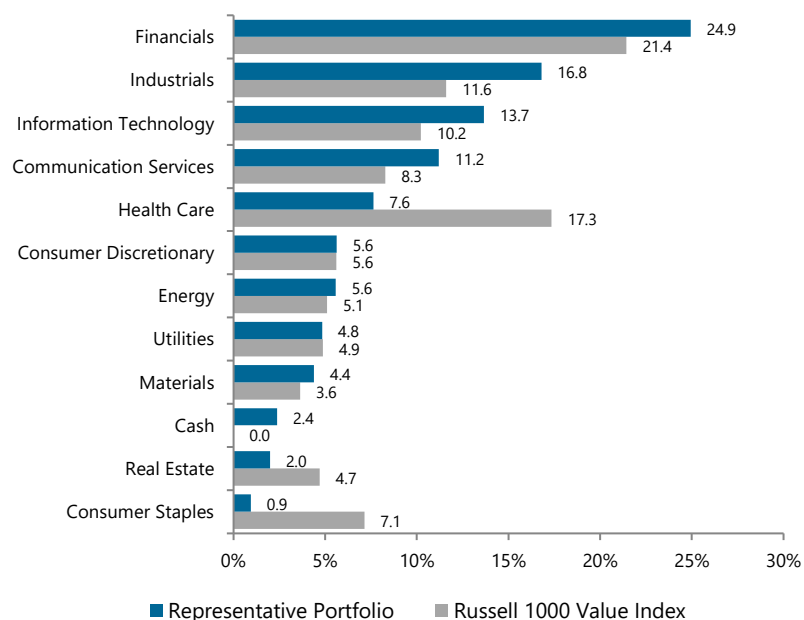
### Fundamental Research Platform

- ▶ A shared research platform consisting of experienced analysts who support portfolio management
- ▶ Coverage for sector analysts includes the top 300-400 existing holdings and 100-150 opportunistic ideas

### Average Annual Total Returns (% Gross of Fees)<sup>2</sup>

	1 Qtr	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
ClearBridge Large Cap Value Composite	-0.52	17.54	33.66	12.76	12.90	10.33	14.28
Russell 1000 Value Index	-0.78	16.14	35.01	10.07	10.94	9.32	13.51

### Sector Weightings<sup>1,2</sup>



### Investment Process

- Utilize an interactive, research-driven approach to generate investment ideas among underpriced large cap stocks possessing strong business franchises
- Conduct fundamental analysis to identify companies with proven business models, sustainable competitive advantages, and attractive valuations in relation to cash flows and normalized earnings
- Construct a portfolio of 50 to 60 stocks that balances concentration and diversification
- Continuously monitor holdings to manage risk and exploit most attractive opportunities

## Portfolio Characteristics & Risk Statistics<sup>1,2</sup>

Characteristics	Representative Portfolio	Russell 1000 Value Index
P/E Ratio (trailing 12 mos.)	20.1	18.0
P/E Ratio (forward 12 mos.)	17.4	16.1
Price/Book	4.6	3.6
EPS Growth Next 3-5 Years (%)	20.4	11.6
Weighted Median Market Cap (\$ bn)	121.1	75.2
Weighted Average Market Cap (\$ bn)	200.3	150.6
ROE	13.1	11.6
Dividend Yield	1.7	1.9
Turnover (trailing 12 mos.)	24.5	--

10 Year Risk Statistics	Composite	Russell 1000 Value Index
Standard Deviation (%)	13.64	13.99
Sharpe Ratio	1.01	0.94
Tracking Error (%)	2.57	--
R <sup>2</sup>	0.97	--
Alpha (%)	1.18	--
Beta	0.96	--

## Top 10 Holdings<sup>1</sup>

Security	% of Total Representative Portfolio
Bank of America Corp	4.62
JPMorgan Chase & Co	4.51
American Express Co	3.80
TE Connectivity Ltd	3.46
Sempra Energy	3.37
Raytheon Technologies Corp	3.20
Deere & Co	3.17
Comcast Corp	2.99
DISH Network Corp	2.97
ConocoPhillips	2.75
<b>Total</b>	<b>34.83</b>
<b>Total Number of Holdings</b>	<b>50</b>

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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: Russell Investments. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights

related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

ClearBridge Investments, LLC (ClearBridge) claims compliance with the Global Investment Performance Standards (GIPS®). ClearBridge is a wholly-owned subsidiary of Legg Mason, Inc. ("Legg Mason"). The investment advisory business now known as ClearBridge was registered in Sept. 2005 to facilitate Legg Mason's acquisition of substantially all the equity asset management businesses known as Citigroup Asset Management. These former businesses serve as the foundation of ClearBridge and its claim of GIPS compliance for institutional accounts through predecessor

firms, effective as of Jan. 1997. In June 2008, ClearBridge combined this business with its retail business to form a single GIPS firm. As of Apr. 1, 2013 and Jan. 1, 2016, ClearBridge's affiliates, Global Currents Investment Management, LLC, and ClearBridge, LLC, respectively, have become part of the ClearBridge GIPS firm. In July 2020 Legg Mason, Inc. was purchased by Franklin Resources Inc. The ClearBridge Large Cap Value Composite primarily invests in large-capitalization U.S. equities, with an objective of outperforming the Russell 1000 Value. Accounts are comprised primarily of equity securities of U.S. companies but also may include significant investments in ADRs and U.S.-traded shares of non-U.S. issuers. Results are calculated in U.S. dollars. The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. 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.**