

Rolling 1-Year Performance Returns Period Ending:	30 Apr 21	30 Apr 20	30 Apr 19	30 Apr 18	30 Apr 17
Multi-Asset Credit Composite (gross of fees)	16.89%	-4.13%	4.39%	3.75%	10.29%
Multi-Asset Credit Composite (net of fees)	16.20%	-4.71%	3.77%	3.13%	9.64%

**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.

**Concentrated:** The strategy's investment approach may result in the strategy being focused in one, or a small number of, countries, sectors or asset classes compared to other investment strategies. This means that the strategy may be more sensitive to economic, market, political or regulatory events than other strategies that invests across a broader range of countries, sectors and asset classes.

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

**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.

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

**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.

*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, 2020

## Multi-Asset Credit Composite

Composite Inception Date: 10/01/2010 | Composite Creation Date: 07/17/2013

	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
2011	1	8.29%	7.86%	-na-	-na-	-na-	-na-	464	0.10%	443,140
2012	1	13.93%	13.48%	-na-	-na-	-na-	-na-	478	0.10%	461,891
2013	1	2.36%	1.95%	-na-	4.27%	-na-	-na-	393	0.09%	451,632
2014	3	5.21%	4.69%	-na-	3.99%	-na-	-na-	515	0.11%	466,036
2015	4	-2.35%	-2.93%	-na-	4.23%	-na-	-na-	615	0.14%	433,747
2016	6	9.56%	8.91%	-na-	4.18%	-na-	-na-	879	0.21%	419,207
2017	6	9.16%	8.51%	-na-	3.92%	-na-	0.60%	1,027	0.24%	436,309
2018	8	-3.01%	-3.59%	-na-	3.67%	-na-	0.49%	2,107	0.50%	424,136
2019	6	13.56%	12.89%	-na-	3.28%	-na-	0.22%	2,478	0.54%	455,276
2020	6	4.52%	3.90%	-na-	9.53%	-na-	0.52%	3,083	0.64%	479,810

**Description:** The Western Asset Multi-Asset Credit strategy is an unconstrained, income-focused strategy that aims to maximize total return through global credit sector rotation, duration positioning, currency allocation and security selection, while employing tail-risk hedging to dampen overall portfolio risk. The strategy invests in a globally diversified portfolio of high income assets including, but not limited to, investment-grade credit, non-USD debt, high-yield, bank loans, emerging markets and structured securities.

**Benchmark Description:** The Composite is not measured against a benchmark as accounts that may comprise the Composite are measured on an absolute return basis. There is no benchmark available that appropriately reflects the guidelines of all accounts within the Composite.

**Base Currency:** USD | **Composite Minimum:** No minimum asset size requirement

**Current Fee Schedule:** The investment management fee schedule for the separate account is .60 of 1% on the first \$100 million, .40 of 1% on amounts over \$100 million. The investment management fee schedule for the Western Asset Multi-Asset Credit Portfolio Master Fund, Ltd., which is a member of the composite, is .60 of 1%. The total expense ratio as of December 31, 2019 for the Western Asset Multi-Asset Credit Portfolio Master Fund, Ltd. was .77 of 1%.

**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, 2019.**

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 Multi-Asset Credit Composite has been examined for the period from January 1, 2013 to December 31, 2019. 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 Banco Central do Brazil; 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](mailto:derek.fan@westernasset.com). All returns for strategies with inception prior to January 1, 2011 are available upon request.

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