

WESTERN ASSET SHORT DURATION INCOME ETF

Investment overview

The Western Asset Short Duration Income ETF (WINC) is an actively managed, low duration (0-3 years) fixed income strategy that seeks current income via a diversified portfolio with an emphasis on lower interest rate sensitivity, higher credit quality and active credit selection.

- WINC may benefit investors who are seeking current income via a low duration, quality focused, active fixed income strategy combined with the potential liquidity, transparency, and cost benefits of an ETF.

Investment Process:

- Targets short duration credit exposure while leveraging Western Asset's global investment capabilities and strong risk management program, employing an active process that is both top-down and bottom-up to help identify attractive credit and income opportunities while actively managing risk.
- Active management of duration, sector and security selection—providing greater flexibility to respond to dynamic market conditions with the potential of reducing interest rate risk while maintaining attractive income levels.
- Exposures that are 100% US-dollar denominated with investment grade corporate bonds at its core, supplemented by opportunistic exposures such as high yield bonds, structured securities, and emerging market debt can allow for enhanced performance, added diversification and improved yield.

Sector allocation (%) as of Mar. 31, 2021

Investment Grade Corporate Bonds	75.9
High Yield Corporate Bonds	12.1
Asset-Backed Securities	6.3
Cash & Other Securities	2.8
Emerging Market	1.6
Government	1.1
Bank Loans	0.2

Top investment grade industries (%) as of Mar. 31, 2021

Banking	18.9
Consumer Cyclical	11.0
Energy	8.4
Communications	8.1
Consumer Non Cyclical	6.5
Finance Companies	6.2
Technology	5.6
Capital Goods	3.1
Insurance	2.7
Basic Industry	2.0
Electric	1.6
Transportation	1.0
Brokerage	0.4
Corporate IG - REITs	0.3

Fund Data as of Mar. 31, 2021

NASDAQ Symbol	WINC
Listing Exchange	NASDAQ - XNMS
Expense Ratio (gross/net)	0.29/0.29
CUSIP	52468L786
IOPV / IIV ¹	WINC.IV
Net Asset Value (NAV) ²	\$26.06
Market Price ²	\$26.10
Premium/Discount ³	.2%
Net Assets	\$9.1M
Fund Benchmark	Bloomberg Barclays U.S. Corporate 1-5 Year Index
Fund Benchmark Ticker	BUC1TRUU
Inception Date	02/07/19
Fiscal Year End	Jul
Distribution Frequency, if any	Monthly
Lipper Category	Short Investment Grade Debt Funds
Morningstar Category	Short-Term Bond

Statistics as of Mar. 31, 2021

Number of holdings	225
Effective duration	2.8 yrs
Weighted avg life	3.5 yrs
30-day SEC yield ⁴	2.59%

Credit quality allocation (%) as of Mar. 31, 2021

AAA	2.5
AA	10.7
A	21.7
BBB	49.7
Below BBB	12.6
Not Rated	2.9

Gross expenses are the Fund's total annual operating expenses. There are currently no fee waivers in effect, so gross and net expenses are identical.

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.

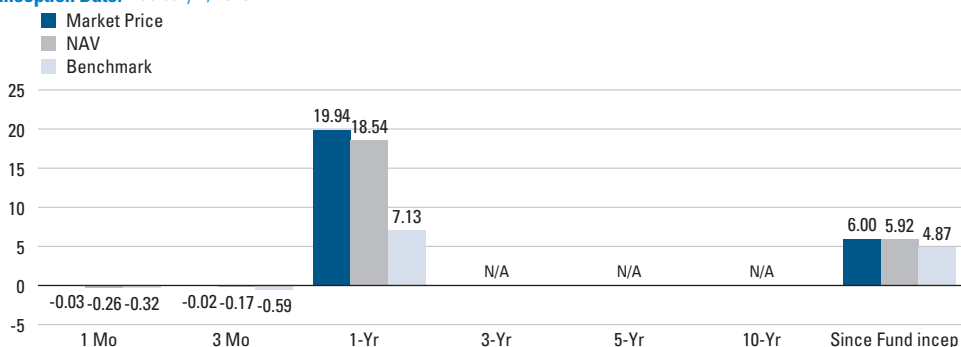
³ Shareholders may pay more than net asset value when they buy Fund shares and receive less than net asset value when they sell those shares, because shares are bought and sold at current market prices.

⁴ The **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.

WESTERN ASSET SHORT DURATION INCOME ETF

Average Annual Total Returns (%) as of Mar. 31, 2021

Inception Date: February 7, 2019



Cumulative Total Returns (%) as of Mar. 31, 2021

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Market Price	-0.02	5.65	-	-	-	-	-	-	-	-	-
NAV	-0.17	5.73	-	-	-	-	-	-	-	-	-
Benchmark	-0.59	5.41	-	-	-	-	-	-	-	-	-

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.

Credit quality is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by Standard and Poor's, Moody's Investors Service and/or Fitch Ratings, Ltd. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, if two or more of the agencies have assigned differing ratings to a security, the highest rating is used. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the Fund's portfolio does not apply to the stability or safety of the Fund. These ratings are updated monthly and may change over time. **Please note, the Fund itself has not been rated by an independent rating agency.**

Effective Duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. **Duration** measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes.

Fund Benchmark:

The **Bloomberg Barclays U.S. Corporate 1-5 Year Index** is an unmanaged index that measures the performance of the investment grade, fixed-rate, taxable 1-5 year maturity corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers. 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 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 appropriateness of investing in any securities or investment strategies should consult their financial professional.

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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.leggmason.com. Please read it carefully.

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Portfolio management

Western Asset Management is one of the world's leading fixed-income managers. With a focus on long-term fundamental value investing that employs a top-down and bottom-up approach, the firm has nine offices around the globe and deep experience across the range of fixed-income sectors. Founded in 1971, Western Asset has been recognized for an approach emphasizing team management and intensive proprietary research, supported by robust risk management.

What should I know before investing?

The Fund is newly organized, with a limited history of operations. Fixed-income securities involve interest rate, credit, inflation and reinvestment risks; and possible loss of principal. As interest rates rise, the value of fixed-income securities falls. High-yield securities include greater price volatility, illiquidity and possibility of default. International investments are subject to special risks, including currency fluctuations, social, economic and political uncertainties, which could increase volatility. These risks are magnified in emerging markets. Derivatives, such as options and futures, can be illiquid, may disproportionately increase losses, and have a potentially large impact on fund performance. The use of leverage may increase volatility and possibility of loss. Potential active and frequent trading may result in higher transaction costs and increased investor liability. Asset-backed, mortgage-backed or mortgage related securities are subject to prepayment and extension risks. Active management and diversification do 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, and summary prospectus, if available, at www.leggmason.com. Please read the prospectus carefully.

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