

Classic Large Cap Value Equity

Objective

The Classic Large Cap Value risk-adjusted return objective is to outperform the Wilshire U.S. Large Cap Value Index, or client determined equivalent index, over a full market cycle (typically five years) by maintaining a portfolio consistent with large cap value characteristics. The strategy's objective has been consistent since inception.

Investment Process Summary

Quantitative Screens

We build a portfolio of stocks based on quantitative screens and internal research ideas: a majority of our stocks have a market capitalization greater than \$5 billion and are cheap on a price-to-earnings, price-to-book value, price-to-cash flow, or other current valuation basis relative to peers, their own history, and the market. Additionally, we look for above-average yields within industries and generally exclude companies that do not pay dividends at the time of purchase. For the companies in our research universe, we undertake rigorous fundamental analysis.

Fundamental Analysis

Through fundamental analysis, we seek to understand the reasons a stock is cheap or out of favor and to identify those companies that are truly undervalued and most likely to return to normal valuation levels and profitability. Within the universe of undervalued securities, we seek to identify the best combination of valuation characteristics, earnings growth, and quality. Conclusions are based on a company's financial condition, competitive position in its industry, and quality of management. We pay close attention to the cash flow statement in order to evaluate the strength and security of the dividend. In addition, we focus on long-term macroeconomic conditions and industry trends in order to identify and measure the risks associated with a company's business. These factors lead us to identify those companies that have the best potential and necessary catalysts for a return to normal levels of profitability and valuation.

Catalyst recognition can be a key differentiating aspect of our approach. Securities may have multiple catalysts and catalysts may be triggered by micro or macro events. While we emphasize catalysts for recovery, the fundamentals must warrant purchase.

Although our primary focus is on bottom-up stock picking, top-down considerations are a key part of our process. Macroeconomic factors affect a company's outlook and, thus, are an important factor in determining what might drive a company's stock to the substantial outperformance we seek. Also, these factors may influence our decision regarding our weighting in an industry or sector, absolute and relative to an index.

Sell Discipline

We follow a disciplined approach to sell decisions, with securities typically sold for three main reasons—valuation; fundamental deterioration, including a decline in the security of the dividend; and stock-against-stock competition. A stock is typically reviewed for sale as it approaches our estimate of its normalized valuation and no longer offers compelling upside potential. Valuation, both on an absolute and relative basis and in light of the potential for continued earnings growth and operating improvements, is the primary factor in sell decisions. Another situation that would lead us to sell is when the fundamentals have deteriorated to the point that we believe the prospect for revaluation is impaired or the anticipated catalysts, which resulted in the initial purchase, fail to materialize within a reasonable time frame. Furthermore, a stock may be sold when a more compelling opportunity arises leaving a current holding to be sold as a source of funds.

Our Competitive Advantage

The strategy seeks to implement a consistent process of identifying undervalued large-cap equities with identifiable catalysts for appreciation while attempting to avoid common behavioral finance mistakes. Fundamentally oriented research and analysis focus on closely examining the balance sheet and cash flow statement, management's capital allocation policy, and the underlying prospects for the business.



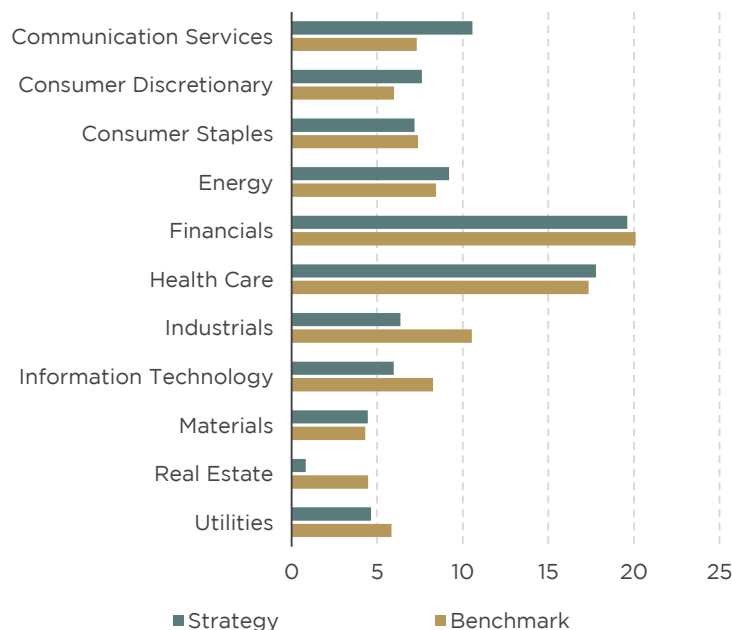
At a Glance

- Primary Benchmark: Russell 1000® Value Index
- Universe: Companies with market capitalization in excess of \$1 billion that we believe are substantially undervalued on a price-to-earnings (P/E), price-to-book (P/B), price-to-cashflow (P/CF), or other valuation basis. Dividend paying companies receive greater emphasis
- Portfolio: Our portfolios are designed to be well-diversified and carefully structured with regard to economic sensitivity. Greater than 50% of companies will have a market capitalization in excess of \$5 billion
- We focus on industry leaders

Characteristics^{1,2}

	Strategy	Benchmark
Price-to-Earnings ³	11.1	15.3
Price-to-Book	1.6	2.5
Price-to-Cash Flow	6.5	10.0
Dividend Yield (%)	2.2	2.3
Avg. Market Cap (\$B)	119.8	151.4
Current # of Securities	59	852
Turnover (% LTM)	44.2	-

Sector Weights^{1,2} (%)



Assets Under Management (M) (Shown in USD)

Brandywine Global, Firmwide	52,601
Fundamental Equity Product Group †	6,942
Classic Large Cap Value Equity†	6,071

Calendar Year Returns² (%) (Results shown in USD)

	Gross	Net	R1000V	WUSLCV
2022	-6.95	-7.60	-7.54	-5.51
2021	28.51	27.64	25.16	24.53
2020	10.69	9.93	2.80	7.37
2019	33.42	32.51	26.54	27.72
2018	-16.47	-17.06	-8.27	-5.94
2017	17.98	17.17	13.66	16.31
2016	16.25	15.45	17.34	15.44
2015	-9.85	-10.48	-3.83	-0.79
2014	11.35	10.58	13.45	13.00
2013	40.97	40.02	32.53	30.24
2012	22.39	21.56	17.51	14.56

Risk Characteristics² (Composite Net of Fees) (Since Inception)

Sharpe Ratio	0.45
Sortino Ratio	0.61
Information Ratio	0.21

Top Ten Holdings^{1,2} (%)

T-Mobile US Inc	3.8
Citigroup Inc	3.8
Jpmorgan Chase & Co	3.2
Meta Platforms Inc	3.1
Berkshire Hathaway Inc	2.7
Walt Disney Co/the	2.4
Conocophillips	2.4
Cvs Health Corp	2.3
Bp Plc	2.2
Wells Fargo & Co	2.0

Lead Portfolio Managers



Patrick S. Kaser, CFA
Managing Director & Portfolio Manager
26 Years of Experience



Celia R. Hoopes, CFA
Portfolio Manager & Research Analyst
10 Years of Experience

† Includes \$2,843M in Fundamental Equity assets for which Brandywine Global provides non-discretionary investment management services. Nondiscretionary assets are reported on one month lag.

Data as of December 31, 2022

Past performance is no guarantee of future results.



Annualized Returns (%) (Results shown in USD)

	Gross	Net	R1000V	WUSLCV
QTD	12.68	12.49	12.42	13.75
YTD	-6.95	-7.60	-7.54	-5.51
1 Year	-6.95	-7.60	-7.54	-5.51
3 Year	9.79	9.03	5.95	8.10
5 Year	8.08	7.33	6.66	8.70
7 Year	10.58	9.82	9.11	10.70
10 Year	11.09	10.32	10.29	11.51
Since Inception	9.62	8.86	7.82	8.49

Inception Date: 10/1/2004

GIPS Information (%) (Results shown in USD)

Year or YTD	Gross	Net	R1000V	WUSLCV	# of Accounts	Market Value (M)	Total Firm Assets (M)	Composite Dispersion	Composite Rolling 3Y SD	R1000V Rolling 3Y SD	WUSLCV Rolling 3Y SD
2022	-6.95	-7.60	-7.54	-5.51	20	2,926	52,601	0.19	23.68	21.25	19.50
2021	28.51	27.64	25.16	24.53	19	3,333	67,356	0.58	23.15	19.06	16.86
2020	10.69	9.93	2.80	7.37	17	2,352	63,872	0.47	24.87	19.62	17.82
2019	33.42	32.51	26.54	27.72	15	2,853	74,024	0.20	16.66	11.85	11.21
2018	-16.47	-17.06	-8.27	-5.94	22	2,993	70,070	0.33	14.69	10.82	10.09
2017	17.98	17.17	13.66	16.31	19	3,677	74,382	0.18	14.07	10.20	9.32
2016	16.25	15.45	17.34	15.44	17	3,488	65,498	0.44	14.23	10.77	9.91
2015	-9.85	-10.48	-3.83	-0.79	19	3,407	68,819	0.22	13.00	10.68	10.16
2014	11.35	10.58	13.45	13.00	17	983	63,375	0.27	10.85	9.20	8.73
2013	40.97	40.02	32.53	30.24	16	678	50,050	0.38	14.53	12.70	11.46
2012	22.39	21.56	17.51	14.56	19	386	42,894	0.39	16.60	15.51	14.00

Data as of December 31, 2022 R1000V = Russell 1000 Value WUSLCV = Wilshire US Large Cap Value Organization: Brandywine Global Investment Management, LLC (the "Firm") is a wholly owned, independently operated, subsidiary of Franklin Resources, Inc. Brandywine Global Investment Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brandywine Global Investment Management, LLC has been independently verified for the periods January 1, 1993 through June 30, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures 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. The Classic Large Cap Value - Unrestricted Composite has had a performance examination for the periods July 1, 2008 through June 30, 2021. The verification and performance examination reports are available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Disclosed total firm assets represent the total market value of all discretionary and nondiscretionary, fee-paying and non-fee-paying assets under the Firm's management. 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. Composite Description: Classic Large Cap Value Unrestricted Composite (the "Composite") Inception date: October 1, 2004. Creation date: January 1, 2014. The Composite includes all fully discretionary, fee-paying portfolios invested in the Classic Large Cap Value Unrestricted strategy (the "Strategy") with no client mandated restrictions. The strategy invests primarily in domestic equity securities with market capitalizations of greater than \$1 billion, and have a lower price to book (P/B) and price to earnings (P/E) ratios, but may also invest in select preferred, convertible, and debt securities. This results in approximately 55 - 75 security positions in each portfolio. In June 2022, the secondary benchmark was changed from S&P 500 Index to Wilshire US Large Cap Value Index for all periods. Primary Benchmark Description: The Russell 1000 Value Index measures companies from the Russell 1000 Index that exhibit lower price to book and price to earnings ratios and lower forecasted growth values. Secondary Benchmark Description: The Wilshire US Large Cap Index consists of the 750 largest companies contained in the Wilshire 5000 in terms of market capitalization. The index is a composite of securities (primary equity, common stock, REIT, or Limited Partnership) that have a primary market listing in the United States. The Wilshire US Large Cap Value Index is a subset of those securities appearing in the Wilshire US Large Cap Index. The securities placed in the index exhibit value characteristics as determined by their projected price-to-earnings ratio, projected earnings growth, price-to-book ratio, dividend yield, trailing revenue growth, and trailing earnings growth. The Wilshire US Large Cap Value is a float-adjusted, market capitalization-weighted index. Performance Calculation: Preliminary data, if so noted, reflects unreconciled data for the most recent reporting period. Portfolios are valued daily on a trade date basis and include dividends and interest as well as all realized and unrealized capital gains and losses. Return calculations at the portfolio level are time-weighted to account for periodic contributions and withdrawals. Performance results are calculated on a before tax, total return basis. Prior to July 1, 2007, portfolios were included in the Composite beginning with the first full quarter of performance through the last full quarter of performance. After July 1, 2007, portfolios are included in the Composite beginning with the first full month of performance through the last full month of performance. Composite returns are reported on quarterly basis. The Composite returns consist of size-weighted portfolio returns using beginning of period values to weight the portfolio returns. Monthly linking of interim performance results is used to calculate quarterly and annual returns. Composite's valuations and returns are computed in U.S. Dollars ("USD"). The results are presented in USD or in other currencies (to accommodate overseas investors), the latter by converting monthly USD returns into other currency returns using the appropriate currency exchange rate returns. Gross returns reflect the deduction of trading expenses. Net performance returns of the named strategy reflect the deduction of all applicable management fees and expenses, before custody charges, withholding taxes and other indirect expenses. Please refer to Part 2A of Brandywine Global's Form ADV for a description of its advisory fees. Composite dispersion is calculated using the asset-weighted standard deviation method for all portfolios that were in the Composite for the entire year. Composite dispersion is not presented for periods with five or fewer portfolios. The number of accounts and market values are as of the end of the period. The three-year annualized standard deviation, calculated using gross-of-fee returns, measures the variability of the composite and the benchmark returns over the preceding 36-month period. Gross-of-fee returns are used to calculate the presented risk measures. A complete list of composites, and limited distribution pooled funds descriptions as well as a list of broad distribution pooled funds is available upon request. Fee Schedule: The Institutional Client Separate Account Management Fee Schedule (minimum initial investment: \$25 million): 0.700% on the first \$10 million; 0.500% on the next \$40 million; 0.450% on the next \$50 million; and 0.350% on any portion of assets in excess of \$100 million. Additional information on the Firm's fee schedule can be found in Form ADV Part 2A which is available upon request. The management fee schedule and total expense ratio for Classic Large Cap Value Equity - BIT, which is included in the composite, is 0.70% on all assets. **Past performance is no guarantee of future results.**

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Disclosures

R1000V = Russell 1000® Value Index WUSLCV = Wilshire U.S. Large Cap Value Index

- 1 The data represent the aggregate characteristics of all securities held in the respective Representative Portfolio, an actual commission account not subject to taxation, and are included for informational purposes only. The Portfolio Characteristics of any particular account may vary based on any investment restrictions applicable to that account.
- 2 Supplemental Information to the attached Classic Large Cap Value - Unrestricted GIPS composite presentation.
- 3 Portfolio characteristics calculation uses weighted harmonic average methodology.

Source: Bloomberg (© 2023, Bloomberg Finance LP), which Brandywine Global believes to be accurate and reliable. Investing involves certain risks, including possible loss of principal. You should understand and carefully consider a strategy's objectives, risks, fees, expenses and other information before investing. In rendering portfolio management services, Brandywine Global Investment Management, LLC may use the portfolio management services, research and other resources of its affiliates. The views expressed in this document are not intended to be a recommendation or investment advice and do not take into account the individual financial circumstances or objectives of the investor who receives it. The securities described herein may not be suitable for all investors. There is no guarantee that Brandywine Global will meet any of its investment objectives. Individual securities mentioned are intended as examples of portfolio holdings and are not intended as buy or sell recommendations. Characteristics, holdings and sector weightings are subject to change and should not be considered as investment recommendations. There is no guarantee that holding securities with relatively high (or low) price-to-earnings, price-to-book or price-to-cash flow ratios will cause the portfolio to outperform its benchmark or index. Brandywine Global Investment Management, LLC believes that transactions in any option, future, commodity, or other derivative product are not suitable for all persons, and that accordingly, clients should be aware of the risks involved in trading such instruments. There may be significant risks which should be considered prior to investing. Derivatives transactions may increase liquidity risk and introduce other significant risk factors of a complex character. All securities trading, whether in stocks, options or other investment vehicles, is speculative in nature and involves substantial risk of loss. All indices are unmanaged and are not available for direct investment. Indices do not incur costs including the payment of transaction costs, fees and other expenses. This information should not be considered a solicitation or an offer to provide any Brandywine Global Investment Management, LLC service in any jurisdiction where it would be unlawful to do so under the laws of that jurisdiction. Stated assets under management may include some portfolios that are not contained in the strategy's composite. Some portfolios may fall into multiple strategies as the portfolio(s) meet the definition of multiple composites. Target Returns are aspirational in nature; criteria and assumptions were not used in their calculation. Performance results of the named strategy are presented gross and net of management fees. Gross performance returns include transaction costs but do not reflect the deduction of Brandywine Global's management fee. Net performance returns reflect the deduction of all applicable management fees and expenses, before custody charges, withholding taxes and other indirect expenses. Gross and net performance returns over one year are annualized and assume the reinvestment of all dividends, interest, and capital gains. Please refer to Part 2A of Brandywine Global's Form ADV for a description of its advisory fees. As fees are deducted quarterly, the compounding effect will be to increase the impact of fees by an amount directly related to the gross account performance. The above are the views of Brandywine Global and are not intended as a forecast or guarantee of future results. Brandywine Global's selection process may prove incorrect, which may have a negative impact on performance. Please refer to our GIPS® presentations, which include performance footnotes, fee schedules, detailed index descriptions, and disclosures.

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