



LEGG MASON INTERNATIONAL LOW VOLATILITY HIGH DIVIDEND ETF

Investment overview

The Legg Mason International Low Volatility High Dividend ETF (LVHI) seeks to track the investment results of an underlying index composed of equity securities of developed markets outside the United States with relatively high yield and low price and earnings volatility.

- LVHI may benefit investors who want income but are concerned about the volatility that can come from traditional equity income investments.
- Hedges foreign currency exposure in an attempt to mitigate volatility from fluctuations relative to the US Dollar.

The QS International Low Volatility High Dividend Hedged Index (the Index):

- The Index starts with the securities across a range of market capitalizations that are included in the MSCI World ex-US IMI Index.
- Based on historical and projected data using QS Investors proprietary methodology,
 - The index screens for profitable companies that have the potential to pay relatively high sustainable dividend yields.
 - Yields of the remaining securities are then scored higher or lower based on the attractiveness of their price and earnings volatility.
 - The portfolio is constructed to have the highest scoring securities subject to concentration limits: no individual component of the Index will exceed 2.5% of the Index, no individual sector will exceed 25%, no country will exceed 15%, no individual geographic region will exceed 50%, and real estate investment trust (REITs) components as a whole will not exceed 15%.
- The Underlying Index's components are reconstituted annually and rebalanced quarterly.

Top countries (%) as of Sept. 30, 2020

Japan	15.4	Singapore	6.8
Switzerland	13.3	Australia	5.3
Canada	10.5	Germany	5.3
United Kingdom	10.4	Netherlands	5.3
Hong Kong	8.3	France	4.9

Sector allocation (%) as of Sept. 30, 2020

Financials	21.9	Materials	4.7
Communication		Consumer	
Services	20.0	Discretionary	3.3
Consumer Staples	16.0	Real Estate	3.3
Utilities	13.2	Information Technology	0.1
Industrials	10.5	Energy	0.1
Health Care	4.9	Cash	2.1

Top 10 holdings (%) as of Sept. 30, 2020

NTT Docomo Inc.	3.2	Canadian Imperial Bank of Commerce	2.6
Unilever NV	2.8	Novartis AG	2.6
MITSUBISHI CORP	2.8	Deutsche Telekom	2.6
British American Tobacco plc	2.7	Nestle SA	2.5
BCE Inc.	2.6	Swisscom AG	2.5

Market Capitalization (%) as of Sept. 30, 2020

Over \$50 billion	28.9
\$25-50 billion	29.6
\$10-25 billion	26.7
\$3-10 billion	10.0
\$0-3 billion	4.9

Fund Data as of Sept. 30, 2020

Symbol	LVHI
Listing Exchange	CBOE BZX
Expense Ratio (gross/net)	0.40/0.40
CUSIP	52468L505
IOPV / IIV ¹	LVHI.IV
Net Asset Value (NAV) ²	\$21.91
Market Price ²	\$21.99
Premium/Discount ³	4%
Net Assets	\$55.2M

Fund Benchmark	QS International Low Volatility High Dividend Hedged Index (NTR)
Fund Benchmark Ticker	LVHINR
Market Index	MSCI World ex US IMI (Net) (Local)
Market Index Ticker	MIMLWXUN

Fund Benchmark	
Rebalance Frequency	Quarterly
Inception Date	07/27/16
Fiscal Year End	Oct
Distribution Frequency, if any	Quarterly
Lipper Category	International Multi-Cp Val Fds
Morningstar Category	Foreign Large Value

Statistics as of Sept. 30, 2020

Weighted Average Market Cap	\$51.1B
Price/book ratio ⁴	1.8
Harmonic P/E ratio (trailing 12 months) ⁵	12.4
Harmonic P/E ratio (forecasted 12 months) ⁶	13.2
Number of holdings	90
30-day SEC yield ⁷	4.62%

Risk statistics as of Sept. 30, 2020

	3-Yr	
	NAV	Mkt Index
Standard deviation (%)	13.41	14.18
Tracking error (%)	5.15	—
Beta	0.88	1.00
Sharpe ratio	-0.14	0.02
Alpha	-2.08	—
R-squared	0.87	1.00
Information ratio	-0.39	—

¹ The Indicative Optimized Portfolio Value (IOPV) represents the underlying basket of securities plus the cash component and it is updated every 15 seconds through the trading day.

² Net Asset Value (NAV) is total assets less total liabilities divided by the number of shares outstanding. Market Price, determined by supply and demand, is the price an investor purchases or sells the fund. The Market Price may differ from a fund's NAV.

³ Shareholders may pay more than net asset value when they buy Fund shares and receive less than net asset value when they sell those shares, because shares are bought and sold at current market prices.

⁴ The price book ratio (P/B) of a fund is the weighted average of the price book ratios of all stocks in a fund. The price-to-book (P/B) ratio is a stock's price divided by the stock's per share book value.

⁵ Harmonic P/E ratio trailing 12 months: The harmonic average is the inverse of the average of the inverse of each data point. In other words, it is the reciprocal of the average of the reciprocals. Data points with a value of zero and NA are excluded from the calculation. The price earnings ratio of a fund is the weighted average of the price earnings ratios of the stocks in a fund.

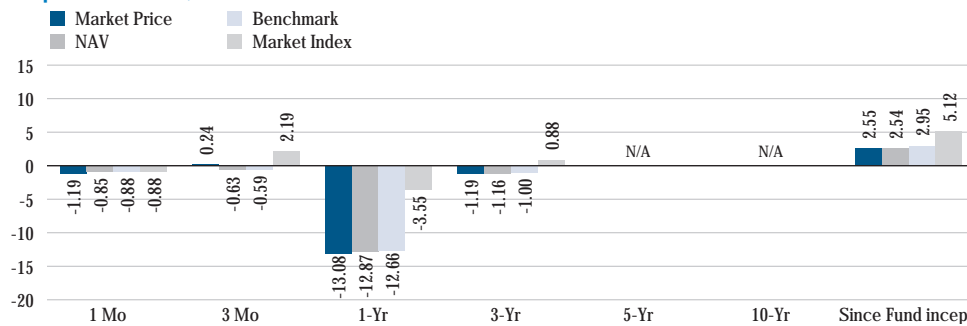
⁶ Harmonic P/E ratio forecasted 12 months: The harmonic average is the inverse of the average of the inverse of each data point. In other words, it is the reciprocal of the average of the reciprocals. Data points with a value of zero and NA are excluded from the calculation. The P/E ratio is arrived at by dividing the stock or share price by the earnings per share (profit after tax and interest divided by the number of ordinary shares in issue).

⁷ The 30-day SEC yield is based on dividends accrued by the Fund's investments over a 30-day period, and not on the dividends paid by the fund, which may differ and are subject to change.

LEGG MASON INTERNATIONAL LOW VOLATILITY HIGH DIVIDEND ETF

Average Annual Total Returns (%) as of Sept. 30, 2020

Inception Date: Jul. 27, 2016



Cumulative Total Returns (%) as of Sept. 30, 2020

	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Market Price	-15.92	18.31	-5.34	10.02	-	-	-	-	-	-	-
NAV	-16.21	18.81	-5.44	11.66	-	-	-	-	-	-	-
Benchmark	-16.13	19.01	-5.32	12.11	-	-	-	-	-	-	-
Market Index	-8.54	22.00	-11.52	15.58	-	-	-	-	-	-	-

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than the original cost. Retail investors buy and sell shares of ETFs at market price (not NAV) in the secondary market throughout the trading day. These shares are not individually available for purchase or redemption directly from the ETF. The NAV return is based on the NAV of the Fund and effective July 1, 2020, market price returns typically will be based upon the official closing price of the ETF's shares. Prior to July 1, 2020, market price returns generally were based upon the mid-point between the bid and ask on the Fund's principal trading market when the Fund's NAV was determined, which was typically 4:00 p.m. Eastern time (US). Market price performance reported for periods prior to July 1, 2020 will continue to reflect market prices calculated based upon the mid-point between the bid and ask on the Fund's principal trading market typically as of 4:00 p.m. Eastern time (US). These returns do not represent investors' returns had they traded shares at other times. Performance figures for periods shorter than one year represent cumulative figures and are not annualized. YTD is calculated from January 1 of the reporting year. For the most recent month-end information, please visit www.leggmason.com. Return figures for periods over one year are annualized.

Market Index: MSCI World ex-US IMI Local Index (Net) captures large, mid and small cap representation across 22 of 23 Developed Markets (DM) countries--excluding the United States. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK. Please note an investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark. **R-squared** measures the strength of the linear relationship between the Fund and its benchmark. R Squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe ratio** is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the sharpe ratio, the better the fund's historical risk-adjusted performance. **Standard deviation** measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk. **Alpha** measures performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. **Tracking Error** is the dispersal of differences between the returns obtained by the Fund and the benchmark variation. **Information Ratio** is the ratio of annualized expected residual return to residual risk.

If you are neither a resident nor a citizen of the United States or if you are a non-U.S. entity, the ETF's ordinary income dividends (which include distributions of net short-term capital gains) will generally be subject to a 30% U.S. federal withholding tax, unless a lower treaty rate applies. For further information, please see the ETF's prospectus which is available on the website www.leggmason.com. Redemption payments will be effected within the specified number of calendar days following the date on which a request for redemption in proper form is made. For more information, please see the ETF's statement of additional information (SAI) which can be found on www.leggmason.com.

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the