LEG MASON
SMALL-CAP QUALITY VALUE ETF

Investment overview
The Legg Mason Small-Cap Quality Value ETF (SQLV) seeks to provide capital appreciation by tracking the investment results of an index composed of small-cap stocks trading in the United States that have relatively low valuations.

- SQLV is designed for investors seeking growth of capital through strategic multi-factor, small-cap exposure in an ETF wrapper.

Strategy Differentiators
- Focuses on high quality, US-traded small-cap stocks with relatively low valuations
- Uses a proprietary, multi-factor scoring system that emphasizes high profitability companies (Quality) selling at attractive valuations (Value)
- Thoughtfully combines strategic factors—based on decades of insights from highly-regarded small-cap practitioners—all in an ETF wrapper

The Royce Small-Cap Quality Value Index (the “Index”):
- The Index construction rules have been developed based on Royce's decades of experience managing small-cap stocks as well as academic literature on the favorable attributes of certain stock factors.
- The investment universe includes common stocks of US headquartered companies listed on US exchanges, and excludes royalty companies, master limited partnerships, stocks with a share price less than or equal to $1 and stocks with insufficient trading volume.
- The universe is then refined to include stocks with market capitalizations that are between the 1001st and 3000th largest stocks based on descending market capitalization at time of rebalance.
- From that universe REITs are excluded and Index constituents are selected using a proprietary, multi-factor scoring system.
- Index position weights are then calculated using a fundamental composite score that aims at adding value by relying on more efficient estimations of the companies' true economic value than those provided by market capitalization. By using fundamental factors to weight stocks rather than market capitalization, the Index seeks to have lower exposure to overvalued companies, while still maintaining broad diversification.
- Concentration limits are also implemented in the construction process of the Index.
- The Index constituents are reconstituted and rebalanced quarterly.

Sector allocation (%) as of Mar. 31, 2019

<table>
<thead>
<tr>
<th>Sector</th>
<th>Allocation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financials</td>
<td>18.3</td>
</tr>
<tr>
<td>Health Care</td>
<td>16.7</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>16.1</td>
</tr>
<tr>
<td>Industrials</td>
<td>15.7</td>
</tr>
<tr>
<td>Information Technology</td>
<td>11.8</td>
</tr>
<tr>
<td>Materials</td>
<td>7.4</td>
</tr>
<tr>
<td>Energy</td>
<td>5.3</td>
</tr>
<tr>
<td>Communication Services</td>
<td>3.4</td>
</tr>
<tr>
<td>Consumer Staples</td>
<td>1.9</td>
</tr>
<tr>
<td>Utilities</td>
<td>1.6</td>
</tr>
<tr>
<td>Real Estate</td>
<td>1.5</td>
</tr>
<tr>
<td>Cash</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Notes:
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: The harmonic average is 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: 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.

Fund Data as of Mar. 31, 2019
- NASDAQ Symbol: SQLV
- Inception Date: 07/12/17
- Fund Benchmark: Russell 2000 Index
- Fund Benchmark Ticker: RSQLVT
- Fund Benchmark Rebalance Frequency: Quarterly
- Fiscal Year End: Jul
- Distribution Frequency, if any: Quarterly
- Lipper Category: Small-Cap Value Funds
- Morningstar Category: Small Blend

Statistics as of Mar. 31, 2019
- Weighted Average Market Cap: $1.3B
- Price/book ratio: 2.9
- Harmonic P/E ratio (trailing 12 months): 10.0
- Harmonic P/E ratio (forecasted 12 months): 12.0
- Number of holdings: 232
- 30-day SEC yield: 0.90%

Market Capitalization (%) as of Mar. 31, 2019
- $0-3 billion: 2.0%
- $3-10 billion: 98.0%

Percentages are based on total portfolio as of quarter-end and are subject to change at any time. For informational purposes only and not to be considered a recommendation to purchase or sell any security. Negative allocations and allocations in excess of 100% are primarily due to the Fund’s unsettled trade activity.
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Average Annual Total Returns (%) as of Mar. 31, 2019

<table>
<thead>
<tr>
<th>Inception Date: July 12, 2017</th>
<th>Market Price</th>
<th>Benchmark</th>
<th>Market Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Mo</td>
<td>10.62</td>
<td>10.57</td>
<td>14.98</td>
</tr>
<tr>
<td>3 Mo</td>
<td>10.87</td>
<td>10.77</td>
<td>14.58</td>
</tr>
<tr>
<td>1-Yr</td>
<td>10.38</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>3-Yr</td>
<td>14.89</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>5-Yr</td>
<td>-4.84</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>10-Yr</td>
<td>-15.05</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Since Fund inception</td>
<td>-10.62</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

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. Market price returns are typically based upon the mid-point between the bid and ask on the fund's principal trading market when the fund's NAV is determined, which is typically 4 pm eastern time (US). These returns will not represent your returns had you traded shares at other times. 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. Effective April 30th, 2018 the fund changed its end-of-day market price calculation methodology. Subsequently, all prior periods have been restated as well. As a result, data shown using market price (including market price returns and premiums/discounts) may be higher or lower than previously shown.

Fund Benchmark and Index Methodology:
The Royce Small-Cap Quality Value Index (the “Index”) is a proprietary index composed of small-cap stocks trading in the United States with relatively low valuations, high profitability and high debt coverage compared with the average of stocks in the investment universe. The ETF will invest at least 95% of its total assets in component securities of the Index. The Index will generally favor stocks with lower than average valuation, higher than average profitability and higher than average debt coverage compared with stocks in the investment universe. Additionally, the Index construction rules were chosen to seek to maintain diversification by limiting the weighting of individual constituents as well as sectors. Index constituents are chosen from a universe of small-cap stocks which meet certain criteria. The investment universe includes common stocks of US headquartered companies listed on US exchanges, and excludes royalty companies, master limited partnerships, stocks with a share price less than or equal to $1 and stocks with insufficient trading volume. The universe is then refined to include stocks with market capitalizations that are between the 1001st and 3000th largest stocks based on descending market capitalization at time of rebalance. From that universe REITs are excluded and Index constituents are selected using a proprietary, multi-factor scoring system. Index position weights are then calculated using a fundamental composite score that aims at adding value by relying on more efficient estimations of the companies’ true economic value than those provided by market capitalization. By using fundamental factors to weight stocks rather than market capitalization, the Index seeks to have lower exposure to overvalued companies, while still maintaining broad diversification. Concentration limits are also implemented in the construction process of the Index. The Index constituents are reconstituted and rebalanced quarterly.

Market Index:
The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. 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 more information, please see the ETF’s prospectus which is available on the website www.leggmason.com. The Russell 2000 Index is a registered trademark of Frank Russell Company.

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Portfolio management:
George Necakov, CFA, (industry since 1994) has been the Portfolio Manager, and Michael Connors (industry since 2003) has been the Assistant Portfolio Manager of the fund since its inception. Royce & Associates, established in 1972, is dedicated to managing portfolios of small- and micro-cap US companies. Based in New York and with over four decades of small-cap investment experience, the firm uses a disciplined value approach to portfolio management. Legg Mason’s unique structure provides you with access to this specialized expertise. We offer a powerful portfolio of solutions through our independent investment management firms.

What should I know before investing?
The Fund is newly organized, with a limited history of operations. Equity securities involve price fluctuation and possible loss of principal. The Fund invests primarily in small-cap stocks, which may involve considerably more risk than investing in larger-cap stocks. The Fund has significant exposure to U.S. issuers. A decrease in imports or exports, changes in trade regulations and/or an economic recession in the United States may have a material adverse effect on the portfolio. These impacts may increase the Fund's volatility. There is no guarantee that the Fund will achieve a high degree of correlation to the index it seeks to track. The Fund does not seek to outperform the index it tracks, and does not seek temporary defensive actions when market declines or appear overvalued. The Fund may focus its investments in certain industries, increasing its vulnerability to market volatility. Diversification does not ensure gains or protect against market declines.

Where can I find more information?
Online: You’ll find the most current performance data, commentary, prospectus and more information on each of our managers and products. 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, at www.leggmason.com. Please read the prospectus carefully.

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