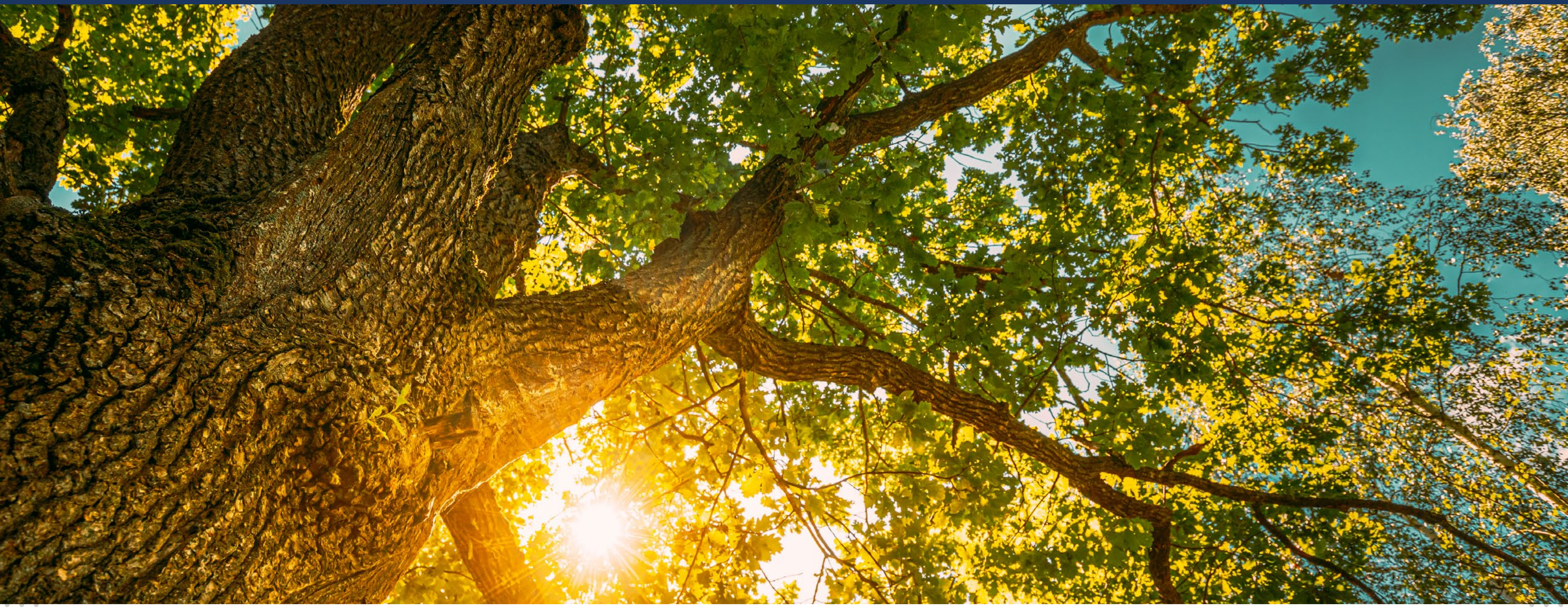

ONE TEAM

With more than 50 years of experience, $394.9 billion* in assets under management and nine offices around the world, Western Asset is recognized as one of the world's leading active fixed-income managers.

ONE PLATFORM

Western Asset operates as a single team with an open, integrated investment platform bringing together the combined experience and fixed-income acumen of our investment professionals around the world.

ONE FOCUS

Western Asset specializes in the active management of fixed-income strategies, employing a proven investment philosophy and process to protect capital and drive long-term investment growth for clients.

*As of 31 Dec 22

US CORE AND CORE PLUS

A History of Resilience Over Time

THE VALUE OF A CONSISTENT APPROACH

Western Asset anticipated that 2022 would deliver an environment of positive, but decelerating global growth from the robust levels of 2021. As 2022 progressed, however, global inflation pressures continued to rise and far exceeded both market and central bank expectations. With last year proving to be extremely difficult for equities and fixed-income alike, Western Asset's US Broad Market portfolios were no exception and underperformed their benchmark, primarily due to our duration positioning. Like all investment managers with an extensive track record, sometimes we find our positioning offsides. As you can imagine, throughout our 50+ years of history, we have been in this position before. But, in each of those instances we recovered the underperformance and eventually moved on to achieve new highs. Investment managers' mettle is truly tested during turbulent periods. What's more, every market cycle varies from the last. This is why we believe maintaining a longer-term perspective is critical. Ever since 1971, Western Asset has carefully managed risk and sought value in fixed-income by adhering to our long-held principles and time-tested processes that have enabled us to weather rocky markets and come out stronger on the other side—all for the benefit of our clients.

SEEKING TO ADD VALUE THROUGH DIFFERENT MARKETS

At Western Asset, we believe it's best to demonstrate our investment philosophy in action using actual results during real market cycles. Considering the past 10 years broadly characterized as risk-on/risk-off markets, the following table and commentary describe the investment experience of the Western Asset US Core Plus Bond strategy.

Risk-On/Off Periods: 10-Year History of Attributions and Excess Returns (Net)

US Core Plus (net)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Macro	-32	87	63	48	101	-4	131	162	-99	-399
Duration	*2*	*30*	*23*	*-12*	*34*	*13*	*215*	*235*	*-123*	*-444*
Curve	*-34*	*57*	*40*	*60*	*66*	*-17*	*-83*	*-73*	*24*	*45*
Spread Sectors	126	54	-29	189	190	-124	215	45	92	-74
Sector	*99*	*18*	*40*	*59*	*122*	*-61*	*128*	*-295*	*209*	*-77*
Issue	*26*	*36*	*-69*	*130*	*69*	*-63*	*86*	*340*	*-117*	*3*
Excess Returns (bps)	94	141	34	237	291	-128	346	207	-7	-473

Source: Bloomberg, J.P. Morgan, Western Asset. As of 31 Dec 22
Sectors represented by J.P. Morgan and Bloomberg US indices. Relative total return vs. comparable key rate duration US Treasury. All figures shown in basis points. Data may not sum to total due to rounding. Please see performance disclosure in the appendix.
Past performance is no guarantee of future results.

2013 RISK-ON MARKET

- The "taper tantrum" resulted in significantly higher US Treasury (UST) yields, with the 10-year yield increasing from a low of 1.62% to more than 3% at the end of 2013.
- Sector overweights to financials and non-agency residential mortgage-backed securities (RMBS) exposure contributed the most to relative outperformance.

2014 RISK-OFF MARKET

- Despite remaining highly accommodative, the Federal Reserve (Fed) tapered its quantitative easing bond purchases; previous fears of sharply higher rates diminished and rates ended the year sharply lower. Oil prices fell by 40%, while the yield curve flattened significantly.
- Defensive curve positioning and good issue selection contributed the most to performance in a risk-off environment.

2015 RISK-OFF MARKET

- Credit sectors underperformed on concerns of a global economic slowdown driven by China. UST yields ended the year modestly higher as the Fed announced its first hike since 2006; the curve mildly steepened.
- Macro strategies, such as an overweight to 30-year USTs and a long duration position, added to performance. On a net basis, sector and issue selection detracted from performance.

2016 RISK-ON MARKET

- Spread product outperformed USTs after an initial selloff in February. The US presidential election in November surprised the markets, resulting in a sharp rise in UST yields.
- Yield-curve positioning and good issue selection had a positive impact on performance.

2017 RISK-ON MARKET

- Spread product, especially in emerging markets (EM), delivered strong excess returns on the back of improving global growth. The Fed raised rates three times but inflation remained subdued, causing the yield curve to flatten significantly.
- Duration and yield-curve positioning, as well as good sector/subsector selection had a positive impact on performance.

2018 RISK-OFF MARKET

- All spread product underperformed, especially EM, on concerns of a global economic slowdown. UST yields rose for most of the year but then rallied significantly in 4Q.
- A long-duration position contributed to performance, especially during the volatility in 4Q, but sector allocation and issue selection detracted.

2019 RISK-ON MARKET

- Trade war concerns, Brexit anxiety and other events that had weighed on markets saw positive developments as the year came to a close, bolstering market sentiment. The Fed cut rates three times; yields fell and the yield curve steepened.
- Spread sectors, especially corporate credit, generated significant excess returns in 1Q as the Fed made its dovish pivot, and in 4Q as market uncertainties declined.

2020 RISK-ON MARKET

- The year was dominated by the arrival of COVID-19 as the virus spread around the globe and the related economic shutdowns caused severe demand destruction, particularly in 1Q.
- Throughout the year policymakers implemented containment measures intended to slow the spread of the virus as well as fiscal and monetary stimulus packages to support both impacted individuals and national economies. These efforts helped to stabilize markets and allow economies to return to growth.
- After the extreme selloff in 1Q, most risk assets ultimately performed well the rest of the year.

2021 RISK-ON MARKET

- In 2021, optimism at the start of the year over the global economic outlook rose against a backdrop of slowing COVID-19 case counts, increased vaccination efforts and the anticipation of the eventual reopening of economies. However, the delta and omicron variants increased case counts later in the year.
- The US economic recovery continued throughout the year although data was volatile. US inflation increased and accelerated sharply over 4Q. The Fed announced the start of its tapering program in 4Q and updated its dot plots to show three rate hikes expected in 2022.
- Risk assets generally performed well during the year. After considerable spread-tightening in 1H21, there was some softness during 2H21, primarily due to the emergence of Covid variants. Yields were higher as higher inflation prints pulled rate hikes forward, pushing short-term yields higher, while the curve flattened over the year.

2022 RISK-OFF MARKET

- In 2022, bond yields soared and risk assets weakened as the Fed and other central banks aggressively hiked interest rates to address rising global inflation pressures exacerbated by price shocks and supply chain pressures from Russia's Ukraine invasion and Covid lockdowns in China.
- The Fed dramatically shifted their rate hike expectations higher throughout the year. After starting the year only anticipating the need to raise the fed funds rate by 75 bps in 2022, the Fed raised rates by 425 bps, in its fastest pace of rate hikes in a single year since the 1980s, to end 2022 at a target range of 4.25-4.50%.
- The Bloomberg US Aggregate Index was down 13% which was by far its worst year since its inception. The yield curve bear flattened and most of the curve became inverted. Credit spreads widened and the US dollar strengthened vs almost all currencies.

Rolling 1-Year Performance Returns Period Ending:	31 Dec 22	31 Dec 21	31 Dec 20	31 Dec 19	31 Dec 18
US Core Plus Composite (gross of fees)	-17.49%	-1.32%	9.90%	12.51%	-0.97%
US Core Plus Composite (net of fees)	-17.74%	-1.61%	9.57%	12.18%	-1.26%
Bloomberg US Aggregate Index	-13.01%	-1.54%	7.51%	8.72%	0.01%

Base Currency: USD

Past investment results are not indicative of future investment results. Source for performance figures is Western Asset. Please refer to the Performance Disclosure for more information. Currency exchange rate fluctuations will impact the value of your investment.
The value of investments and the income from them may go down as well as up and you may not get back the amount you originally invested.

Investment Risks:

The strategy does not offer any capital guarantee or protection and you may not get back the amount invested. The strategy is subject to the following risks which are materially relevant but may not be adequately captured by the indicator:

Asset-Backed Securities: The timing and size of the cash-flow from asset-backed securities is not fully assured and could result in loss for the strategy. These types of investments may also be difficult for the strategy to sell quickly.

Bonds: There is a risk that issuers of bonds held by the strategy may not be able to repay the investment or pay the interest due on it, leading to losses for the strategy. Bond values are affected by the market’s view of the above risk, and by changes in interest rates and inflation.

Counterparties: The strategy may suffer losses if the parties that it trades with cannot meet their financial obligations.

Credit: The risk that a issuer will be unable to pay principal and interest when due.

Currency: Changes in exchange rates between the currencies of investments held by the strategy and the strategy's base currency may negatively affect the value of an investment and any income received from it.

Derivatives: The strategy makes significant use of derivatives. The use of derivatives can result in greater fluctuations of the portfolio's value.

Emerging Markets: The strategy may invest in the markets of countries which are smaller, less developed and regulated, and more volatile than the markets of more developed countries.

Hedging: The strategy may use derivatives to reduce the risk of movements in exchange rates between the currency of the investments held by the strategy and base currency of the portfolio itself (hedging). However, hedging transactions can also expose the portfolio to additional risks, such as the risk that the counterparty to the transaction may not be able to make its payments, which may result in loss to the strategy.

Inflation: The value of bonds held by the strategy that are intended to protect against inflation may be negatively affected by changes in interest rates.

Interest Rates: Changes in interest rates may negatively affect the value of the strategy. Typically as interest rates rise, bond values fall.

Liquidity: In certain circumstances it may be difficult to sell the strategy’s investments because there may not be enough demand for them in the markets, in which case the strategy may not be able to minimise a loss on such investments.

Low-rated Bonds: The strategy may invest in lower rated or unrated bonds of similar quality, which carry a higher degree of risk than higher rated bonds.

Mortgage-Backed Securities: The timing and size of the cash-flow from mortgage-backed securities is not fully assured and could result in loss for the strategy. These types of investments may also be difficult for the strategy to sell quickly.

This strategy is managed by Western Asset. This information is only for use by professional clients, eligible counterparties or qualified investors. It is not aimed at, or for use by, retail clients.

Performance Disclosure

December 31, 2021

US Core Plus Composite*

Composite Inception Date: 02/01/1993 | Composite Creation Date: 01/01/1994

	No. of Accts	Gross Total Return	Net Total Return	Benchmark Total Return	Gross Total 3-Yr St Dev	Benchmark Total 3-Yr St Dev	Internal Dispersion	Mkt. Value USD Mil	Percentage of Firm Assets	Firm Assets USD Mil
2012	121	8.97%	8.65%	4.21%	2.61%	2.38%	1.05%	54,299	11.76%	461,891
2013	105	-0.79%	-1.09%	-2.02%	2.92%	2.71%	0.31%	46,789	10.36%	451,632
2014	92	7.70%	7.38%	5.97%	2.98%	2.63%	0.59%	50,341	10.80%	466,036
2015	91	1.19%	0.89%	0.55%	3.19%	2.88%	0.60%	50,759	11.70%	433,747
2016	94	5.33%	5.02%	2.65%	3.31%	2.98%	0.45%	56,003	13.36%	419,207
2017	94	6.77%	6.45%	3.54%	3.11%	2.78%	0.69%	61,753	14.15%	436,309
2018	98	-0.97%	-1.26%	0.01%	3.34%	2.84%	0.35%	63,414	14.95%	424,136
2019	99	12.51%	12.18%	8.72%	3.26%	2.87%	0.66%	75,291	16.54%	455,276
2020	104	9.90%	9.57%	7.51%	5.23%	3.36%	0.69%	91,333	19.04%	479,810
2021	97	-1.32%	-1.61%	-1.54%	5.26%	3.35%	0.26%	91,679	18.77%	488,490

Description: The Western Asset US Core Plus strategy is a US broad market strategy that aims to maximize total return and add value through duration and curve positioning sector, country and currency allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major fixed-income sectors with a bias toward non-Treasuries. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities. The portfolios may have the ability to use futures and options.

Benchmark Description: The current benchmark is the Bloomberg US Aggregate USD Unhedged Index.

Base Currency: USD | **Composite Minimum:** No minimum asset size requirement as of 1/1/2020 (previously $25 million).

Current Fee Schedule: The investment management fee schedule for the separate account is .30 of 1% on the first $100 million, .20 of 1% on amounts over $100 million. The investment management fee schedule for the Western Asset US Core Plus, LLC and the Western Asset US ESG Core Plus Fund L.L.C, which are members of the composite, is .30 of 1%. The total expense ratio as of December 31, 2020 for the Western Asset US Core Plus, LLC was .35 of 1% and for the Western Asset US ESG Core Plus Fund L.L.C was .95 of 1%.

**Effective 1 January 2020, the US Core Plus Composite has been redefined to broaden the inclusion of accounts with below investment grade and/or non-US dollar exposure either through unhedged, non-US dollar securities or outright currency transactions.*

Western Asset claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Western Asset has been independently verified for the periods from January 1, 1993 to December 31, 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 US Core Plus Composite has been examined for the period from February 1, 1993 to December 31, 2014 and January 1, 2019 to December 31, 2021. The verification and performance examination reports are available upon request.

For GIPS® purposes, the Firm is defined as Western Asset, a primarily fixed-income investment manager comprised of Western Asset Management Company, LLC; Western Asset Management Company Distribuidora de Títulos e Valores Mobiliários Limitada is authorized and regulated by Comissão de Valores Mobiliários and Brazilian Central Bank; Western Asset Management Company Pty Ltd ABN 41 117 767 923 is the holder of the Australian Financial Services Licence 303160; Western Asset Management Company Pte. Ltd. Co. Reg. No. 200007692R is a holder of a Capital Markets Services Licence for fund management and regulated by the Monetary Authority of Singapore; Western Asset Management Company Ltd, a registered Financial Instruments Business Operator and regulated by the Financial Services Agency of Japan; and Western Asset Management Company Limited is authorised and regulated by the Financial Conduct Authority ("FCA") (FRN 145930), with offices in Pasadena, New York, London, Singapore, Tokyo, Melbourne, São Paulo, Hong Kong, and Zürich. Each Western Asset company is a wholly owned subsidiary of Franklin Resources, Inc. but operates autonomously, and Western Asset, as a Firm, is held out to the public as a separate entity. Western Asset Management Company was founded in 1971. Specialist Investment Manager of Franklin Resources, Inc. since July 31, 2020. This communication is intended for distribution to Professional Clients only if deemed to be a financial promotion in the UK as defined by the FCA. This communication may also be intended for certain EEA countries where Western Asset has been granted permission to do so. For the current list of the approved EEA countries please contact Western Asset at +44 (0)20 7422 3000.

Gross-of-fees returns are presented before management fees, but after all trading expenses. Net-of-fees results are calculated using a model approach whereby the current highest tier of the appropriate strategy's fee schedule is used. Effective January 1, 2020, for annual periods where the actual account weighted fees are higher than the composite model fee, the actual account weighted fees will be used for the net-of-fee composite return calculations. Net-of-fee composite return calculations using actual account weighted fees may include fund returns that incur higher fees than those applied to separately managed accounts. The portfolios in the Composite are all actual, fee-paying and performance fee-paying, fully discretionary accounts managed by the Firm for at least one full month. Investment results shown are for taxable and tax-exempt accounts and include the reinvestment of all earnings. Any possible tax liabilities incurred by the taxable accounts have not been reflected in the net performance. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

Composite returns are measured against a benchmark, when applicable. The benchmark is unmanaged and provided to represent the investment environment in existence during the time periods shown. For comparison purposes, its performance has been linked in the same manner as the Composite. The benchmark presented was obtained from third party sources deemed reliable but not guaranteed for accuracy or completeness. Benchmark returns and benchmark three-year annualized ex-post standard deviation are not covered by the report of independent verifiers.

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were included in the Composite for the entire year. Periods with five or fewer accounts are not statistically representative and are not presented. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

Past investment results are not indicative of future investment results. Information contained herein is believed to be accurate, but cannot be guaranteed. Employees and/or clients of Western Asset may have a position in the securities mentioned.

Western Asset's list of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request. Please contact Derek Fan at 626-844-9465 or derek.fan@westernasset.com. All returns for strategies with inception prior to January 1, 2012 are available upon request.

For more information on Western Asset visit our website at www.westernasset.com