

**For Immediate Release**

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**LEGG MASON AND CLEARBRIDGE INVESTMENTS LAUNCH SEMI-TRANSPARENT ETF USING PRECIDIAN INVESTMENTS' INNOVATIVE ACTIVESHARES® TECHNOLOGY**

**New York, N.Y. – May 28, 2020 –** Legg Mason and its affiliate, ClearBridge Investments, LLC, today announced the launch of Legg Mason's first exchange-traded fund (ETF) using the semi-transparent technology of Precidian Investments LLC, ActiveShares®.

The ClearBridge Focus Value ETF (CFCV), a series of Legg Mason's ActiveShares® ETF Trust, trades on the Chicago Board Options Exchange (Cboe) and seeks long-term capital appreciation. The ETF is backed by ClearBridge's proven expertise in active management and through the use of Precidian's ActiveShares® technology, its strategy is able to be delivered in a confidential format to safeguard both the ETF and its investors.

The launch represents the culmination of many years' work in the development of the ActiveShares® ETF structure. The methodology seeks to bring the best of the ETF structure and active management together. The ActiveShares® ETF structure's unique combination of cost and tax efficiencies, real-time pricing and confidential format can benefit both asset managers and investors.

"This ground-breaking ETF is part of our commitment to delivering active investment excellence in the vehicles our clients and investors demand. This is another exciting step in the development of ETFs, giving investors greater choice and more opportunities to invest in otherwise inaccessible active strategies in a highly efficient and confidential ETF wrapper," said Terrence Murphy, CEO of ClearBridge Investments.

ClearBridge Investments and Legg Mason partnered with Precidian Investments to develop the ETF and all are excited to offer this investment opportunity to investors. "I want to thank Joe Sullivan for his foundational support, and the various teams at Legg Mason who worked tirelessly to make this evolution in product structure a reality. Additionally, I am pleased to partner with Terrence Murphy, who has the vision to realize the potential of what we believe to be a burgeoning marketplace," said Dan McCabe, CEO of Precidian Investments.

Legg Mason is affiliated with Precidian Investments and announced on its January earnings call that it had notified Precidian that it would begin the due diligence process on exercising its option to increase its 19.9% equity stake in Precidian Investments to a majority ownership stake.

"The launch of this innovative ETF structure with Precidian, ClearBridge and other industry partners is the perfect example of how we have sought to provide investors with better choice of vehicles and strategies," said Joseph A. Sullivan, Chairman and CEO of Legg Mason.

Mr. Sullivan added, "Precidian's ActiveShares® structure is not only an evolution in ETFs, but also a potential game-changer for active management. It has the potential over time to transform how retail investors access the best active strategies. I congratulate Dan McCabe and his team for their persistence and dedication in working with Legg Mason and others in the industry to bring ActiveShares® to market so successfully."

Key third-party partners in launching the ClearBridge Focus Value ETF are BNY Mellon, IHS Markit, Cantor Fitzgerald, Mizuho, Virtu Financial, and GTS Mischler, in addition to the CBOE Global Markets.

“We are very excited to work with a group of innovative market participants to deliver a digital solution to the long-awaited semi-transparent actively managed ETF market,” said Emily Portney, Global Head of Client Coverage and Head of Americas, BNY Mellon Asset Servicing.

### ActiveShares Background

The first two actively-managed ETFs utilizing Precidian’s proprietary ActiveShares® structure were launched by American Century Investments (ACI) on April 2nd.

There has been significant interest by asset managers in licensing the ActiveShares® technology. Currently, the technology has been licensed by 14 licensees, covering 26% of the actively managed U.S. equity market.

### ETF Objective and Process

Precidian Funds LLC serves as the ETF’s investment manager and . ClearBridge Investments, LLC, the subadviser, is responsible for managing the ETF on a day-to-day basis. The portfolio managers are Robert Feitler Jr. and Dmitry Khaykin, Managing Directors and Portfolio Managers with ClearBridge Investments. Feitler and Khaykin have 25 years and 23 years of industry experience, respectively.

The ClearBridge Focus Value ETF offers investors access to a strategy that seeks to identify a select number of large capitalization stocks able to deliver attractive risk-adjusted returns. The ETF’s portfolio managers employ fundamental research to identify such stocks, constructing the portfolio on a bottom-up basis.

The ETF normally will invest at least 80% of its net assets in equity securities of companies with large market capitalizations. The ETF may also invest up to 20% of its net assets in equity securities of companies with lower market capitalizations.

While most of the ETF’s investments will be in U.S. companies, the ETF may also invest in American Depository Receipts (ADRs) and U.S.-listed shares of foreign companies. Under normal circumstances, the ETF will invest in a diversified portfolio typically consisting of 30 to 40 issuers.

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### About Legg Mason

Guided by a mission of Investing to Improve Lives™, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments. Legg Mason’s assets under management are \$763.1 billion as of April 30, 2020. To learn more, visit our [website](#), our [newsroom](#), or follow us on [LinkedIn](#), [Twitter](#), or [Facebook](#).

Active share reflects the percent of a portfolio that differs from the index.

American Depository Receipts (“ADRs”) are U.S. traded securities that represent shares of a foreign-based corporation held by a custodian.

The Fund is newly organized, with a limited history of operations. Equity securities are subject to price fluctuation and possible loss of principal. 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. Short selling is a speculative strategy. Unlike the possible loss on a security that is purchased, there is no limit on the amount of loss on an appreciating security that is sold short. Derivatives, such as options and futures, can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance. The manager’s investment style may become out of favor and/or the manager’s selection process may prove incorrect, which may have a negative impact on the Fund’s performance.

***Before investing, carefully consider a Fund’s investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at [www.leggmasonfunds.com](http://www.leggmasonfunds.com). Please read it carefully.***

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