

# ClearBridge

A Franklin Templeton Company

## Value Strategy

### Strategy Overview

Large cap value strategy

**Benchmark:** Russell 1000 Value Index

**Strategy Inception:** April 1982

**Strategy AUM:** \$7.4B

**Holdings Range:** 40-70<sup>1</sup>

**Objective:** Provide competitive returns relative to the Russell 1000 Value Index<sup>3</sup>

### Investment Philosophy

We believe that to generate excess returns consistently, we must find and exploit mispricings.

### Performance

Exploiting mispriced stocks has led to competitive returns over multiple time periods.

### Portfolio Management Team

► **Reed Cassady, CFA**

Managing Director, Portfolio Manager,  
19 years experience

► **Sam Peters, CFA**

Managing Director, Portfolio Manager,  
33 years experience

► **Jean Yu, CFA, Ph.D.**

Managing Director, Portfolio Manager,  
24 years experience

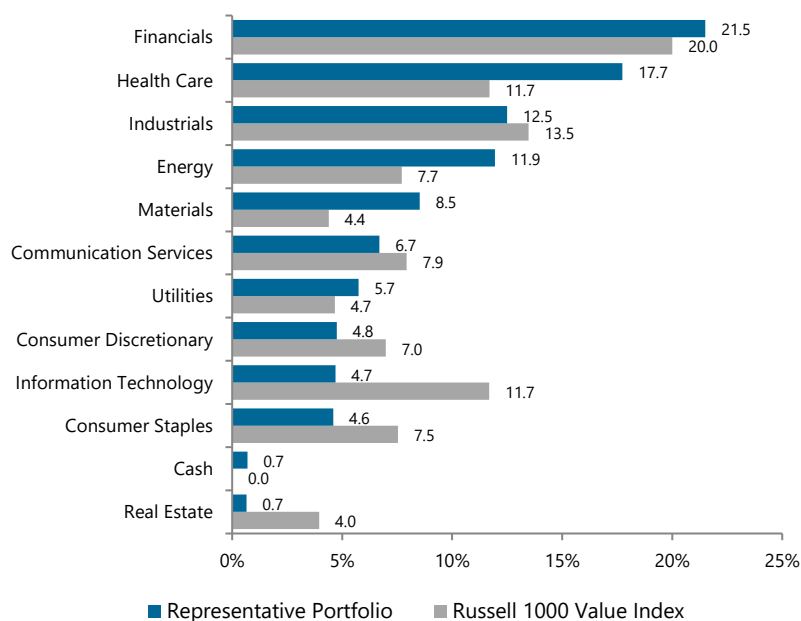
### Fundamental Research Platform

- Two portfolio analysts dedicated to supporting the Value strategy and related portfolios
- Co-managers leverage the firm's proprietary research team of experienced analysts for investment ideas and insight

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

	1 Qtr	1 Year	3 Years	5 Years	7 Years	10 Years
Composite (Gross of Fees)	1.4	13.8	15.5	10.3	13.3	12.4
Composite (Net of Fees)	1.2	12.8	14.5	9.4	12.3	11.5
Russell 1000 Value Index	2.1	15.9	14.3	9.4	10.6	10.6

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



### Investment Process

- Source ideas using a variety of quantitative and qualitative tools
- Evaluate stocks based on industry structure and competitive position; management; ROIC versus the cost of capital, and free cash flow potential
- Understand expectations embedded in stock price; develop a range of potential future values
- Select and weight stocks based on impact to portfolio's overall risk-adjusted returns
- Actively manage weights based on three- to five-year return potential

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

Characteristics	Representative Portfolio	Russell 1000 Value Index
P/E Ratio (trailing 12 mos.)	21.4	21.0
P/E Ratio (forward 12 mos.)	14.8	17.0
Price/Book	3.7	4.2
EPS Growth Next 3-5 Years (%)	13.4	12.4
Weighted Median Market Cap (\$ bn)	70.6	123.5
Weighted Average Market Cap (\$ bn)	267.8	333.6
ROE	13.8	17.5
Dividend Yield	1.7	1.9
Turnover (trailing 12 mos.)	44.5	--

10 Year Risk Statistics (Net)	Composite	Russell 1000 Value Index
Standard Deviation (%)	18.02	15.33
Sharpe Ratio	0.57	0.59
Tracking Error (%)	5.18	--
R <sup>2</sup>	0.93	--
Alpha (%)	0.09	--
Beta	1.13	--

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

Security	% of Total Representative Portfolio
Alphabet Inc	4.62
Johnson & Johnson	3.71
Bank of America Corp	3.41
Chevron Corp	3.22
Amazon.com Inc	2.38
Micron Technology Inc	2.19
Walt Disney Co/The	2.07
Gilead Sciences Inc	2.06
ConocoPhillips	2.05
CVS Health Corp	2.00
<b>Total</b>	<b>27.71</b>
<b>Total Number of Holdings</b>	<b>65</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. Source: London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2026. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE®" and "Russell®" are a trademark of the relevant LSE Group companies and are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data.

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ClearBridge and its claim of GIPS compliance for institutional accounts through predecessor firms, effective as of January 1997. In June 2008, ClearBridge combined this business with its retail business to form a single GIPS firm. As of April 1, 2013, January 1, 2016, May 1, 2020, and January 1, 2024, ClearBridge affiliates, Global Currents Investment Management, LLC, ClearBridge, LLC, ClearBridge Investments Limited (f/k/a RARE Infrastructure Limited), and Franklin Bissett Asset Management have become part of the ClearBridge GIPS firm. The ClearBridge Value Composite invests primarily in U.S. equity securities with market capitalizations generally greater than \$5 billion at the time of purchase. The strategy is designed for investors seeking a concentrated portfolio of primarily large-cap U.S. securities. Results calculated in U.S. dollars. 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.**