



Dividend Strategy SMA 1Q25 Update

Michael Clarfeld, CFA
Managing Director, Portfolio Manager

Corey Hardie
Director, Senior Client Portfolio Manager

February 19, 2025



Data as of Dec. 31, 2024, unless indicated otherwise.

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Biographies

Dividend Strategy SMA

Name and Position	Industry Experience	ClearBridge Tenure	Education, Experience and Professional Designations
 Michael Clarfeld, CFA Managing Director, Portfolio Manager	25 years	• Joined ClearBridge in 2006	<ul style="list-style-type: none">• Member of the CFA Institute, CFA Society New York• Hygrove Partners, LLC – Equity Analyst• Goldman Sachs – Equity Research, Financial Analyst• BA in History from Duke University
 Corey Hardie Director, Senior Client Portfolio Manager	14 years	• Joined ClearBridge in 2014	<ul style="list-style-type: none">• Atalanta Sosnoff Capital - Client Service Specialist• BS in Business Administration from Fordham University

Dividend Growers Overdue

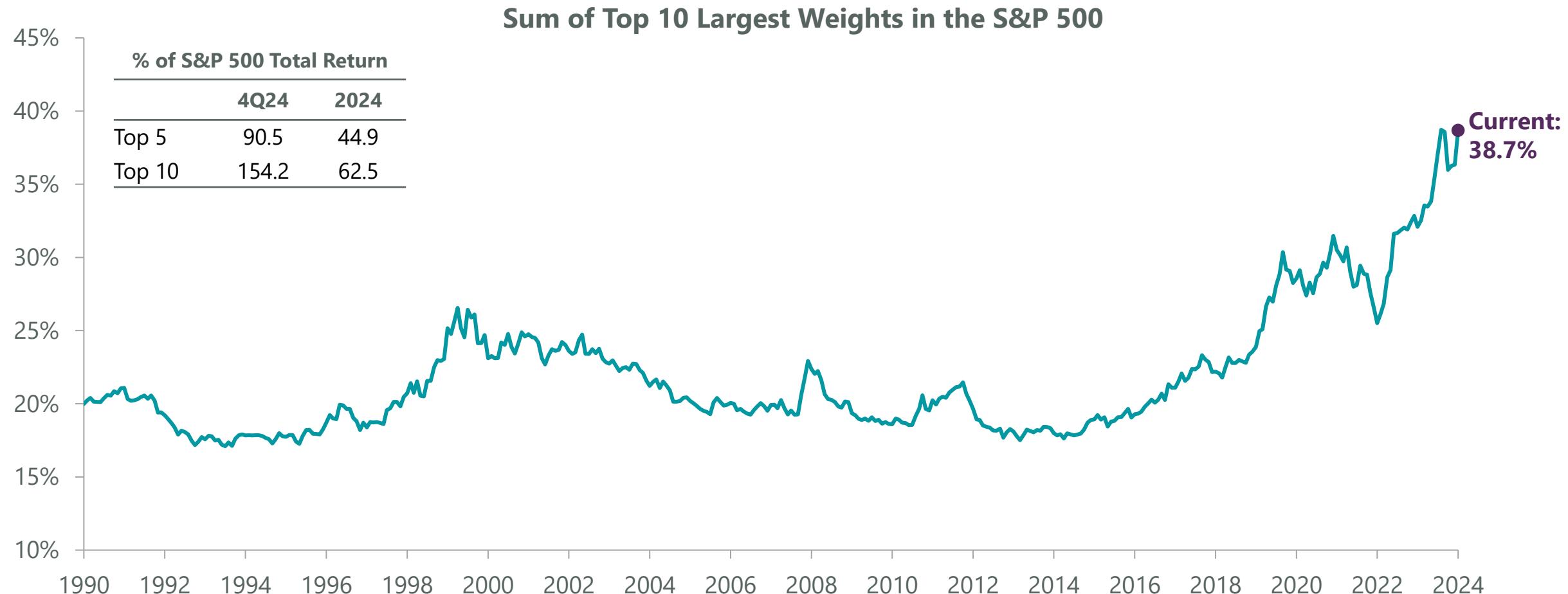


- Over the past year, dividend growers have trailed the broader market to a degree rarely seen over the past three decades.
- Past instances of similar underperformance have been followed by a strong bounce-back for dividend growers.

ClearBridge Dividend Strategy SMA Trading at Meaningful Discount

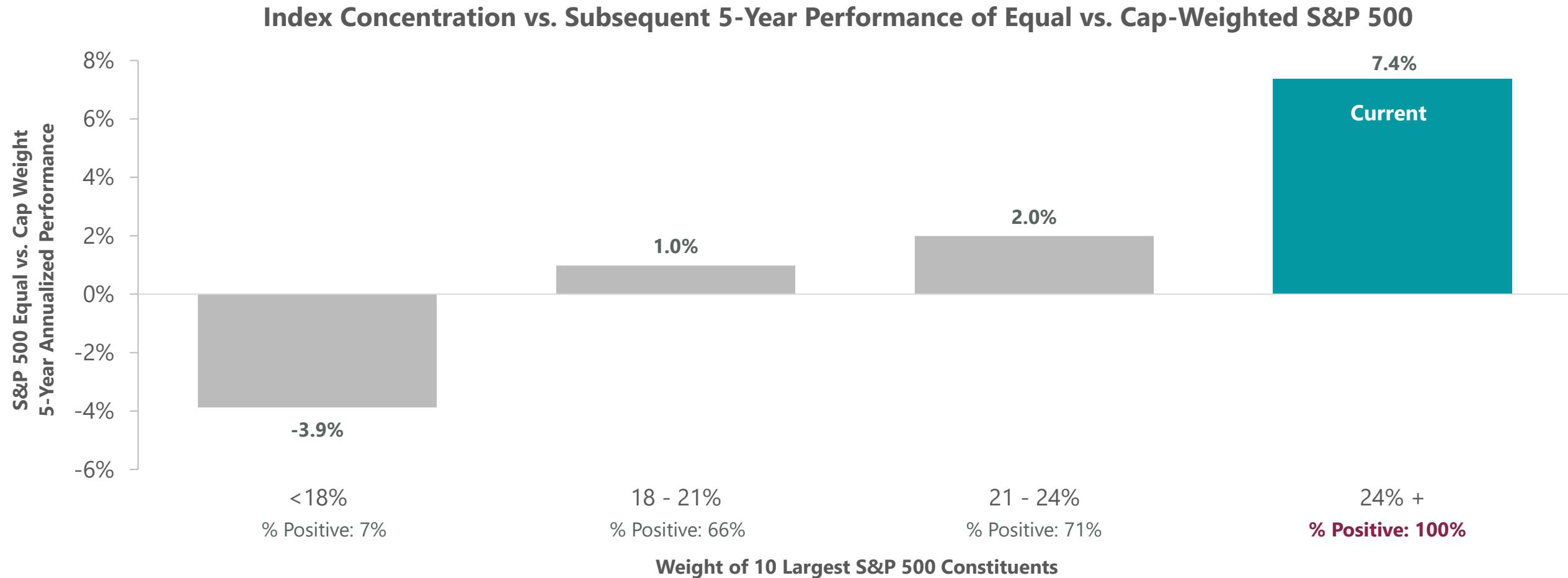


Market Concentration At All-Time Highs



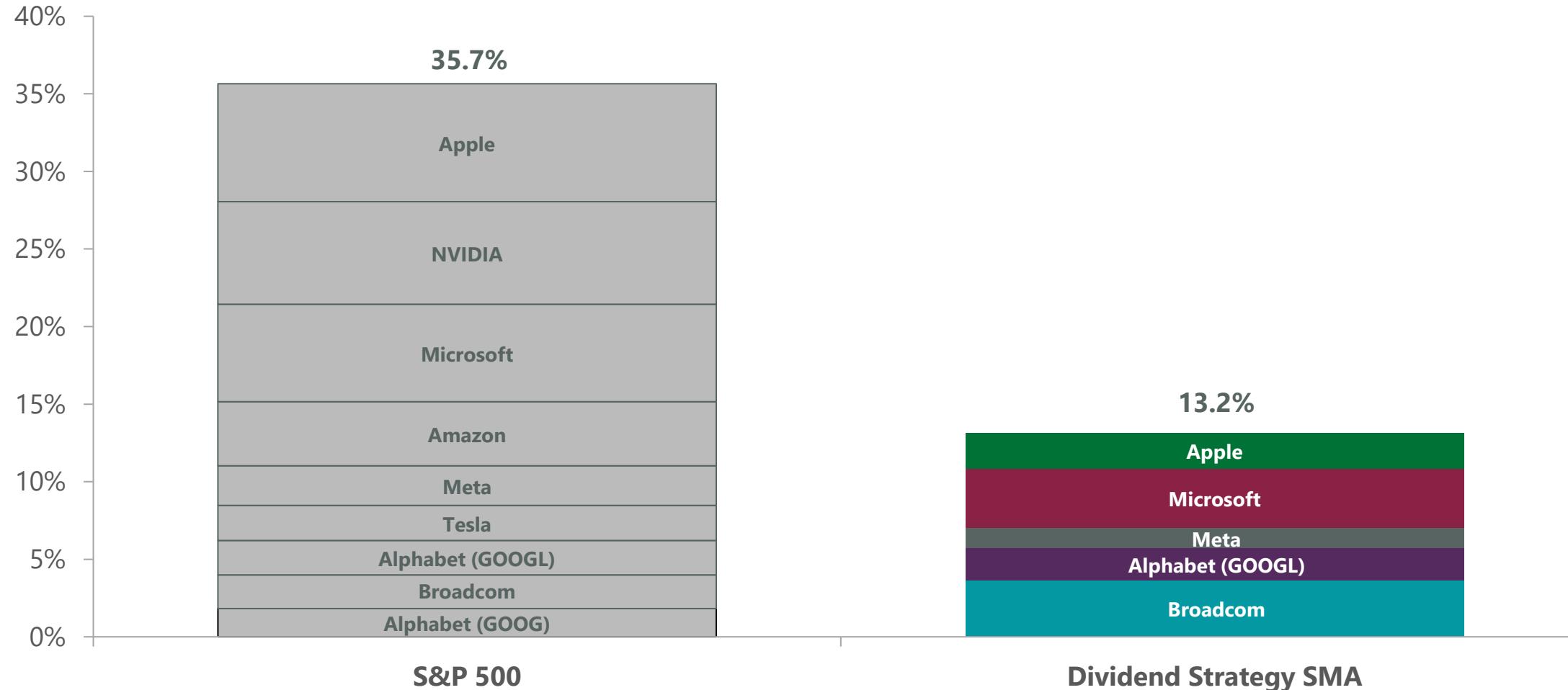
- The weight of the largest stocks in the benchmark is at the highest level in recent history.
- While this dynamic can persist, history suggests that a reversion to the mean will eventually occur with the average stock outperforming in the coming years.

Concentration Leads to Broadening



- When the top 10 weights in the S&P 500 have historically accounted for over 24% of the benchmark, the equal-weight S&P 500 has outperformed its cap-weighted counterpart by an average of 7.4% (annualized) over the next five years.
- The top 10 weights in the S&P 500 currently make up 38.7% of the benchmark.

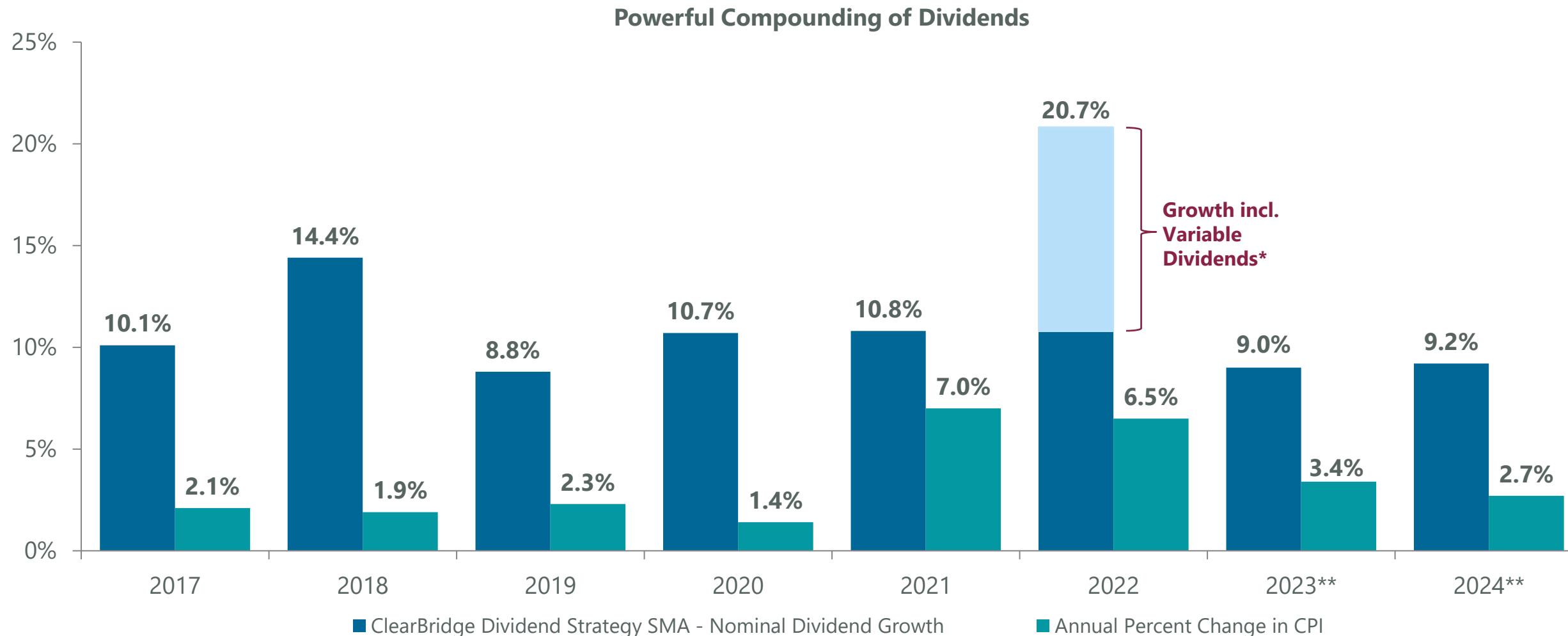
Dividend Strategy Offers Measured Technology Exposure



*Magnificent 7 data refers to the following set of stocks: Microsoft (MSFT), Amazon (AMZN), Meta (META), Apple (AAPL), Google parent Alphabet (GOOGL), Nvidia (NVDA), and Tesla (TSLA). Data as of Dec. 31, 2024. Sources: FactSet, MSCI. **Past performance is not a guarantee of future results.** Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. For illustrative purposes only and not reflective of the performance or portfolio composition of any Franklin Templeton fund. Company references are used for illustrative purposes and should not be construed as an endorsement of sponsorship by Franklin Templeton companies. This information is not intended as an investment recommendation, nor does it constitute investment advice.

Dividend Growth Well in Excess of Inflation

- ClearBridge Dividend Strategy SMA has averaged 7.0% dividend growth **above inflation** over the last eight years.

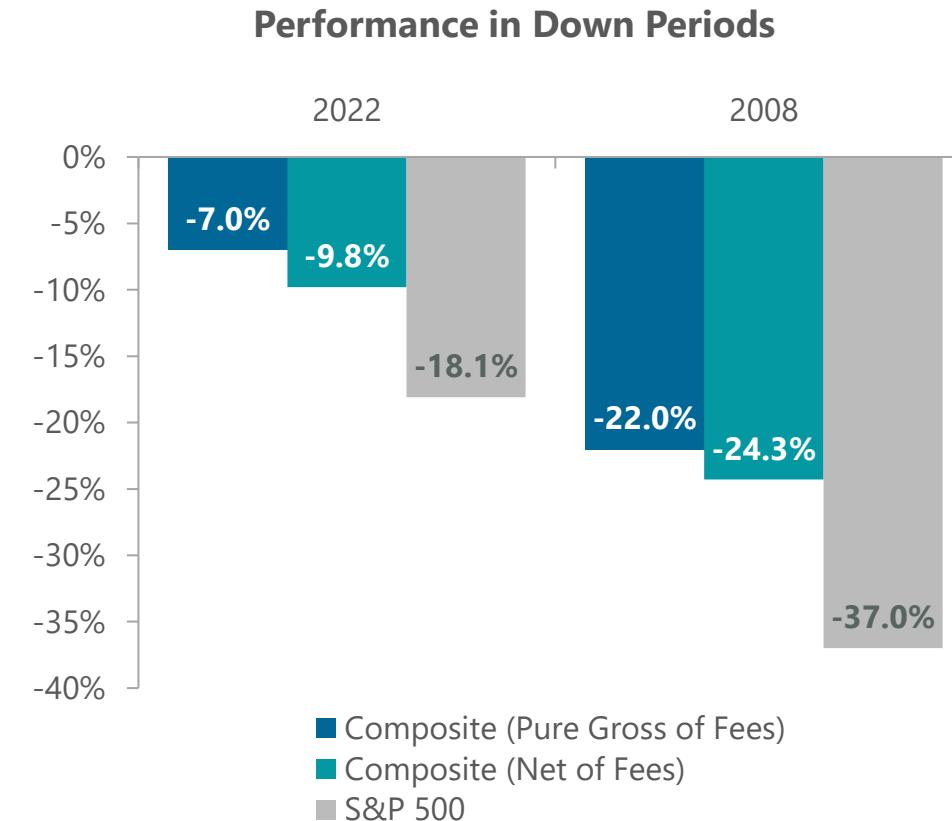
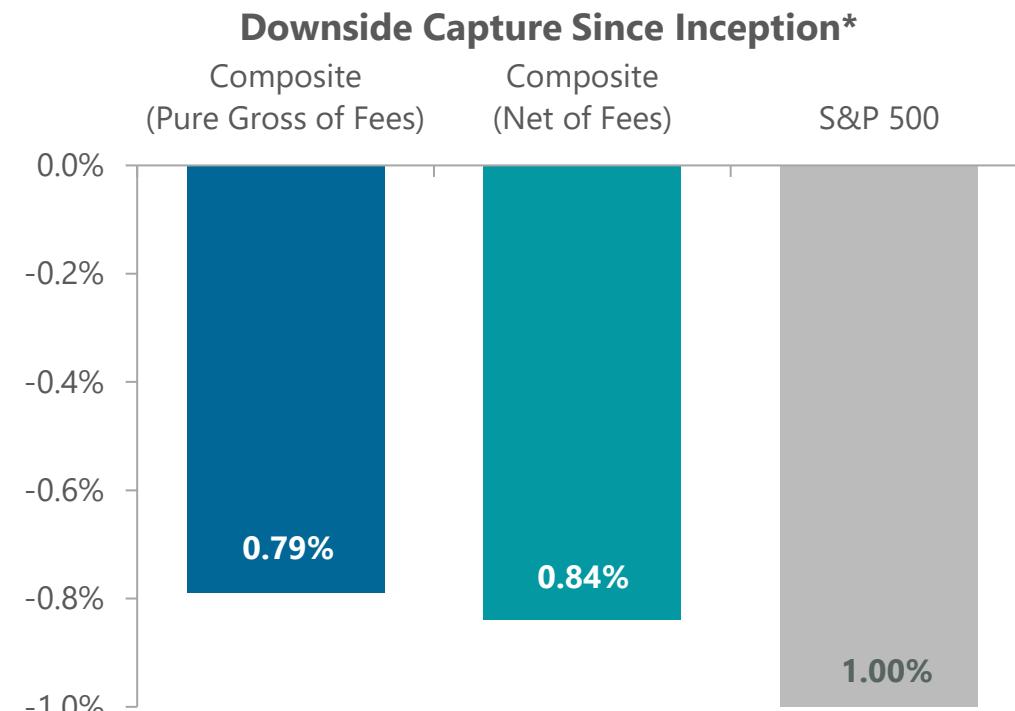


ClearBridge Dividend Strategy SMA – Risk Management

December 31, 2024

Protect capital in volatile markets:

- Since Inception, the ClearBridge Dividend Strategy SMA composite has averaged +227 bps (gross of fees), +156 bps (net of fees) of outperformance during down quarters of the S&P 500

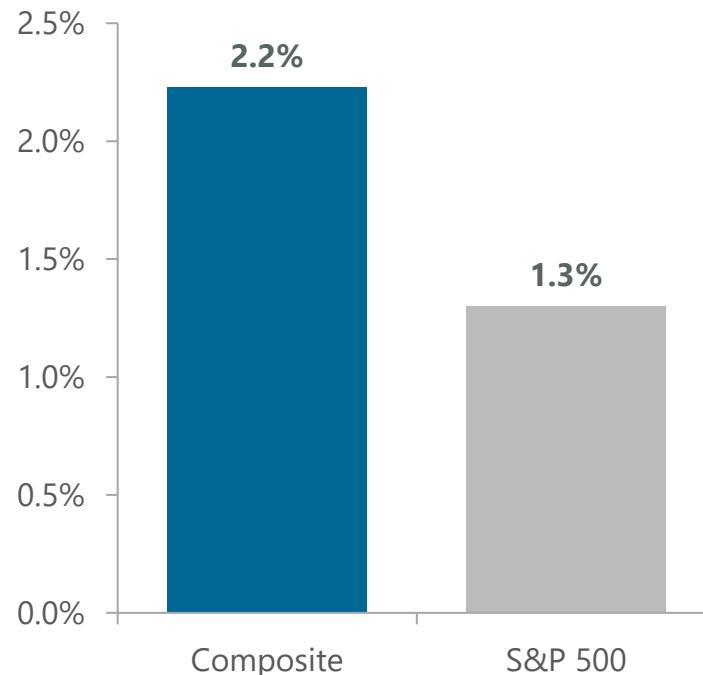


*Inception date is June 2003. Data as of Dec. 31, 2024. Source: ClearBridge Investments. Past performance is not a guarantee of future results. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The pure gross return reflects the deduction of transaction costs for some accounts in the composite.

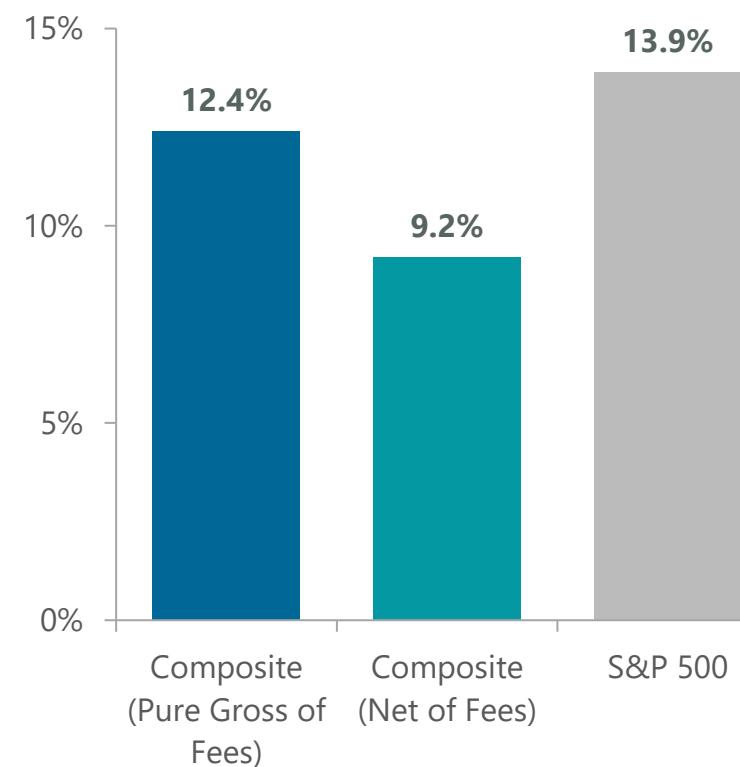
ClearBridge Dividend Strategy SMA

December 31, 2024

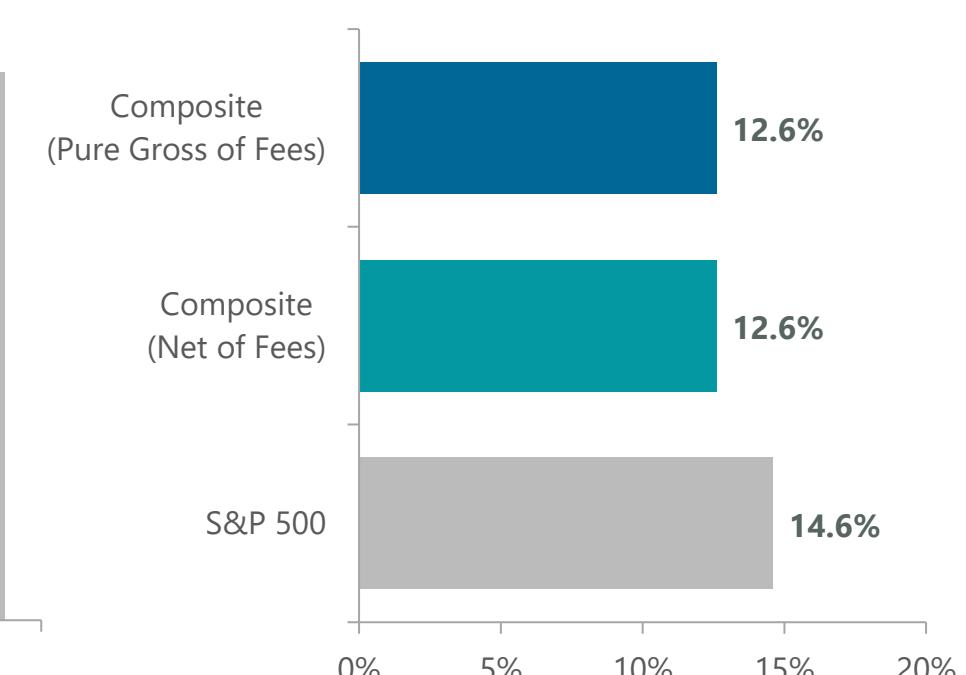
Dividend Yield



15 Year Annualized Return



15 Year Standard Deviation



10-Year Dividend Growth CAGR of ~9.2%

Data as of Dec. 31, 2024. Source: FactSet, ClearBridge Investments. Performance is final as of Dec. 31, 2024, returns less than one year are not annualized. Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The pure gross return reflects the deduction of transaction costs for some accounts in the composite. **Past performance is no guarantee of future results.**

Top 10 Holdings

ClearBridge Dividend Strategy SMA – December 31, 2024

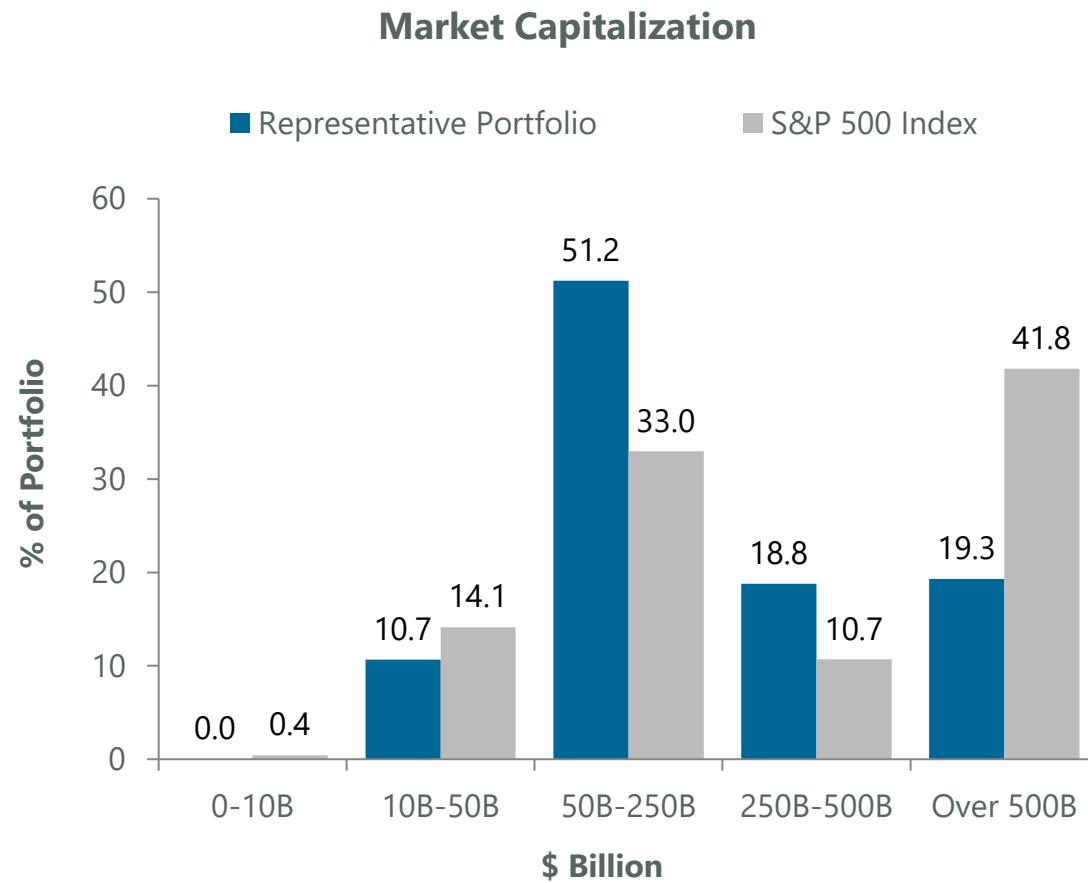
Security	% of Total Representative Portfolio
Microsoft Corp	3.81
Broadcom Inc	3.64
Sempra	3.44
JPMorgan Chase & Co	3.26
Williams Cos Inc	3.11
Enbridge Inc	3.11
Becton Dickinson & Co	3.09
Exxon Mobil Corp	3.03
Nestle SA	2.82
T-Mobile US Inc	2.69
Total	32.01
Total Number of Holdings	52

Source: FactSet. Please see additional important information regarding the representative portfolio in the Appendix.

All portfolio holdings are subject to change. The information provided is not a recommendation to purchase, sell or hold any particular security, nor is it investment advice. There is no assurance that the securities purchased will remain in the strategy or that securities sold will not be repurchased. In addition, it should not be assumed that any securities mentioned were or will prove to be profitable.

Portfolio Composition

ClearBridge Dividend Strategy SMA – December 31, 2024

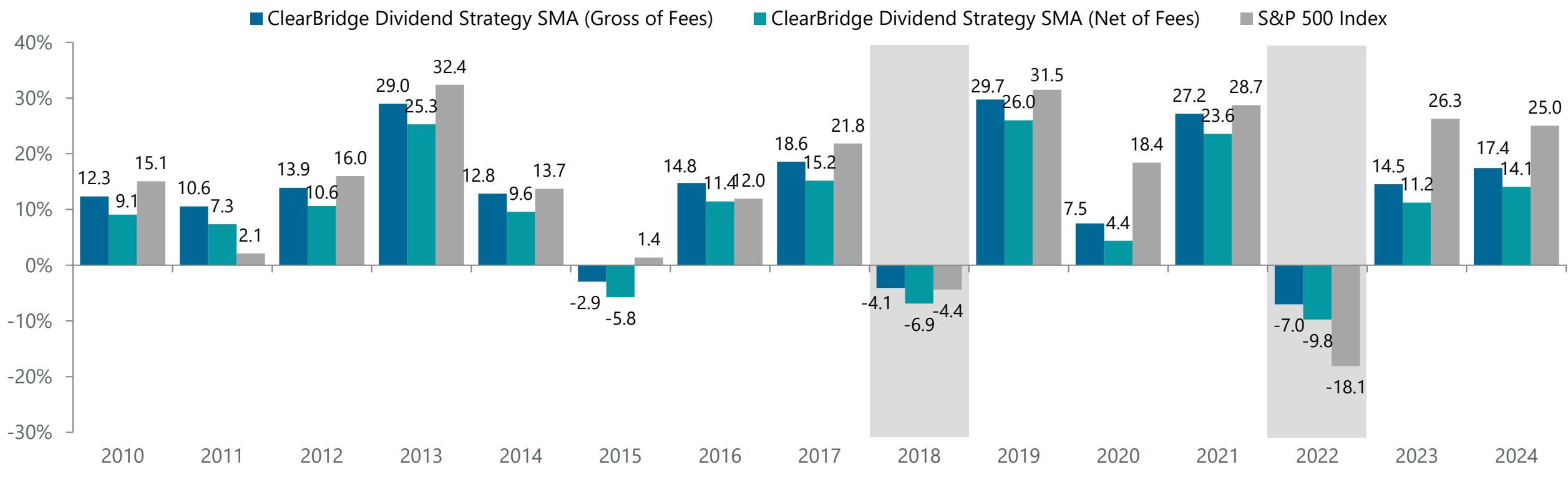


Sector Weightings

Sector	Representative Portfolio (%)	S&P 500 Index (%)	Relative Weight (%)
Financials	16.6	13.6	3.0
Information Technology	14.2	32.5	-18.3
Energy	10.5	3.2	7.3
Consumer Staples	10.5	5.5	4.9
Communication Services	9.6	9.4	0.2
Health Care	9.5	10.1	-0.6
Materials	7.7	1.9	5.8
Industrials	6.9	8.2	-1.2
Utilities	5.4	2.3	3.0
Real Estate	4.3	2.1	2.2
Consumer Discretionary	2.1	11.3	-9.1
Cash	2.8	0.0	2.8

Supplemental Calendar Year Returns

ClearBridge Dividend Strategy SMA

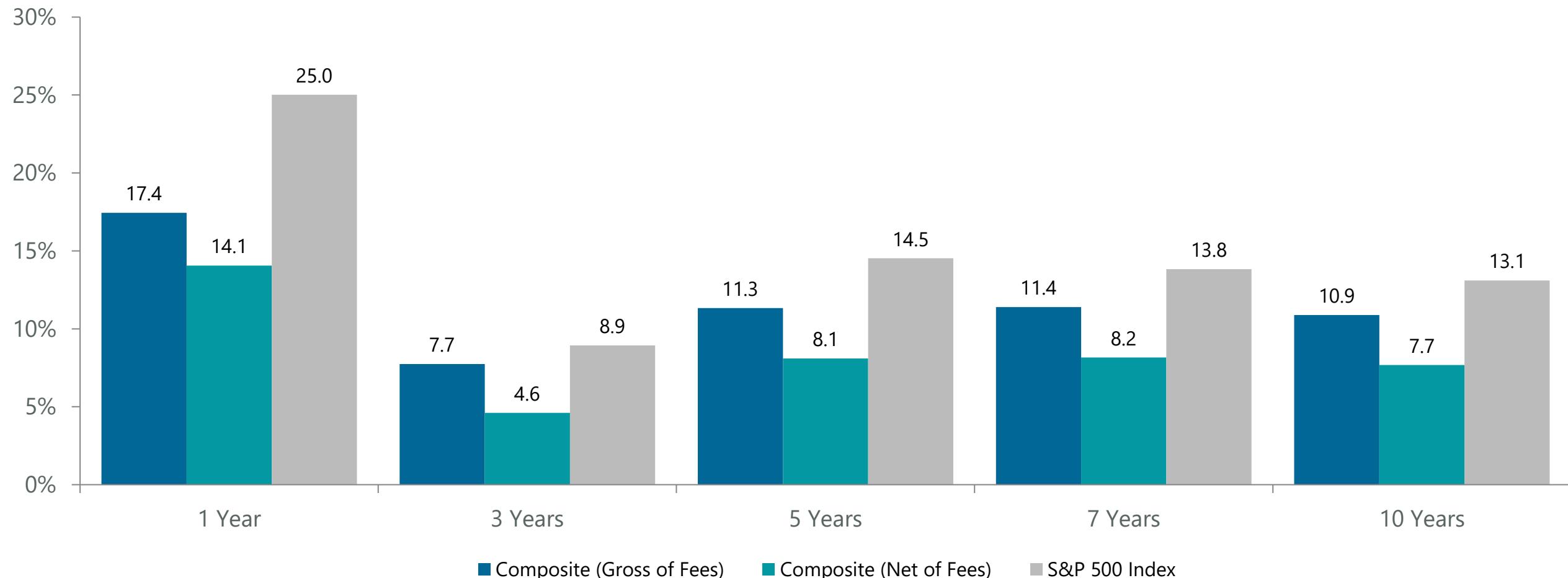


	15 Years Average Annual Total Returns (%)	15 Years Average Annual Standard Deviation (%)
ClearBridge Dividend Strategy SMA (Gross of Fees)	12.4	12.6
ClearBridge Dividend Strategy SMA (Net of Fees)	9.2	12.6
S&P 500 Index	13.9	14.6

Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The pure gross return reflects the deduction of transaction costs for some accounts in the composite. **Please see additional important information and GIPS Report in the Appendix. Past performance is no guarantee of future results.**

Average Annual Total Returns

ClearBridge Dividend Strategy SMA – December 31, 2024



Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The pure gross return reflects the deduction of transaction costs for some accounts in the composite. **Please see additional important information and GIPS Report in the Appendix. Past performance is no guarantee of future results.**

Additional Important Information

ClearBridge Dividend Strategy

Risks

All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets.

Characteristics

The holdings and characteristics shown are based on a representative portfolio included in the Composite. Individual client accounts may differ from holdings and characteristics shown. For illustrative purposes only. Portfolio holdings and characteristics are subject to change at any time.

Portfolio holdings may not be representative of the portfolio managers' current or future investments and are subject to change at any time. The information provided is for informational purposes only and should not be construed as a recommendation to purchase or sell a particular security or be used as the sole basis for an investor to make an investment decision.

The sector weightings and capitalization ranges shown are based on a representative portfolio included in the Composite and are subject to change at any time. Individual client accounts may differ from the sector weightings and capitalization ranges. The information provided is for informational purposes only and should not be construed as a recommendation to over or underweight any particular sector.

Opinions and Views

The opinions and views expressed herein are of the ClearBridge Investments, LLC, Dividend Strategy portfolio management team as of the date shown, and may differ from other managers, or the firm as a whole, and are not intended to be a forecast of future events, a guarantee of future results or investment advice. The statistics have been obtained from sources believed to be reliable, but the accuracy and completeness of this information cannot be guaranteed.

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Information Providers

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GIPS Report

ClearBridge Dividend Strategy SMA

Strategy Inception Date: June 2003										Reporting Currency: USD	
Period	Total Return (Net)	Total Return (*Pure Gross)	Benchmark Return	Number of Portfolios	% of Wrap Fee Portfolios in the Composite	Composite Dispersion	Composite 3 Yr. St. Dev.	Benchmark 3 Yr. St. Dev.	Total Composite Assets at End of Period (USD million)	Percentage of Firm Assets	Total Firm Assets at End of Period (USD million)
2023	11.23%	14.54%	26.29%	2,923	99	0.23%	15.85%	17.54%	4,668.1	3.43%	136,016.9
2022	-9.76%	-7.03%	-18.11%	3,471	87	0.28%	19.74%	21.16%	4,983.3	4.09%	121,842.7
2021	23.56%	27.21%	28.71%	8,232	91	0.24%	16.82%	17.41%	8,010.6	4.70%	170,282.9
2020	4.37%	7.49%	18.40%	10,014	90	1.26%	17.01%	18.79%	5,263.5	3.57%	147,416.9
2019	26.02%	29.73%	31.49%	10,332	90	0.45%	10.17%	12.10%	5,405.3	4.20%	128,740.4
2018	-6.89%	-4.08%	-4.38%	9,259	89	0.28%	9.08%	10.95%	4,028.2	3.80%	106,083.4
2017	15.16%	18.57%	21.83%	9,140	72	0.22%	9.15%	10.07%	4,580.4	3.84%	119,187.1
2016	11.44%	14.75%	11.96%	7,668	72	0.43%	9.83%	10.74%	3,703.1	3.67%	100,936.9
2015	-5.76%	-2.92%	1.38%	7,678	73	0.24%	9.98%	10.62%	3,360.0	3.63%	92,536.4
2014	9.58%	12.84%	13.69%	6,555	79	0.28%	7.24%	9.10%	3,544.8	3.52%	100,721.5

*Pure gross of fee returns do not reflect the deduction of any expenses, including transaction costs, and are presented as supplemental to the net of fee returns.

Compliance Statement: ClearBridge Investments, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. ClearBridge Investments, LLC has been independently verified for the periods January 1, 1997 - December 31, 2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

Firm Information: ClearBridge Investments, LLC ("ClearBridge") is a wholly owned indirect subsidiary of Franklin Resources, Inc. ("Franklin"). In July 2020 Legg Mason, Inc., its parent company, was purchased by Franklin. The investment advisory business now known as ClearBridge was registered in September 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 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.

Composite Information: The ClearBridge Dividend Strategy SMA composite consists of discretionary wrap accounts with an account minimum of US \$25,000. Accounts within the composite seek dividend income, growth of dividend income and long-

term capital appreciation by investing in stocks that either pay an existing dividend or are expected to pay a dividend in the near future. The strategy is implemented by Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), formerly known as Legg Mason Private Portfolio Group, LLC ("LMPPG"). FTPPG claims compliance with the Global Investment Performance Standards (GIPS®). FTPPG has been independently verified for the periods January 1, 2013 - December 31, 2023. FTPPG is a wholly owned indirect subsidiary of Franklin Resources, Inc and together with its sub-advisers, including ClearBridge, provides investment services primarily in investment programs sponsored by Sponsor Firms. To obtain a GIPS Report and/or the firm's list of composite descriptions, please contact info@clearbridge.com. The main risks of this strategy are General Investment Risk, Small Cap Risk, Mid Cap Risk and Non-U.S. Investment Risk.

Input and Calculation Data: The fee schedule currently in effect is 3.00% on all assets. Net of fee composite returns are calculated by reducing each monthly composite pure gross rate of return by the highest "bundled" fee charged (3.00%) annually, prorated to a monthly ratio. The "bundled" fee includes transaction costs, investment management, custodial, and other administrative fees. The pure gross return reflects the deduction of transaction costs for some accounts in the composite. The internal dispersion of annual returns is measured by the asset-weighted standard deviation of portfolio returns included in the composite for the entire year. The composite employs a 10% significant cash flow policy which started in January 2021. A list of composite and limited distribution pooled fund descriptions and a list of broad distribution pooled funds is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Past performance is not necessarily indicative of future results. Gross returns are used to calculate presented risk measures. 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.

Benchmark Information: For comparison purposes, composite returns are shown against returns of the S&P 500® Total Return Index.

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