WESTERN ASSET MANAGEMENT COMPANY, LLC

Form ADV Disclosure Brochure

December 1, 2023

Western Asset Management Company, LLC: 385 East Colorado Boulevard, Pasadena, California 91101, USA

Western Asset Management Company Limited: 10 Exchange Square, Primrose Street, London EC2A 2EN, United Kingdom

Western Asset Management Company Pte. Ltd.: 1 George Street #23-01 Singapore 049145

Western Asset Management Company Ltd: 5-1 Marunouchi 1-Chome Chiyoda-Ku Tokyo 100-6536, Japan

This brochure provides information about the qualifications and business practices of Western Asset Management Company and its supervised affiliates ("Western Asset"). If you have any questions about the contents of this brochure, please contact us at (626) 844-9400 in the United States or at the global office numbers listed herein. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Western Asset is available at our website, www.westernasset.com or the SEC's website at www.adviserinfo.sec.gov. An investment adviser's registration with the SEC does not imply a certain level of skill or training.

WESTERN ASSET

Item 2. Material Changes

This brochure dated December 1, 2023 has been prepared in accordance with rules adopted by the SEC. This brochure is updated at least annually to provide other ongoing disclosure information as necessary. There have been no material changes since the last update dated June 1, 2023.

Item 3. Table of Contents

Item 4. Advisory Business

Description of the Firm

Western Asset Management Company, LLC (“Western Asset U.S.”), Western Asset Management Company Limited (“Western Asset UK”), Western Asset Management Company Pte. Ltd. (“Western Asset Singapore”), and Western Asset Management Company Ltd. (“Western Asset Japan”), (collectively, “Western Asset” or the “Firm”). Western Asset is a leading global fixed-income investment manager committed to delivering long-term results through active management for over 50 years. Owned by Franklin Resources, Inc. (“Franklin Resources”), Western Asset operates with investment independence from its parent and is comprised of a total of six legal entities that operate as part of Western Asset. Our active investment approach combines the market knowledge of long tenured portfolio managers with the research of a specialized group of sectors and portfolio analysts and the rigor of a dedicated, independent risk management team. There are a total of six legal entities that operate as part of Western Asset, however, unless specifically noted, references to Western Asset and the Firm represent the four SEC-registered legal entities below.

Western Asset Management Company, LLC
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Additionally, Western Asset Singapore has a presence in Hong Kong to service the Firm’s Hong Kong client relationships. The Firm’s Client Service Executives travel to Hong Kong and utilize a Franklin Templeton office to service these relationships. Similarly, Western Asset UK has a presence in Zürich, Switzerland to service the Firm’s European relationships. Western Asset encompasses two other legal entities that are not SEC registered investment advisers; however, certain information about these legal entities is included in this brochure. Western Asset Management Company Distribuidora de Titulos e Valores Mobiliarios Limitada is located in São Paulo, Brazil and Western Asset Management Company Pty Ltd is located in Melbourne, Australia.

Our History

Western Asset operates as a separate legal entity and an autonomous investment management company as part of the Franklin Resources organization and provides discretionary investment management and advisory services to clients, as described in this brochure. Western Asset Management Company, LLC was founded in Los Angeles, California in October 1971 by United California Bank (which later became First Interstate) before relocating to Pasadena, California, where it is currently headquartered.

In December 2005, to further enhance Western Asset's capabilities and global presence, Legg Mason acquired a substantial part of Citigroup’s asset management business in exchange for its brokerage and capital markets business. As part of this transaction, the Firm gained new offices in Hong Kong, Melbourne, New York, São Paulo and Tokyo, as well as related staff and assets. In May 2018, Western Asset U.S. was converted from a California corporation to a California limited liability company.

Western Asset’s parent company, Legg Mason, Inc. (“Legg Mason”) was acquired by Franklin Resources, Inc. (“Franklin Resources”) in a transaction that closed on July 31, 2020. In the transaction, Franklin Resources purchased 100% of the outstanding equity of Legg Mason and, as a result, indirectly acquired 100% of Legg Mason’s ownership interest in Western Asset. Western Asset entered into a revenue-sharing agreement with Franklin Resources that allows Western Asset to retain control over a substantial percentage of its revenues.

While Western Asset U.S. is generally responsible for managing U.S. fixed-income mandates, including the related portions of the Firm’s broader portfolios and servicing its U.S. relationships, it undertakes all types of investment-related activities, including investment management, research and analysis, securities settlement, and client service. Western Asset’s office in New York is primarily responsible for the Firm’s liquidity and municipal products.

Western Asset UK is generally responsible for managing global and non-U.S. dollar fixed-income mandates, including the related portions of the Firm’s broader portfolios, as well as servicing client relationships in Europe Middle East and Africa. Western Asset UK undertakes all types of investment related activities including investment management, research analysis, securities settlement, and client service. In February 2019, Western Asset UK established a presence in Zürich, Switzerland to enhance the Firm’s client service and marketing presence in Europe.

Western Asset Singapore is dedicated to managing Asian (excluding Japan) fixed-income mandates, and providing input and analysis for the Asian portions of Western Asset’s broader portfolios, as well as servicing these relationships. It undertakes all types of investment-related activities including investment management, research and analysis, securities settlement, and client service. Western Asset Singapore has a presence in Hong Kong to service the Firm’s Hong Kong client relationships.

Western Asset Japan is responsible for managing Japanese mandates, including the related portions of Western Asset’s broader portfolios. It also services Japanese clients investing in non-Japanese investments managed by other offices. It undertakes all types of investment-related activities including investment management, research and analysis, securities settlement, and client service.

Western Asset Australia is responsible for managing Australian and New Zealand fixed-income mandates, including the related portions of Western Asset's broader portfolios, and servicing the Firm's Australian relationships. It undertakes all types of investment related activities including investment management, research and analysis, securities settlement, and client service.

Western Asset Brazil is responsible for managing Brazilian fixed-income mandates, including the related portions of Western Asset's broader portfolios, and servicing the Firm's Brazilian relationships. Unlike other offices, it also manages equity and balanced accounts. It undertakes all types of investment-related activities including investment management, research and analysis, securities settlement, and client service.

Supervised Affiliates of Western Asset

As noted above, Western Asset is comprised of a number of supervised affiliates. Below are the dates these entities were established or came under Western Asset's management:

Entity	Jurisdiction	Date
Western Asset Management Company, LLC	United States	1971
Western Asset Management Company Limited	United Kingdom	1986
Western Asset Management Company Pte. Ltd.	Singapore	2000
Western Asset Management Company Ltd	Japan	2005
Western Asset Management Company Pty Ltd	Australia	2005
Western Asset Management Company DTVM Limitada	Brazil	2005

As of September 30, 2023, Western Asst had approximately 713 employees in 8 cities across 7 countries.

Types of Products and Services

Western Asset provides investment management and advisory services for a broad range of fixed income portfolios, including broad market portfolios and more specialized and tailored portfolios. It does not manage equity portfolios except in limited circumstances, although certain types of instruments, which may be considered to have equity characteristics, such as preferred stock and convertible instruments, are commonly found in certain fixed income investment portfolios that we manage. Western Asset's principal investment strategies are as follows:

Asia Local Currency Debt
Asia USD Debt
Currency Alpha
Emerging Markets Corporate
Emerging Markets Diversified
Euro Aggregate
Global Aggregate
Global High Yield
Global Inflation-Linked
Global Multi-Sector
Global Sovereign
Global Term Premium
Global Credit-Corporate
Japan Core Conservative
Japan Fixed Income
Macro Opportunities
Multi-Asset Credit
Short Duration High Income
Short Duration High Yield
Structured Product
Structured Product Levered
Total Return Unconstrained
UK Credit
US Agency MBS
US Agency MBS Plus
US Bank Loan
US Core
US Core Constrained
US Core Plus
US ESG Core Plus
US Enhanced Liquidity
US High Yield
US High Quality High Yield
US Intermediate
US Intermediate Plus
US Investment Grade Credit
US Investment Grade Credit Plus
US Investment Grade Intermediate Credit Plus
US Short Duration
US Short Duration Constrained
US Long Credit
US Long Credit Plus
US Long Duration Plus
US Liquidity
US Municipal Intermediate
US Municipal Long
US Taxable Municipal

In addition to the legal entity directly contracted with a client, all or a part of any account may be sub-advised by our affiliates through delegation. Appendix A Investment Strategies contains descriptions about the investment strategies listed above.

Western Asset generally tailors its advisory services and products to client needs and requirements. Western Asset typically reviews and crafts investment objectives and guidelines in detail with new clients as part of the startup process, and revisits objectives and guidelines with existing clients over time as their investment requirements change.

Wrap Fee Programs

Western Asset U.S. also provides investment management services to clients under various “wrap fee programs” that may be sponsored by banks, broker-dealers or other investment advisers that may or may not be affiliated with Western Asset. Wrap fee program clients should carefully review the terms of the relevant agreement with their sponsor to understand the terms, services, minimum account size and any additional fees that may be associated with their account and participation in the wrap fee program. Western Asset U.S. receives a portion of the wrap fee for services provided to such accounts. In light of the relatively small size of these accounts when compared to those of institutional clients, Western Asset U.S. has developed products specifically for wrap fee programs and clients. Not all strategies are available through wrap fee programs. Further, the manner in which Western Asset U.S. executes a strategy through a wrap fee program may differ from how the same strategy is executed for an institutional client, for example, because of the need to adhere to the restrictions imposed by the wrap fee account provider or due to the use of affiliated commingled vehicles rather than individual securities. Where Western Asset U.S. has discretion, Western Asset U.S. makes investment decisions that are consistent with the strategy selected by the client and sponsor. Where Western Asset U.S. does not have discretion, Western Asset U.S. provides information (*e.g.*, model portfolios) to the sponsor to be used by the sponsor or other investment professional in implementing investment decisions.

Private Funds

Clients may access certain Western Asset strategies through private funds. In order to do so, clients must meet certain qualifications and be either qualified purchasers or accredited investors. These funds are primarily designed to provide Western Asset’s clients with opportunistic asset diversification in an effort to augment investment strategies in seeking a client’s overall objectives. The funds may also be utilized as an investment vehicle to launch a new strategy or product that may not initially create demand worthy of separate account minimums or where specific business and legal arrangements make the use of a private fund necessary or advisable. As of September 30, 2023, Western Asset U.S. is the Managing Member and investment manager of approximately 50 private commingled investment funds.

Regulatory Assets Under Management (RAUM) as of September 30, 2023*

Managing Entity	Number of Client Accounts	RAUM	
U.S. *(Pasadena and New York)*	502**	$	291,517,682,258
United Kingdom	78	$	28,392,397,689
Singapore	17	$	4,212,320,038
Tokyo	20	$	3,434,431,664
Total	**617**	**$**	**327,556,831,649**

*Western Asset, through the offices listed above, managed approximately **$327** billion of which approximately $5 billion consisted of non-discretionary assets.

**Excluded from the number of client accounts above are the separately managed accounts Western Asset U.S. sub-advises pursuant to arrangements with wrap fee program sponsors. As of September 30, 2023, the assets under management of these arrangements was approximately $22,299,638,029 and consisting of approximately 35,633 accounts. As reported above, Western Asset’s institutional business is responsible for substantially all of the regulatory assets under management.

Item 5. Fees and Compensation

Western Asset provides fixed-income management services to a wide variety of primarily institutional clients. In accordance with a client's investment management agreement, fees are generally calculated quarterly based on an annualized percentage charge on the value of the portfolio and typically billed in advance. Fees generally are not negotiable, but from time-to-time may be depending on facts and circumstances. In the event of account termination, fees paid in advance will be prorated to the date of termination specified in the notice of termination, and any unearned portion thereof will be refunded to the client. Although agreements are individually negotiated and may vary, either clients or Western Asset, generally, have the right to terminate the advisory agreement by giving the other party thirty (30) days written notice.

Western Asset will normally negotiate a performance-based fee on request subject to any regulatory limits on fees. In such an arrangement, compensation is typically based on account performance relative to a mutually agreed benchmark. Performance-based fees vary depending on the extent to which Western Asset is authorized to employ a full array of investment techniques. In certain cases, Western Asset may be paid a percentage of the account's return (*e.g.*, 20%), typically above a "hurdle" or base return. Please see Item 6. "Performance-Based Fees and Side-by-Side Management" for information concerning conflicts of interests related to Western Asset's accounts that pay performance-based fees.

Western Asset typically acts solely as portfolio manager for an account and not as custodian or another type of service provider. Clients will pay separate fees to third-parties for those services. Western Asset U.S. maintains a family of privately offered commingled funds, primarily for those institutions seeking a strategic or opportunistic allocation to a certain investment sector or strategy. Those funds will pay custodian and administrative fees and other expenses to third-party custodians, administrators and service providers such as accountants and lawyers, reducing the return to investors. Western Asset is also an adviser or sub-adviser to registered mutual funds and closed-end funds, including those managed and/or administered by Franklin Resources and its other affiliates. Those funds will pay management, administration and other fees to other service providers, such as Franklin Resources or its other affiliates.

Almost all fixed income instruments trade at a bid/ask spread and without an explicit brokerage charge. Accordingly, while there is not a formal trading expense, clients will bear the implicit trading costs reflected in these spreads. Please see Item 12. "Brokerage Practices" for more information about Western Asset's brokerage practices.

Western Asset typically bills clients for fees but at client direction and by agreement may deduct fees from assets (this election does not extend to clients of Western Asset UK due to local regulation). Western Asset believes its fees are similar to those charged by many other investment advisory firms for similar services; however, fixed-income management services may be available from other sources for lower fees.

Neither Western Asset nor its supervised persons accept compensation for the sale of securities or other investment products.

Fee Schedule

Western Asset's current standard fee schedules and minimum account size requirements are set forth below. The fees payable to Western Asset are generally based on a percentage of the market value of the assets held in the account. Some strategies may only be available in certain jurisdictions, may be subject to change, may fall outside of the stated ranges, and may be subject to local value-added tax or goods and services tax. Western Asset negotiates the standard fee schedule from time to time for certain accounts based on a variety of factors including the account size, investment objectives, whether or not the separate account involves a multi-asset strategy mandate and the type and number of other accounts a client has with Western Asset. Additionally, some institutional clients are billed on fee schedules that are no longer offered. Those schedules are not otherwise available to new or other existing clients of Western Asset.

All fees are stated in U.S. Dollars (USD) except as otherwise noted.

Strategy Name	Fee Schedule	Minimum Account Size
Asia Local Currency Debt	.40 of 1% on first $50 million .20 of 1% on amounts over $50 million *With Japanese Consumption Tax:* .44 of 1% on first $50 million .22 of 1% on amounts over $50 million	$50 million
Asia USD Debt	.40 of 1% on first $50 million .20 of 1% on amounts over $50 million *With Japanese Consumption Tax:* .44 of 1% on first $50 million .22 of 1% on amounts over $50 million	$50 million
Currency Alpha	.50 of 1% on first $100 million .25 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .55 of 1% on first $100 million .275 of 1% on amounts over $100 million	$20 million
Emerging Markets Corporate	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$50 million or €50 million
Emerging Markets Diversified	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$50 million or €50 million

Euro Aggregate	.30 of 1% on first €75 million .15 of 1% on amounts over €75 million *With Japanese Consumption Tax:* .33 of 1% on first €75 million .165 of 1% on amounts over €75 million	€50 million
Global Aggregate	.40 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .22 of 1% on amounts over $100 million	$50 million
Global Credit-Corporate	.35 of 1% on first $100 million .175 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .385 of 1% on first $100 million .1925 of 1% on amounts over $100 million	$25 million
Global High Yield	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$50 million or €50 million
Global Inflation-Linked	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$50 million
Global Multi-Sector	.40 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .22 of 1% on amounts over $100 million	$50 million or €50 million
Global Sovereign	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$50 million
Global Term Premium	.30 of 1% on first ¥10 billion .15 of 1% on amounts over ¥10 billion *With Japanese Consumption Tax:* .33 of 1% on first ¥10 billion .165 of 1% on amounts over ¥10 billion	JP¥5 billion

Japan Core Conservative	.15 of 1% on the first ¥5B .10 of 1% on amounts over ¥5B. With Japanese Consumption Tax: .165 of 1% on first ¥5 billion .11 of 1% on amounts over ¥5 billion	JP¥5 billion
Japan Fixed Income	.25% of 1% on the first ¥5B .15% of 1% on amounts over ¥5B With Japanese Consumption Tax: .275 of 1% on first ¥5 billion .165 of 1% on amounts over ¥5 billion	JP¥5 billion
Macro Opportunities	1% on all amounts *With Japanese Consumption Tax:* 1.1% on all amounts	$200 million
Multi-Asset Credit	.60 of 1% on first $100 million .40 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .66 of 1% on first $100 million .44 of 1% on amounts over $100 million	$50 million
Short-Duration High Income	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$25 million
Short Duration High Yield	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$25 million
Structured Product	.75 of 1% on first $100 million .50 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .825 of 1% on first $100 million .55 of 1% on amounts over $100 million	$50 million
Structured Product Levered	1% on all amounts, plus 15% of the outperformance over the fund's high-water mark on an annual basis *With Japanese Consumption Tax:* 1.1% on all amounts, plus 16.5% of the outperformance over the fund's high-water mark on an annual basis	$100 million

Total Return Unconstrained	.60 of 1% on first $100 million .40 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .66 of 1% on first $100 million .44 of 1% on amounts over $100 million	$100 million
UK Credit	.30 of 1% on first £60 million .15 of 1% on amounts over £60 million *With Japanese Consumption Tax:* .33 of 1% on first £60 million .165 of 1% on amounts over £60 million	£60 million
US Agency MBS	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$75 million
US Agency MBS Plus	.40 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Bank Loan	.45 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .495 of 1% on first $100 million .33 of 1% on amounts over $100 million	$50 million
US Core	.30 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Core Constrained	.20 of 1% on first $100 million .15 of 1% on next $400 million .10 of 1% on amounts over $500 million *With Japanese Consumption Tax:* .22 of 1% on first $100 million .165 of 1% on next $400 million .11 of 1% on amounts over $500 million	$75 million
US Core Plus	.30 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million

US ESG Core Plus	.30 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Enhanced Liquidity	.12 of 1% on first $100 million .09 of 1% on next $200 million .07 of 1% on amounts over $300 million *With Japanese Consumption Tax:* .132 of 1% on first $100 million .099 of 1% on next $200 million .077 of 1% on amounts over $300 million	$50 million
US High Yield	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$25 million
US High Quality High Yield	.40 of 1% on first $100 million .30 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .44 of 1% on first $100 million .33 of 1% on amounts over $100 million	$25 million
US Intermediate	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million
US Intermediate Plus	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million
US Investment Grade Credit	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$75 million
US Investment Grade Credit Plus	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$75 million

US Investment Grade Intermediate Credit Plus	.30 of 1% on first $100 million .15 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .165 of 1% on amounts over $100 million	$75 million
US Short Duration	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million
US Short Duration Constrained	.20 of 1% on first $100 million .10 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .22 of 1% on first $100 million .11 of 1% on amounts over $100 million	$50 million
US Long Credit	.30 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Long Credit Plus	.30 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .33 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Long Duration Plus	.35 of 1% on first $100 million .20 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .385 of 1% on first $100 million .22 of 1% on amounts over $100 million	$75 million
US Liquidity	.12 of 1% on first $100 million .09 of 1% on next $200 million .07 of 1% on amounts over $300 million *With Japanese Consumption Tax:* .132 of 1% on first $100 million .099 of 1% on next $200 million .077 of 1% on amounts over $300 million	$50 million
US Municipal Intermediate	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million

US Municipal Long	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million
US Taxable Municipal	.25 of 1% on first $100 million .125 of 1% on amounts over $100 million *With Japanese Consumption Tax:* .275 of 1% on first $100 million .1375 of 1% on amounts over $100 million	$50 million

Item 6. Performance-Based Fees and Side-by-Side Management

Western Asset maintains fee schedules for different strategies, some of which may involve performance fees or other customized fee arrangements. In addition, Western Asset may agree to specific performance fees or other fee arrangements upon client request. Such performance fee-based accounts are managed alongside accounts that have a more traditional fee structure (*e.g.*, accounts that pay solely asset-based fees), typically by the same portfolio manager or team. This arrangement inherently creates a conflict of interest as Western Asset has an incentive to favor performance-based fee accounts in order to increase its revenues. Moreover, in situations where Western Asset is paid a performance fee, it may have an economic incentive to make riskier investments and/or pursue riskier strategies than it otherwise would. There are other potential conflicts that arise from the management of accounts with conflicting investment strategies and accounts in which Western Asset has a proprietary interest. These conflicts could cause Western Asset to favour particular accounts with different strategies or allocate investments to accounts in which it has a significant ownership or financial interest ("proprietary accounts"). Western Asset seeks to mitigate this conflict through a variety of means.

First, Western Asset discloses that these conflicts exist to ensure that clients and potential clients are aware of the risks posed by different fee schedules and Western Asset's management of proprietary accounts. Once clients are aware of these potential conflicts, they can evaluate the implications of these conflicts and Western Asset's approach to mitigate these conflicts.

Second, Western Asset maintains policies and procedures that are designed to reduce the potential for favoritism and to help ensure the fair allocations of investment opportunities to clients over time, even though a specific trade allocation may have the effect of benefiting one or more accounts over other accounts when viewed in isolation. Western Asset frequently bunches (or aggregates) orders to minimize execution costs and optimize the implementation of investment strategies for clients.

Western Asset's policies and procedures seek to ensure that investment allocations are done in a manner that Western Asset believes is fair and equitable, with the presumption that similarly situated clients should generally participate in similar investment opportunities and trades. The most common means of allocating investment opportunities is to allocate based on the proportionate size of each client's account, making adjustments to accommodate individual client factors such as: unique investment goals and guidelines, available cash, liquidity requirements, odd lot positions, minimum allocations, existing portfolio holdings compared to the target weightings and regulatory restrictions. Western Asset's policies and procedures seek to ensure that allocations are developed based on clients with common investment strategies rather than on the particular fee schedules for particular clients.

Third, Western Asset maintains a variety of oversight mechanisms to monitor for situations that might suggest further inquiry would be prudent or that raise potential concerns. From an investment perspective, there are a variety of resources utilized to monitor performance and portfolio management measures such as dispersion and tracking error. Similarly situated accounts are grouped together in Western Asset's systems and data is available to a wide audience beyond a particular portfolio manager. Please see Item 13. "Review of Accounts" for more information about how client accounts are reviewed. From a regulatory monitoring perspective, Western Asset maintains a compliance monitoring program that has a component dedicated to reviewing allocations through a variety of means. For example, accounts where Western Asset has a proprietary interest are identified and relevant trades subjected to particular scrutiny.

Exception reports produced in the process of performance composite construction are reviewed to identify outliers. Western Asset also maintains policies to identify and monitor the potential conflicts between “alternative investment” or “hedge fund” accounts and other accounts. “Alternative Investments” or “hedge funds” are commonly understood to mean investment vehicles that have no investment benchmarks and use long/short strategies and/or investment leverage. Western Asset also may work with separate account clients to manage portfolios that have similar characteristics to “alternative investments” or “hedge funds.” Western Asset maintains additional monitoring for such accounts to seek to ensure that its trade allocation decisions are consistent with its fiduciary duties and are fair and equitable over time.

Alternative Investments Policy

In managing alternative investment (“AI”) and long-only accounts (“LO”), Western Asset seeks to ensure that all accounts are treated fairly in connection with the allocation of investment opportunities and related trading decisions. Western Asset has established policies and procedures that govern investment decision making and trade allocation process for alternative investment accounts. The policies and procedures are designed to meet the fiduciary duties owed to clients, to avoid conflicts of interest, and to meet applicable requirements under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

While AI and LO accounts share a common investment philosophy, they are subject to different investment objectives and may follow different investment strategies. There may also be circumstances where AI and LO accounts share the same strategy and are traded together. In general, AI accounts have greater investment flexibility than LO accounts. For example, unlike LO accounts:

- AI accounts are seldom managed to a benchmark;
- AI accounts focus on short-term investment horizons and engage in opportunistic trading to take advantage of market inefficiencies;
- AI accounts can short securities and pursue market neutral, relative value strategies (*i.e.*, strategies that use long and short positions in combination with one another) to seek sources of return that are not correlated with broad market fluctuations; and
- AI accounts may leverage their portfolios using various financial instruments to increase the potential return of an investment.

Because of these considerations, trading decisions for AI and LO accounts may not be identical even though the same portfolio manager may manage both AI and LO accounts. Whether a particular investment opportunity is allocated to only AI accounts or to AI and LO accounts will depend on the investment strategy being implemented. There may be circumstances when an investment opportunity is appropriate for both AI and LO accounts and the investment team must allocate on grounds that are consistent with the Firm’s fiduciary duty to both.

Proprietary Accounts

Western Asset presumptively considers proprietary accounts to be those accounts where 25% of net assets are owned by Western Asset employees, officers or affiliate. The Legal and Compliance Department monitors the trading activity of proprietary accounts to ensure that the trading in a proprietary portfolio does not disadvantage clients of Western Asset or otherwise violate applicable law or policy.

Item 7. Types of Clients

Western Asset provides discretionary investment management services to primarily institutional clients. Institutional clients include corporate and government pension funds, profit-sharing plans, state and local governments, Taft-Hartley's, foundations, endowments, insurance companies, charitable organizations, family offices, non-U.S. government entities, U.S. and non-U.S. mutual funds, collateralized debt/loan obligations issuers and collective investment trusts. Western Asset U.S. also provides investment advisory services to individuals, primarily through wrap fee programs sponsored by its affiliate, Franklin Templeton Private Portfolio Group, or non-affiliated third-parties. As of September 30, 2023, the charts below provide client types and the number of clients for each of Western Asset's SEC registered entities.

Western Asset U.S.

Client Types	Number of Clients
Charitable Organizations	69
Corporations or Other Businesses	40
Insurance Companies	41
Investment Companies	87
Other Investment Advisers	2
Pension and Profit-Sharing Plans	112
Pooled Investment Vehicles (Other than Investment Companies)	87
Sovereign Wealth Funds and Foreign Official Institutions	10
State or Municipal Government Entities	54

Note: This table does not include the 35,633 accounts Western Asset U.S. sub-advises pursuant to arrangements with wrap fee program sponsors.

Western Asset UK

Client Types	Number of Clients
Charitable Organizations	9
Corporations or Other Businesses	4
Insurance Companies	4
Investment Companies	2
Pension and Profit-Sharing Plans	12
Pooled Investment Vehicles (Other than Investment Companies)	33
Sovereign Wealth Funds and Foreign Official Institutions	6
State or Municipal Government Entities	8

Western Asset Singapore

Client Types	Number of Clients
Corporations or Other Businesses	1
Insurance Companies	5
Pooled Investment Vehicles (Other than Investment Companies)	9
Sovereign Wealth Funds and Foreign Official Institutions	1
State or Municipal Government Entities	1

Western Asset Japan

Client Types	Number of Clients
Charitable Organizations	1
Insurance Companies	1
Pension and Profit-Sharing Plans	8
Pooled Investment Vehicles (Other than Investment Companies)	10

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Western Asset offers a full range of fixed income products. While its general philosophy and approach is similar for all products, specific analysis and strategies will vary based on the product. Detailed descriptions of our investment strategies are included in Appendix A Investment Strategies. A general statement of Western Asset's global investment philosophy and approach, focused on broad market accounts, is included below.

There can be no assurance that Western Asset will be successful in implementing any investment strategy. Investing in securities involves the risk of loss which clients should be prepared to bear. A description of the material investment risks associated with Western Asset's investment strategies is included in Appendix B Investment Risks.

Investment Process

The strategic goal at Western Asset is to add value to client portfolios while adhering to a disciplined risk control process. The investment management team seeks to exceed benchmark returns while approximating benchmark risk or, for total return portfolios, within appropriate risk tolerances. The Firm's investment philosophy combines traditional fundamental and relative value analysis with an emphasis on diversification to dampen potential volatility. Western Asset believes inefficiencies exist in the fixed-income markets and attempts to add incremental value by exploiting these inefficiencies across all eligible market sectors. The key areas of focus are:

- Sector & subsector allocation
- Issue selection
- Duration
- Term structure

Western Asset believes these areas represent the primary sources of potential value in active fixed-income management.

Sector & Subsector Allocation

Western Asset rotates among and within sectors of the bond market, preferring nongovernment sectors because they typically offer higher relative yields and have tended to outperform the broad market over long market cycles. The investment team analyzes the global economic environment to determine its potential impact on sector performance. We study historical yield spreads, identify the fundamental factors that influence yield spread relationships, and relate these findings to the Firm's projections to determine attractive alternatives. The Firm's analysts augment this process by providing detailed analyses of specific sectors. Corporate analysis includes credit quality studies and historical yield spread analysis. Mortgage analysis includes the use of external research and integrates the components of prepayment, housing turnover, default and refinancing.

Issue Selection

Issue selection is a bottom-up process that seeks to determine undervalued or overvalued securities. The sector teams provide an assessment of changing credit characteristics, newly issued securities, and securities with traits such as floating interest rates, hidden underlying assets or credit backing, and securities issued in mergers. Based on these sector and issue analyses, the sector teams and portfolio manager select issues opportunistically.

Corporate bonds have long been an area of significant added value added for Western Asset. While Western Asset concentrates on investment-grade securities, it also analyzes and purchases lower-grade credits. It is anticipated that these securities will continue to offer attractive risk-adjusted opportunities. Western Asset believes that authority to use corporate bonds, where consistent with client guidelines and risk tolerances, and when combined with proper risk control guidelines, can be a prudent exercise of fiduciary responsibility.

Duration

The investment team decides on a duration target based on an analysis of macroeconomic factors as well as the general political environment. The underlying belief is that interest rates are primarily determined by real economic growth and the level and direction of inflation, and that inflation is primarily a monetary phenomenon. The investment team weighs its views against market expectations, and may add or decrease risk as its views diverge and converge with the market. We do not attempt to time the market, but rather to identify and stay with long-term trends.

Term Structure

Western Asset closely monitors shifts in yield curves, since the relationship between short, intermediate, and long maturity securities is essential for constructing a long-term investment horizon. The investment team determines implications of yield curve shapes, along with projections of central bank policy and market expectations, and formulates a yield curve strategy. While movements in each part of the yield curve are correlated, each responds to different macroeconomic factors. The front end, for example, is often tied to current and projected central bank policy. The long end, while reflecting the expected full cycle of central bank policies, also reacts to changes in underlying inflation trends.

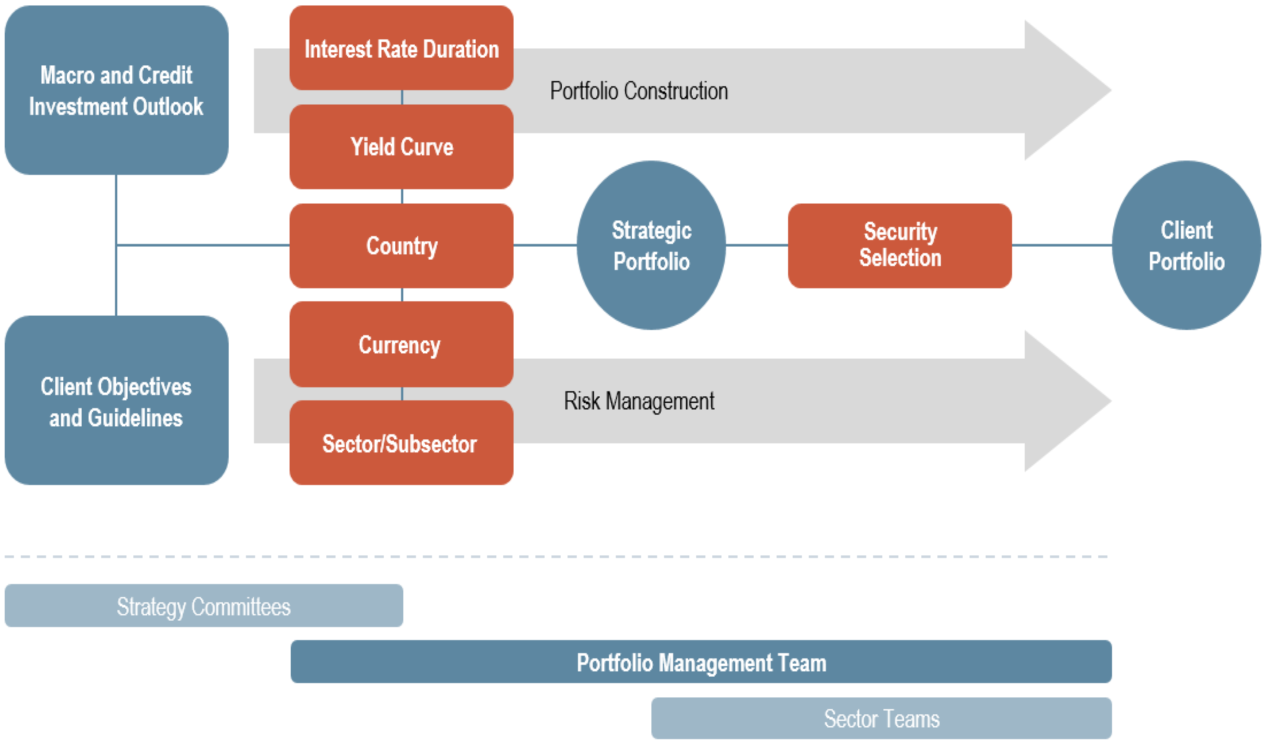
Risk is managed by controlling term structure relative to a target portfolio and by assessing the convexity of the Firm's holdings.

Country Allocation

Country allocation is an important component of a global strategy. Local investment professionals across Western Asset's global offices research their respective local markets and consider fundamental factors such as debt profile, fiscal position and stage of the economic cycle. Policy factors such as monetary policy and inflation outlook, and political factors such as political stability and election cycle are also considered to arrive at views on the relative attractiveness of the domestic market. Based on the output from Western Asset's local investment professionals, the global fixed investment team considers the individual domestic strategies to identify those that offer the most compelling risk/reward profile.

Currencies

The global investment team formulates a currency strategy based on the same interpretation of economic trends that forms the basis of the bond strategy. The intention is to develop long-term currency strategies based on a notion of underlying value and on the risk-diversifying characteristics of a particular currency strategy. Since currencies are usually more volatile than bonds, risk positions tend to be smaller in order to avoid having the near-term return of the overall portfolio dominated by currency positions. As well as providing a source of potential added value, currencies can also act as a useful diversifier in a portfolio context. Currency positions are monitored and adjusted tactically.



Portfolio Diversification

Western Asset's investment process seeks diversification via several avenues. The Firm uses multiple independent strategies to capture return and seeks to weight them so that no one strategy has a disproportionate impact. In addition, portfolios are diversified by sector. Historical exposures have generally ranged between 10% and 50% for each of the major domestic sectors such as governments/agencies, corporates and mortgages for U.S. domestic portfolios. The Firm's portfolios are further diversified by issuer and issue. For example, issuer diversification increases as quality decreases. A graphic illustrating the Firm's investment process and team interaction is provided above.

Western Asset's ESG Philosophy

Western Asset believes that ESG factors can affect the creditworthiness of fixed-income issuers' securities and therefore impact the performance of fixed-income investment portfolios. These factors are consistent with the Firm's long-term, fundamental value-oriented investment philosophy.

The types and importance of the ESG factors analyzed by the Firm's research analysts depend on the asset class, sector and individual issuer. Research analysts are key in defining these for each issuer they cover and thereafter providing their investment rationales to portfolio managers for considerations. The primary responsibility of portfolio managers is to synthesize the fundamental and relative value opinions of the research analysts with the technical input of the traders and risk managers to construct a portfolio that reflects the investment team's views within the context of each mandate's guidelines and risk tolerance.

Risk Management

A fundamental tenet of investing is that markets provide premiums to investors to incent them to take on risk – that is, to take on investments whose future outcomes involve risk and/or uncertainty. By carefully managing the types and amounts of risk taken, asset managers can collect the market premium for risk while avoiding offsetting losses.

Some of these risks include (but are not limited to) exposures to the level of interest rates, the shape of the yield curve, volatility, convexity, inflation, prepayments, credit spreads, defaults, foreign exchange, liquidity (funding and market), and counterparty risks.

Leveraging its proprietary risk system, WISER, and its experienced Risk Management and Quantitative Solutions team (“RMQS”), Western Asset assesses its forward-looking portfolio risks (when applicable, differential to benchmark exposures), utilizing 1000+ risk factors for modeling purposes although not all portfolios are equally subject to risk procedures. While RMQS is an independent team, its members closely work with Portfolio Managers and Client Service Executives in their daily routines and a substantial portion of any arising issues are resolved through routine interactions. Portfolio managers and Client Service Executives work with RMQS to evaluate existing portfolios and prospective portfolios to understand the possible risk consequences of various portfolio structures under consideration.

Chaired by Western Asset’s Chief Risk Officer, the Market and Credit Risk Committee (“MCRC”) consists of the Co-CIOs, Head of Global Sales, Head of Product teams, and other senior members of portfolio management, client service and risk management teams. The MCRC evaluates the various sources of risk that impact clients’ portfolios, and establishes action plans and prudent internal warning levels to align investment teams with client risk tolerances. It meets formally, usually on a monthly basis.

While the MCRC recognizes that no single metric can fully capture the behavior and risks of a portfolio, the members of the MCRC utilize certain metrics as tools to help augment their qualitative understanding of risk. For the MCRC’s consideration, the risk management group produces forward-looking estimates of future risk behavior, including:

- *Tracking Error* — the volatility of the difference in portfolio returns and benchmark returns. Estimated tracking error indicates how much the portfolio’s returns may differ from the benchmark’s, and should be in line with the client’s risk tolerance. For non-benchmark portfolios, this measure represents the volatility of the portfolio.

- *Volatility Ratio* — for portfolios that have a benchmark, this ratio captures the volatility (standard deviation) of the portfolio relative to the volatility of its benchmark. This ratio will tend to be greater than one in environments where investment managers feel risk will be rewarded, and less than one in environments where they feel risk will be punished (volatility ratio does not apply to non-benchmark portfolios).

- *Value at Risk (VaR)* — VaR uses a model to estimate the magnitude and frequency of potential future losses expected and how often different loss levels are expected to occur over a specified period of time. VaR calculations can be run on a single holding and also on a portfolio as a whole. The portfolio’s 1-month, 99% VaR or VaR ratio with a referenced index is used for Rule 18f-4 compliance in accounts with more than a limited derivative exposure. Western Asset either produces the VaR or helps Western Asset’s U.S. mutual fund sub-advised clients to evaluate third-party vendor models.

- *Performance* — excessively large positive or negative performance relative to benchmark is an indication of portfolio risk. While this measure is backward-looking, it serves as a backstop to indicate risks that might not have been detected in forward-looking measures.

- *Concentration Risk / Default Sensitivity* — adversity impact of a single security or a group of securities on the risk profile of the portfolio.

- *Tail Risk Assessment / Historical Stress Testing* — analyzing portfolios' forward-looking expected shortfall estimates in relation to their respective risk targets, and evaluating portfolios' hypothetical performance under various historic-based adverse economic scenarios, the team monitors if portfolios are running sizable tail risk and if they would be capable to endure the type of shocks as depicted by the historical scenarios.

- *Counterparty Risk* — involves monitoring the credit profiles of Western's counterparties and making sure that counterparty risk is reasonably diverse by each counter party.

- *Liquidity Risk* — utilizing a proprietary model RMQS monitors the liquidity profile of each portfolio and subjects them to stress tests on a daily basis.

The MCRC also considers concentrations in single obligors and in strategies, and seeks to guide portfolios to appropriate levels of diversification. Other regular analyses include:

- *Risk Trends* — the evolution of risk metrics over time, indicating whether portfolios are de-risking; flat; or increasing risk. The appropriate metrics vary by strategy.

- *Scenario Analysis* — in addition to historical stress tests, the MCRC is also periodically interested in forward looking economic scenario testing activities (such as presidential elections, key votes in Europe and the U.S., etc.). In addition, U.S. money market funds are subjected to SEC-mandated shocks.

There is, of course, no assurance that the risk management processes and procedures described herein will provide perfect foresight and immunity from market, credit, and liquidity induced risks. Further, it is important to emphasis that the risk management process also provides information for use in discussions about the proper alignment of portfolio risk-taking, returns-generating themes, and client risk tolerances.

Item 9. Disciplinary Information

Western Asset has the following disciplinary actions to report from the past 10 years.

ERISA Eligibility Action

Western Asset U.S. was alleged to have breached certain provisions of the Advisers Act and Employee Retirement Income Security Act of 1974, as amended ("ERISA"), arising from the purchase by ERISA accounts of a security that was not an eligible investment for ERISA accounts and the subsequent handling of the matter. On January 27, 2014, the SEC issued an order instituting a public administrative proceeding, making findings and imposing sanctions. Without admitting or denying the SEC's findings, Western Asset U.S. consented to the entry of the order, was censured, agreed to undertake certain remedial measures, and agreed to pay a fine of $1,000,000. On January 27, 2014, Western Asset U.S. also entered into a settlement with the U.S. Department of Labor (the "DOL") on the same matter and agreed to pay a fine of $1,000,000. As part of the settlements, Western Asset U.S. also made compensatory payments to impacted clients in the amount of $10,000,000 in the aggregate.

Cross Trade Action

Western Asset U.S. was alleged to have breached certain provisions of the Advisers Act, the Investment Company Act of 1940, as amended (the "1940 Act"), and ERISA in connection with certain trades that were alleged to be cross trades. On January 27, 2014, the SEC issued an order instituting a public administrative proceeding, making findings and imposing sanctions. Without admitting or denying the SEC's findings, Western Asset U.S. consented to the entry of the order, was censured, agreed to undertake certain remedial measures, and agreed to pay a fine of $1,000,000. On January 27, 2014, Western Asset U.S. also entered into a settlement with the DOL on the same matter with respect to ERISA clients and agreed to pay a fine of $607,717. As part of the settlements, Western Asset U.S. also made compensatory payments to impacted clients in the amount of $7,440,881 in the aggregate.

Item 10. Other Financial Industry Activities and Affiliations

With client permission, subject to any applicable regulatory requirements, Western Asset may delegate all or a portion of management of an account to any one or more of the following affiliated legal entities.

1. Western Asset U.S. is an investment adviser registered with the SEC, registered with the Commodity Futures Trading Commission ("CFTC") as a commodity trading advisor ("CTA") and a commodity pool operator ("CPO"), and is a member of the U.S. National Futures Association (the "NFA"). Certain personnel are registered as principles and/or associated persons with the NFA. When providing advice relating to commodity interests (*e.g.,* futures, options on futures and swaps), depending on the particular strategy and services, Western Asset U.S. may be operating either under its CTA registration or under an exemption or exclusion from registration as a CTA. Certain employees of Western Asset US are also registered representatives of Franklin Distributors, LLC ("FD"), an affiliated broker-dealer;

2. Western Asset UK is authorized and regulated by the United Kingdom's Financial Conduct Authority and is an investment adviser registered with the SEC as well as the Korea Financial Supervisory Commission;

3. Western Asset Singapore Co. Reg. No. 200007692R holds a Capital Markets Services Licence for fund management and is regulated by the Monetary Authority of Singapore as well as registered as an investment adviser with the SEC;

4. Western Asset Japan is a registered financial instruments dealer whose business is investment advisory or agency business, investment management, and Type II Financial Instruments Dealing business with the registration number KLFB (FID) No. 427, and members of Japan Investment Advisers Association (membership number 011-01319) and Investment Trust Association, Japan, and is registered as an investment adviser with the SEC;

5. Western Asset Brazil is authorized and regulated by Brazilian securities and banking regulators (the Comissão de Valores Mobiliários and Banco Central do Brasil); and

6. Western Asset Australia ABN 41 117 767 923 holds Australian Financial Services Licence 303160.

Registration with or licensing by a regulator does not imply endorsement by the regulator nor does it imply a certain level of skill or training.

FD is a SEC registered broker-dealer, a member of the Financial Industry Regulatory Authority, registered with the CFTC as an introducing broker, and is a member of the NFA. FD is the principal underwriter and distributor of the Franklin Resources affiliated open-end funds to which Western Asset serves as sub-adviser. Western Asset's global offices may also serve as the adviser or sub-adviser to several SEC registered funds, some of which are advised by Franklin Resources entities or other SEC registered investment advisers. FD also serves as placement agent for certain private funds sponsored or managed by Western Asset.

Certain employees of Western Asset U.S., including members of management, are registered with FINRA as registered representatives of FD. These employees registered as representatives may actively market funds managed by Western Asset such as money market funds, but these employees do not receive sales commissions from FD.

As mentioned above, Western Asset U.S. is registered as a CPO and a CTA and therefore may provide advice on commodity interests to certain clients. This permits Western Asset U.S. to manage or operate certain collective investment vehicles that include significant investments in commodity interests.

Affiliations and Conflicts of Interest

Although Western Asset is committed to acting in the best interests of its clients, in some situations there may be conflicts between Western Asset's interests and a client's interests or there may be conflicts in the interests of multiple clients. Many of these conflicts of interest are inherent in operating an investment advisory business. For example, Western Asset may have an incentive to resolve a matter in favor of clients that are affiliates of Western Asset over clients that are not affiliates. Western Asset has adopted policies and procedures that it believes are reasonably designed to mitigate these conflicts of interest.

Various investment adviser affiliates of Western Asset may provide advice to their clients with respect to investment strategies that are similar to or the same as their related adviser. Those advisory affiliates may purchase on behalf of their clients the same securities. As a result, the interests of one affiliate's clients may conflict with the interests of clients of affiliated advisers. For example, if an investment adviser affiliate implements a portfolio management decision for its client ahead of, or contemporaneously with, a decision another affiliate makes for its client(s), the market impact of the decision made by one advisory affiliate could result in the other affiliate's clients receiving less favorable trading results than they otherwise would. One affiliate's trade allocation and trade aggregation procedures do not typically apply to portfolio management decisions and trading executed by other Western Asset investment advisory affiliates.

Western Asset provides investment advice to a large number of clients. In some circumstances, officers or employees of Western Asset may serve as members (or have similar responsibilities with respect to) of a board of directors of a pooled investment vehicle that pays fees to Western Asset (not to the officer or employee of Western Asset) which in some circumstances could be performance-based fees. As a result, it is possible that the Western Asset officers and employees who serve in such capacities may have potential conflicts of interest with the pooled vehicle. Each such officer or employee of Western Asset who serves in such a capacity carefully considers his or her obligations to the pooled vehicle and endeavors to resolve any such conflicts fairly.

Please see Item 11. "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading," as well as the Alternative Investments Policy contained in Item 6. "Performance-Based Fees and Side-by-Side Management" for additional information regarding conflicts of interest that arise as a result of Western Asset's investment advisory activities.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Western Asset has adopted policies, procedures, and oversight mechanisms to address the conflicts and potential conflicts of interest discussed below that may arise in the course of Western Asset's business as an investment adviser.

Following are summaries of a number of policies adopted by Western Asset to address and mitigate these types of conflicts of interest. The entire discussion under this heading is a summary and is qualified in its entirety by Western Asset's Code of Ethics, Conflicts of Interest Policy, Gifts and Entertainment Policy and Personal Investments with Business Contacts Policy. A copy of these policies is available to any client or prospective client upon request.

Code of Ethics

Western Asset's employees are required to follow a Code of Ethics. Subject to satisfying the Code of Ethics and complying with applicable U.S. federal securities laws, as well as all other applicable laws, rules and regulations, Western Asset employees and its affiliates may trade for their own accounts in securities that are also held in client accounts. The Code of Ethics emphasizes Western Asset's fiduciary obligation to put client interests first. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of employees will not interfere with the responsibility to make decisions in the best interest of clients.

The principal terms of the Code of Ethics as it applies to personal trading are as follows:

- Employees must provide detailed reporting on personal trades, including quarterly transaction and annual holdings reports. Employees must also give Western Asset notice of all brokerage accounts so that the duplicate copies of trade confirmations can be sent to the Legal and Compliance Department.

- Employees must preclear some types of equities trades and all fixed income trades with certain exclusions such as for money market instruments and government securities. Employees of Western Asset Japan must also preclear equity trades. Preclearance of trades in common stock for other offices is not generally required unless the security is on Western Asset's restricted list or is the stock of a Western Asset advised closed-end fund or its real estate investment trust.

- An employee is generally limited to 75 transactions (buys or sells) per quarter.

- Securities must be held for 30 days excluding money market instruments, government securities and open-end funds not advised by Western Asset. Employees of Western Asset Japan must hold securities for 180 days, excluding money market instruments, government securities and open-end funds not advised by Western Asset.

- Investment professionals may not participate in initial public offerings ("IPOs") other than participation in closed-end fund offerings if Western Asset is the adviser or sub-adviser. IPOs for other employees and all private placements must be precleared and approved by the Legal and Compliance Department.

- Investment professionals may not trade in a security within 7 days of a trade made for a client in that security (the blackout period is one day for other employees).

To monitor personal transactions, the Legal and Compliance Department will attempt to arrange to receive duplicate copies of transaction confirmations and account statements for each investment account directly from each financial institution the employee has reported. If transaction confirmations and security statements cannot be received directly from a financial institution, then the employee is required to them. Violations are reported to Western Asset's Global Chief Compliance Officer and Western Asset's Management Committee, depending on the office location. Successive violations are subject to increasingly serious consequences, including termination of employment.

Political Contributions

As a general matter, neither Western Asset nor any Western Asset employee may make any political contributions to influence a government entity, official or candidate to hire or retain Western Asset or a Franklin Resources affiliate as investment adviser, invest or maintain an investment in any fund advised or sub-advised by Western Asset or a Franklin Resources affiliate, or influence Western Asset’s access to or allocation of securities issued by that government entity. In addition, neither the Firm nor its employees may make political contributions with the intent to accomplish something indirectly that would be otherwise prohibited directly.

All Western Asset employees and their immediate families are required to pre-clear all political contributions made to any candidate (both those who are successful and those are unsuccessful) or incumbent for any elective office at any level of government in the United States through designated individuals in the Legal and Compliance Department. This includes all federal, state and local contributions, but does not include contributions to political action committees or political parties. Once precleared, employees must confirm the details of the contribution, if made, including the name of the candidate, the office, and the date and amount of the contribution. Contributions may not be made to a political action committee or political party or to a particular candidate through indirect means that would otherwise require preclearance if made directly.

Service as a Director

No Western Asset employee may serve on the board of directors of any public company or mutual fund without prior consent from both the General Counsel of Franklin Resources and Western Asset’s General Counsel or Global Chief Compliance Officer. Approval is not required to serve on the board of Western Asset or a mutual fund or other pooled investment vehicle sponsored or promoted by Franklin Resources, Western Asset or its affiliates.

For service on the boards of private companies, prior written authorization of the Western Asset General Counsel or Global Chief Compliance Officer is required. The Firm will evaluate such roles to determine whether the company is or could become an appropriate investment for client accounts and whether the company is likely to go public in the foreseeable future. Such evaluation may result in the employee being required to forego a director role based on the actual or potential conflicts of interest that may exist. If approval is granted and such company contemplates going public, the employee must notify the Legal and Compliance Department as soon as reasonably feasible and must resign that position prior to going public. In addition, if authorized, appropriate safeguards and procedures may be

implemented through information barriers or other means to prevent the employee from making investment decisions or recommendations with respect to that company.

Serving as a director or in a similar capacity for a non-profit organization is permitted without prior pre-clearance, but staff must ensure that such a role does not interfere with their Western Asset responsibilities or otherwise raise conflicts.

For either private company or non-profit roles, staff exercising their duties must ensure they are not in a position to decide whether Western Asset directly or indirectly obtains or retains that entity as a client or investor. If such activity conflicts with, or may reasonably be anticipated to conflict with, the interests of Western Asset or its fiduciary duty to its clients, the staff will be required to discontinue the activity.

In addition to obtaining prior approval, employees who serve on the board of a private company must disclose such role when asked to disclose personal affiliations or associations. If the employee, in his or her role as director, has investment control over the assets of the company or non-profit organization, the employee may be deemed to have a beneficial interest in the investment activities of the company or non-profit organization and the investment activities of the company or non-profit organization would become subject to Western Asset's Code of Ethics.

Gifts and Entertainment

Western Asset employees may be offered or may receive gifts and entertainment such as hosted dinners or other events from persons who are in a position, or potentially in a position, to do business with Western Asset such as existing or prospective clients, broker-dealers, consultants, vendors or other business contacts (generally known as "business contacts"). To ensure that Western Asset's employees are not beholden to a business contact and that their judgment remains unimpaired in this regard, Western Asset employees may only accept appropriate and reasonable gifts and entertainment as further detailed in Western Asset's gifts and entertainment policy summarized below.

- Employees may not keep gifts with a value in excess of $100 (or its non-USD equivalent) and may not accept cash or cash equivalents in any amount.

- Entertainment events (dinners, sporting and entertainment events) must be reported to the Legal and Compliance Department.

- To the extent the event has a value in excess of $200 (or its non-USD equivalent) employees must contribute the excess to a Western Asset selected charity. Events with a value in excess of $300 (or its non-USD equivalent), events outside the metropolitan area in which the employee resides and events involving family members require senior management approval.

- Lunches taken with business contacts during normal business hours are not considered gifts or entertainment.

Outside Business Activities

Outside business activities broadly include becoming employed by any other person or entity, receiving compensation from any other person or entity, or serving as an officer, director or partner of another entity. All outside business activities are required to be reported to the Legal and Compliance Department. Any employees engaging in outside business activity involving a financial services industry (*i.e.*, banking, securities, brokerage, insurance, etc.) is required to receive pre-clearance from either the General Counsel or Global Chief Compliance Officer. Note also the requirements for prior approval described above relating to service as a director for private companies and non-profit organizations.

Personal Investment with Business Contacts

To avoid conflicts or potential conflicts, any personal investment, as defined below, knowingly made by a Western Asset employee together with a Western Asset Business Associate ("Business Associate") must be approved in advance. Business Associates are considered: (i) any client, potential client, vendor, broker or other third-party that does or desires to do business with Western Asset, (ii) persons who are associated with those entities described in (i) above who are personally in a position to actually or potentially be involved in doing business with Western Asset, or (iii) entities controlled by persons described in (ii) above.

A "Personal Investment" is any investment: (a) in a non-publicly traded entity such as a joint venture, partnership, limited liability company, new or existing business or similar type of business enterprise, (b) in real estate, real property or in a new or existing business, or (c) in non-publicly traded securities or any type of restricted investment limited to persons who meet only particular sophistication or financial qualification criteria.

For Personal Investments with a Business Contact, prior written authorization of Western Asset's General Counsel or Global Chief Compliance Officer is required. Any approved investment must be re-submitted for approval if circumstances materially change or information provided in the course of obtaining approval becomes materially inaccurate.

Conflicts of Interest

Set forth below is a description of certain potential conflicts of interest that may arise in the course of Western Asset's activities for its own account and for the accounts of its clients, including pooled investment vehicles and separately managed accounts is provided below.

Conflicts Related to Portfolio Management of Multiple Accounts

Western Asset U.S. acts as investment adviser to pooled vehicles and separately managed accounts that have similar investment objectives and pursue similar investment strategies. As a result, certain investments identified by Western Asset may be appropriate for multiple clients. Decisions to buy and sell investments for each client advised by Western Asset are made with a view toward achieving each client's investment objectives; however, Western Asset may face conflicts of interest in allocating investment opportunities among accounts. For example, Western Asset might receive greater fees or compensation from some accounts than others, or some accounts may be larger and generate more fees than others. Moreover, a particular investment may be bought or sold for only one client or in different amounts and at different times for more than one but fewer than all clients, even though it could have been bought or sold for other clients at the same time. Also, a particular investment may be bought for one or more clients when one or more other clients are selling the investment. Investment decisions for clients are made by Western Asset in its best judgment, but in its sole discretion, taking into account such factors as Western Asset believes to be relevant. Such factors may include investment objectives, regulatory restrictions, availability and liquidity of the investment, current holdings, availability of cash for investment, the size of the investments generally and limitations and restrictions on a client's account that are imposed by the client. In effecting transactions, it may not always be possible, or consistent with the investment objectives of Western Asset's various clients, to take or liquidate the same investment positions at the same time or at the same prices. Western Asset generally is not under any obligation to share any investment, idea or strategy with all of its clients.

Western Asset seeks to manage and/or mitigate the potential conflicts of interest described above by following procedures with respect to the allocation of investment opportunities among its clients, including the allocation of limited opportunities. Information regarding these procedures is provided under Item 6. Performance-Based Fees and Side-by-Side Management. Notwithstanding these procedures, if Western Asset implements a portfolio decision for one client ahead of, or contemporaneous with, another client, the market impact of the investment decision could result in one or more clients receiving more favorable trading results or reduced costs at the expense of one or more other clients.

Conflicts may arise when clients invest in different parts of an issuer's capital structure, including circumstances in which one or more clients own private securities or obligations of an issuer and other clients may own publicly traded securities of the same issuer. Western Asset may also, for example, direct a client to invest in a tranche of a structured finance vehicle, such as a collateralized loan or debt obligation, where we are also, at the same or different time, directing another client to make investments in a different tranche of the same vehicle, which tranche's interests may be adverse to other tranches. Western Asset may also cause a client to purchase from, or sell assets to, an entity, such as a structured finance vehicle, in which other clients may have an interest. These transactions could have an adverse effect on the clients that have interest in the structured finance vehicle. There may also be conflicts where, for example, a client holds certain loans of an issuer, and that same issuer has issued other loans or instruments that are owned by other clients or by an entity, such as a structured finance vehicle, in which other clients have an interest. In this situation, Western Asset may take actions with respect to the assets held by one client that are potentially adverse to the other clients, for example, by foreclosing on loans or by putting an issuer into default. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers, Western Asset may find that the interests of a client and the interests of one or more other clients could conflict. In these situations, decisions over proxy voting, corporate reorganization, how to exit an investment, or bankruptcy matters (including, for example, whether to trigger an event of default or the terms of any workout), may result in conflicts of interest. Similarly, if an issuer in which a client and one or more other clients directly or indirectly hold different classes of securities (or other assets, instruments or obligations issued by such issuer or underlying investments of such issuer) encounters financial problems, decisions over the terms of any workout will raise conflicts of interests (including, for example, conflicts over proposed waivers and amendments to debt covenants). For example, a debt holder may be better served by a liquidation of the issuer in which it may be paid in full, whereas an equity or junior bond holder might prefer a reorganization that holds the potential to create value for the equity holders. Although in some cases Western Asset may refrain from taking certain actions or making investments on behalf of clients because of conflicts (potentially disadvantaging the clients on whose behalf the actions are not taken or investments not made), in other cases Western Asset will not refrain from taking actions or making investments on behalf of some clients that have the potential to disadvantage other clients.

Any of the foregoing conflicts of interest will be resolved on a case-by-case basis. Any such resolution will take into consideration the interests of the relevant clients, the circumstances giving rise to the conflict and applicable laws. Clients should be aware that conflicts will not necessarily be resolved in favor of their interests, and in fact may be resolved in favor of clients that pay Western Asset higher fees or performance-based fees or in which Western Asset or its affiliates have a significant proprietary interest. There can be no assurance that any actual or potential conflicts of interest will not result in a particular client receiving less favorable investment terms in certain investments than if such conflicts of interest did not exist.

Western Asset also acts as the investment adviser to pooled investment vehicles that Western Asset recommends to clients or, pursuant to the discretionary authority granted to Western Asset by a client, in which Western Asset causes a client to invest. This gives rise to conflicts of interest because Western Asset is paid an asset-based fee by certain of the pooled investment vehicles and, as a result, has an incentive to cause clients to invest in these pooled investment vehicles and thereby increase the pooled investment vehicle's assets and Western Asset's fee or to support the launch of new investment products. Western Asset will generally credit the amount of any advisory and shareholder service fees paid to Western Asset by the pooled investment vehicle in respect of such account's investment in the pooled investment vehicle against the fee payable by the account to Western Asset pursuant to its investment advisory agreement. This credit will not necessarily eliminate the conflict and Western Asset may continue to have a financial incentive to favor causing clients to invest in Western Asset-affiliated pooled investment vehicles. In addition, Western Asset acts as the investment adviser to pooled investment vehicles that pay performance-based fees. The procedures Western Asset follows to manage the conflicts of interest that arise as a result of the side-by-side management of accounts paying performance-based fees and asset-based fees is included under Item 6. Performance-Based Fees and Side–by-Side Management.

Western Asset, for its own account or the account of a client, could take a position through a derivative instrument that is linked to a client (or an affiliate thereof) or to an issuer of a security held by a client. It is possible that the structure or characteristics of such derivatives could adversely affect one or more clients. For example, the derivative could represent a leveraged investment, which could make it more likely (due to events of default or otherwise) that there could be significant changes in the values of the underlying securities or the securities of the counterparty to the derivative instrument.

Participation or Interest in Client Transactions

Western Asset does not engage in proprietary trading or investing for its own account, though it may carry out certain FX hedging transactions of its corporate cash and provide seed capital to commingled vehicles it manages. However, Western Asset anticipates that, in appropriate circumstances and consistent with client investment objectives, it or an affiliate may recommend the purchase or sale of securities in which Western Asset or one of its affiliates, employees or clients, directly or indirectly, has a financial interest. This may include circumstances where Western Asset or one of its affiliates or employees invests in a pooled investment vehicle that clients invest in or where Western Asset or one of its affiliates may be paid a performance-based fee by a pooled investment vehicle (Item 6. Performance-Based Fees and Side-By-Side Management). Western Asset or one of its affiliates, employees or clients may sell securities or other property at the same time that Western Asset is recommending the security or other property to other clients or may buy securities or other property at the same time it is recommending that other clients sell the security or other property.

Conflicts Related to Proprietary Accounts

Western Asset may have conflicts relating to accounts in which it has a proprietary interest. This conflict most often arises in the context of a commingled vehicle where Western Asset or its employees have made an investment. This investment may provide an incentive for Western Asset to favor accounts in which it has such an interest over accounts or funds where it does not. In most cases, Western Asset's investment will be limited to modest amounts of seed money. However, Western Asset may make larger investments that result in Western Asset becoming a larger investor in a fund and employees, including investment professionals could have significant investments in a fund or other pooled vehicle. To address this potential conflict, Western Asset has adopted a policy to address situations where its investment in commingled vehicles may be significant enough to heighten the risk of the potential conflict. Western Asset defines Proprietary Accounts as those accounts where 25% of net assets are owned by Western Asset employees, officers or affiliates. The Legal and Compliance Department monitors the trading activity of proprietary accounts to ensure that the trading in a proprietary portfolio has not disadvantaged clients of Western Asset or otherwise violated applicable law or policy.

Conflicts Related to Information Known by Western Asset

In connection with its investment management activities, Western Asset may receive information that is not generally available to the public. Western Asset is not obligated to make such information available to its clients or to use such information to effect transactions for its clients. Also, at times, Western Asset’s employees may come into possession of material, non-public information. Under applicable law, Western Asset is prohibited from improperly disclosing or using such information, including for the benefit of a client. Western Asset maintains policies and procedures that preclude trading on the basis of, or taking any other action to take advantage of, material non-public information. These procedures may limit Western Asset from being able to purchase or sell securities of the issuer to whom the material, non-public information pertains, rendering illiquid any such security already in a client’s account until such time as the ban on trading is lifted.

Western Asset may make information about a client’s portfolio positions available to unaffiliated third-parties and affiliated third-parties, including its parent Franklin Resources. These third-parties may use that information for a variety of purposes, including providing additional market analysis and research to Western Asset (in the case of unaffiliated third-parties). Western Asset may use that market analysis and research to provide investment advice to clients other than the client whose portfolio positions were used for the analysis. Western Asset will generally provide such information without attribution to a particular client.

Additionally, Western Asset may purchase access to information such as subscriptions to periodicals, participation in conferences, research papers, and access to surveys and quarterly performance data from organizations affiliated with professional consultant firms. Western Asset does not make payments to these firms conditioned on favorable evaluations of Western Asset and payments are not made to reward these firms for client referrals. Nonetheless, these firms may believe that they have a financial incentive to give favorable evaluations of Western Asset to their clients and may therefore operate as if they are faced with a conflict of interest. Clients should inquire of their consultants as to whether Western Asset purchases or receives any information from such consultant or any affiliate thereof.

To the extent Western Asset causes its clients to invest in a Western Asset-affiliated pooled investment vehicle, Western Asset become aware of information with respect to such pooled investment vehicle that is not available to other investors in the pooled investment vehicle. Western Asset is not permitted to communicate or act upon such information in a way that disadvantages other investors in the pooled investment vehicle and, if such information is material, non-public information, Western Asset may be unable to purchase or sell securities of the pooled investment vehicle to which the material, non-public information pertains.

Conflicts Related to Cross Trades

To the extent permitted by applicable law, Western Asset's compliance policies and procedures, and a client's investment guidelines, Western Asset may engage in "cross trades" where, as investment manager to a client account, Western Asset causes that client account to purchase a security directly from another client account without the interpositioning of a broker-dealer. This might be done in an effort to reduce transaction costs, increase execution efficiency, and capitalize on timing opportunities. Cross trades present a conflict of interest because Western Asset represents the interests of both the selling account and the buying account in the same transaction. As a result, clients for whom Western Asset executes cross trades bear the risk that one counterparty to the cross trade may be treated more favorably by it than the other party, particularly in cases where the first party pays Western Asset higher management fees. Additionally, there is a risk that the price of a security bought or sold through a cross trade may not be as favorable as it might have been had the trade had been executed in the open market. Please see Item 12. "Brokerage Practices" for information on Western Asset's policies and procedures related to cross trades.

Conflicts Related to Valuation

Western Asset generally does not price securities or other assets for purposes of determining fees. Western Asset generally relies on prices provided by a custodian, a broker-dealer or another third-party pricing service for valuation purposes. When market quotations are not readily available or are believed by Western Asset to be unreliable, the security or other assets may be valued by Western Asset or an affiliate in accordance with applicable valuation procedures. To the extent Western Asset's fees are based on the value or performance of client accounts, Western Asset would benefit by receiving a fee based on the impact, if any, of an increased value of assets in an account. When pricing a security, Western Asset attempts, in good faith and in accordance with applicable laws, to determine the fair value of the security or other assets in question.

Conflicts Relating to the Identification and Resolution of Errors

Western Asset, like other investment managers, has a conflict of interest in connection with the identification and resolution of trade errors, operational errors and other errors. Specifically, Western Asset, as a party who may bear some or all of the financial responsibility to correct an error, has an incentive to determine that an error did not occur or, if one has occurred, to resolve it in a manner that minimizes the financial impact on Western Asset. Although a conflict of interest may exist, Western Asset endeavors to make determinations in good faith, taking into account all circumstances of which it is aware, including, where appropriate, its own interests and the standards under applicable law and those contained in the client's investment management agreement with Western Asset. Please see the discussion of Western Asset's error correction policy under "Additional Information" below.

Item 12. Brokerage Practices

Almost all fixed income instruments trade at a bid/ask spread and without an explicit brokerage charge. Accordingly, while there is not a formal trading expense or commission, clients will bear the implicit trading costs reflected in these spreads. Western Asset maintains a variety of policies and practices to address its approach for trading on behalf of clients. These policies are designed to ensure that Western Asset is being thoughtful when executing transactions on behalf of clients and honoring its fiduciary obligation to seek best execution. Western Asset seeks to obtain best execution of its clients' trades through monitoring and effectively controlling the quality of trade decisions. The circumstantial and judgmental aspects involved in obtaining best execution with respect to a particular trade are not always quantifiable. Therefore, it is not feasible to define a single measurement basis for best execution on a trade-by-trade basis. Instead, Western Asset focuses on establishing processes, disclosures, and documentation, which together form a systematic, repeatable, and demonstrable approach to seeking best execution.

In addition, when selecting a broker, individuals making trades on behalf of clients are obliged to consider the full range and quality of a broker's services, including such factors as execution capability, commission rate (including markups or markdowns), price, financial responsibility and responsiveness. Western Asset is not obligated to obtain for any particular transaction the best price or lowest commission, but rather should determine whether the transaction represents the best execution for the account based on all relative factors.

In selecting brokers for execution, Western Asset seeks to ensure that brokers are selected on the merits and not because of other reasons. Western Asset maintains an approved broker list which is designed to limit trading only to those brokers who demonstrate desk strength in the asset classes in which they operate, have knowledgeable sales coverage, quality research, show a willingness to commit capital and maintain financial stability. Trades may only be executed with those brokers on the approved broker list. Exceptions to this policy are permitted once approval from senior investment management and compliance personnel has been obtained. Additional scrutiny and monitoring is conducted for those brokers with whom trades involving direct counterparty risk (*i.e.,* risk beyond settlement risk) may be executed.

Western Asset does not trade with any affiliated brokers and does not engage in principal trading. As described in Item 6. "Performance-Based Fees and Side-by-Side Management," Western Asset maintains policies to address the risks associated with trading for accounts in which it has a significant ownership or financial interest. Western Asset also does not make trading decisions on behalf of registered investment companies on the basis of the involvement of a broker in the distribution and sales activities for those funds. In fact, in most cases, Western Asset's role is limited to acting as investment adviser and its staff has no knowledge of the distribution arrangements for sub-advised third-party open-end funds. While Western Asset maintains some referral arrangements from time to time, Western Asset does not direct trade activity on the basis of whether it maintains referral arrangements with any broker-dealer.

Western Asset's philosophy is not to make use of arrangements where brokerage business is allocated in exchange for benefits of proprietary or third-party services (*i.e.*, soft dollars or soft commissions). However, in the event that circumstances arise that suggest that entering into a soft dollar arrangement for the purchase of research services is prudent and in the best interests of Western Asset's clients, Western Asset may do so. If Western Asset enters into a soft dollar arrangement, its policy is to only pay for services that directly assist in the investment decision-making process and benefit the best interest of Western Asset clients. In maintaining this standard, all arrangements and services must benefit all clients who would participate in soft dollar trades. Further, all proposed arrangements and/or services must be submitted to the Broker Review Committee for approval prior to their implementation. Such approved soft dollar arrangements could involve Western Asset causing a client to pay, or being deemed to have paid, commission rates (including markups or markdowns) that are higher than those Western Asset could have otherwise obtained in order to obtain research or brokerage services. To the extent that client brokerage commissions (or markups or markdowns) are used to obtain research or other services, Western Asset would receive a benefit because it may, in that case, not need to produce or pay for the research, products or services received.

Western Asset may receive research or other services (both solicited and unsolicited) from brokers in the ordinary course of trading on behalf of clients. These items are not received pursuant to arrangements or agreements to exchange brokerage activity for services or benefits and are not considered to be obtained using soft dollars. Western Asset is not obliged to direct brokerage in order to receive such information. However, as a result, Western Asset may have an incentive to select or recommend a broker based on its interest in receiving the research or other products or services that the broker provides to Western Asset in the ordinary course of trading for clients, rather than its clients' interest in receiving the most favorable execution. Western Asset UK is subject to the European Union (Withdrawal) Act 2018 ("EUWA") and the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (together, "UK MiFID II"). As a UK MiFID II firm, it has elected to pay for broker research directly in compliance with UK MiFID II requirements. Further considerations are discussed in Appendix B Investment Risks.

Western Asset does not maintain directed brokerage arrangements on its own initiative and generally recommends against them in light of the unique features of the fixed-income market and the potential impact on Western Asset's trading decisions. However, clients may request that Western Asset direct the client's brokerage to a particular broker. A directed brokerage arrangement involves a client directive obligating Western Asset to utilize a particular broker or brokers without regard to best execution. Directed brokerage arrangements reflect client preferences, goals or instructions and are not subject to Western Asset's obligation to seek best execution. Western Asset's ability to obtain best execution for the client may be hindered by the directed brokerage relationship and the client may forego any benefit from savings on execution costs that Western Asset could obtain for its other clients through negotiating for volume discounts with brokers. Accounts with directed brokerage instructions may be excluded from block trades and their directed orders will generally be executed following completion of any non-directed trades.

Cross Trades

As discussed previously, Western Asset may engage in internal cross trades, in compliance with SEC and DOL rules, and where permitted by client investment guidelines and Western Asset's policies and procedures. Pursuant to the SEC and industry guidance in regard to the provisions of Rule 2a-5 under the Investment Company Act of 1940 concerning the permissibility of cross trades under Rule 17a-7, no fixed-income securities, with the exception of certain municipal fixed-income securities (*i.e.,* Variable Rate Demand Notes), shall be permitted in a cross trade between the funds or between a fund and another affiliated person. In the ordinary course of its business, Western Asset primarily executes cross trades between affiliated U.S. mutual funds that have particular liquidity mandates. Western Asset does not engage in agency cross transactions (*i.e.,* transactions in which Western Asset earns a fee other than its advisory fee).

Internal cross trades are subject to Rule 17a-7 under the 1940 Act for U.S. mutual funds. No internal cross trades are permitted unless specifically approved by Western Asset's Legal and Compliance Department in advance. Likewise, no pre-arranged trades *(i.e.*, promises to repurchase a security from a broker after a sale to the same broker) are permitted unless specifically evaluated and approved by the Legal and Compliance Department for cross trade considerations. Western Asset does not permit internal cross trades involving one or more retirement accounts (*e.g.*, accounts subject to ERISA). In other cases, Western Asset will ensure that any internal cross transactions are in the best interests of and appropriate for both clients, the transactions are consistent with Western Asset's obligations to seek best execution, and an independent or objective pricing mechanism is used. To the extent a broker is intentionally utilized to facilitate a cross trade with or without compensation, Western Asset will honor the same process and requirements.

To address the risk of inadvertent or unapproved pre-arranged cross trades, Western Asset utilizes an automated control in its trading systems that blocks the posting of purchases of certain CUSIPs made from a broker on the same or next trading day following a sale of the same CUSIP to that broker. The block may be lifted upon review by the Legal and Compliance Department or the trade may be treated as a cross-trade depending on the facts and circumstances. The automated block does not apply to CUSIPs executed through electronic platforms and does not apply to instruments and asset classes that Western Asset has deemed to be more liquid and at a lower risk of an inadvertent or disguised cross trade. The instruments subject to the block may be adjusted from time to time depending on that assessment.

If a trade encounters a block, the response of the trader, the availability of electronic platforms, the nature of the instrument, and/or the analysis of the Legal and Compliance Department may ultimately impact execution. It is possible that the trade is not ultimately executed. It is also possible that the trade is executed via different means, with different terms or permitted to proceed, any of which could result in better or worse execution than if the trade was deemed and handled as a cross trade.

When permitted by clients and when prudent given the client's investment objectives, investment discretion can be shared among several Western Asset offices. Depending on the facts and circumstances, there is a risk that trades in a client account might be impacted and trades revised, permitted, blocked or treated as cross trades due to trades executed in a different office.

Model Delivery and Trade Rotation

Western Asset communicates investment instructions in accordance with a process that is fair and equitable to model delivery client accounts in relation to other clients of Western Asset. Model delivery investment programs can raise trade communication conflicts issues if the client/sponsor firm, and not Western Asset, handles all or a portion of the trading for program accounts. To achieve fair and equitable treatment across client accounts, Western Asset considers not only the manner in which it allocates trades to accounts but also the sequence in which it delivers trade orders to the market for execution and any corresponding investment instructions to third-parties that handle trading for model delivery accounts. The delivery of certain orders and instructions to a large number of market intermediaries and client/Sponsor Firms at the same time could adversely impact the market price of a security, especially for less liquid instruments.

Western Asset considers the facts and circumstances of instruments, strategies, change frequency, and potential adverse impacts in determining how best to address. If Western Asset does not reasonably believe that there are adverse impacts and that mitigation measures would not be in the best interests of the clients involved, Western Asset will not employ rotation or otherwise take such factors into account as it handles trading and communication logistics. However, as a potential alternative to Western Asset's standard practice of communicating trade orders and any corresponding investment instructions at approximately the same time, Western Asset may employ a program of trade rotation among model delivery clients/Sponsor Firms with trade placement responsibility to prevent any single program's client accounts from consistently being able to trade first or last within the rotation. Western Asset's use of such a rotation approach normally will be on an asset weighting basis with investment programs with more managed assets having a pro rata larger weighting in the rotation. As a result, clients in smaller programs may not receive overall as good execution as clients in larger programs.

As described in Item 6. "Performance-Based Fees and Side-by-Side Management," Western Asset frequently bunches (aggregates) orders for client accounts. Please see that item for further information about Western Asset's policy on trade aggregation and the allocation of investments.

Item 13. Review of Accounts

As a core investment matter, on a daily basis members of every account's assigned portfolio management team are responsible for overseeing that account subject to the overall supervision of the account's portfolio manager. As part of this process, Western Asset's Risk Management Department produces at various intervals a series of standard reports that focus on a portfolio's structure and risk relative to its benchmark, as well as any updates to each portfolio's structure. These reports are reviewed by members of both the investment and risk management teams and used to seek to structure the account properly in accordance with Western Asset's expectations.

Portfolios are also reviewed on a regular basis. In this process, groups of similarly managed accounts in the same product are examined by the team of portfolio managers responsible for the portfolios being reviewed, several portfolio analysts, and local senior investment officers. The portfolio analysts provide a series of reports that list common portfolio and risk characteristics, as well as individual portfolio performance. These reports serve as a basis for aligning all the accounts in the grouping with the current product strategy, the other accounts in the group, and their specific client goals.

Risk Management Review

Western Asset has a dedicated Risk Management Department with a separate reporting structure from the Investment Management Department. The Risk Management Department provides analysis and reports used by Western Asset to monitor portfolios. The Risk Management Department monitors portfolios in the ordinary course as follows:

- On a daily basis, each portfolio's key characteristics such as duration, spread duration, convexity and other analytics are computed for unusual changes or amounts. Portfolios may have daily reports using returns based on a VaR analysis or a daily portfolio and returns-based tracking error reports.

- On a biweekly basis, the Risk Management Department undertakes a more intensive review of portfolios and strategies looking at portfolio risk versus articulated return generating themes to seek to address any misalignments of risk and reward themes and at a comparison of portfolio risk versus client risk tolerances.

- On a monthly basis, a representative account of each strategy run by Western Asset is analyzed in depth to produce a risk 'dashboard' indicating key risks. This dashboard is provided to the MCRC for review. Please see the discussion of risk management under Item 8. "Methods of Analysis, Investment Strategies" and "Risk of Loss" for further information about the MCRC.

Portfolio Compliance Review

Western Asset maintains a Portfolio Compliance group as part of its Legal and Compliance Department that plays an important role in the mitigation of risk by providing daily monitoring of portfolio trading activity. The function is independent of portfolio management. All client portfolios are monitored every day through both pre-trade and post-trade procedures. Upon an account's inception, the client guidelines are programmed into Western Asset's automated monitoring system (except for a limited number of guidelines which must be monitored by compliance officers manually). Western Asset maintains portfolio compliance officers and systems directly on the trading desk. Compliance utilizes a proprietary compliance system that directly interacts with the desks trading platform to provide pre-trade checks for investments. While not all guidelines and tests are currently able to be monitored on an automated pre-trade basis, substantially all are, and all client guidelines are coded into the compliance system to ensure they are all compliance-monitored, including those rules requiring manual checks. In addition, a compliance officer is assigned to each account for purposes of daily overnight post-trade testing. Each morning, compliance officers receive exception reports that cover potential exceptions specified by client guidelines. The compliance officers research the exceptions and if they appear to represent violations, they alert the portfolio investment teams to bring the accounts back into compliance, and if appropriate, escalate the incident to senior compliance managers.

Reports to Clients

The portfolio managers and members of the U.S. Broad Strategy Committee regularly report to the boards of directors of the U.S.-based registered investment companies that are advised or sub-advised by Western Asset concerning the investment performance of such accounts. These reports are typically a combination of oral and written reports. Client relationship managers and members of the investment teams for the private funds and separately managed accounts managed by Western Asset provide written or oral reports to clients at various frequencies, including daily, monthly, quarterly and annually. Reports may include some or all of the following, in addition to other information: performance information, information regarding portfolio holdings and characteristics of the portfolio (*e.g.*, average effective duration of the portfolio), market value and transaction information, a summary of the investment mandate, a summary of the relevant market conditions that has affected the performance of the investment portfolio and may affect performance in the future, commentary on relevant markets and/or commentary on the investment strategy. The frequency and content of such reports may be determined based on client preferences and/or regulatory requirements. Other reports also may be generated in response to client requests.

Item 14. Client Referrals and Other Compensation

Under certain circumstances, Western Asset may pay an individual, consulting firm, or other similar company (the "solicitor") for referring or soliciting current and prospective clients. Rule 206(4)-1 under the Advisers Act imposes the following restrictions, among others, on the payment of cash referral fees:

- No fee may be paid to a person who has been the subject of certain disqualifying events, including certain convictions.
- There must be a written contract between Western Asset and the referring party before any client can be solicited.
- A record of the written contract, including the fee arrangement, must be maintained.

Western Asset must make a *bona fide* effort to ascertain whether the referring party has complied with the written contract, and have a reasonable basis for believing that the referring party has so complied. To the extent that Western Asset maintains referral arrangements, compensation is generally based on a percentage of assets or revenues for a period of time.

For the avoidance of doubt, Western Asset's parent company, our affiliates or employees may introduce prospective clients to Western Asset without being subject to a referral arrangement. Such introductions are not generally subject to compensation arrangements for the payment of referral fees. Western Asset employees may be compensated as part of their duties, but an employee carrying out his/her job functions is not considered to be acting pursuant to a referral agreement and no disclosure statement or written referral agreement is required. Regardless, a Western Asset employee must disclose the affiliation with Western Asset when communicating with a prospect or potential client. If a party affiliated with Western Asset makes an introduction, Western Asset's preference is that they disclose the affiliation but there is no referral agreement or other enforcement mechanism to ensure such disclosure. If that affiliated party makes introductions and receives cash compensation from Western Asset for referrals, the arrangement must be memorialized in writing and the affiliated party must disclose the affiliation with Western Asset to prospective clients.

Typically, Western Asset does not receive economic benefits from someone who is not a client for providing investment advice or other advisory services to its clients, although it is possible that from time to time retirement and/or pension plan sponsors may pay all or a portion of Western Asset's management fees in connection with advice provided by Western Asset to a retirement or pension plan instead of having such fees deducted directly from the assets of the applicable plan.

Item 15. Custody

Western Asset does not intend to maintain physical custody of client assets, and Western Asset UK is not registered to hold client assets with the Financial Conduct Authority. However, under the provisions of Rule 206(4)-2 under the Advisers Act, Western Asset may be deemed to have custody of a client's assets because it either: i) has the ability to deduct the client's fees directly from a custodian account (pursuant to client authorization) or ii) Western Asset or its affiliates acts as adviser and Managing Member for a client that is a pooled investment vehicle.

Clients select qualified custodians and enter into custody agreements with custodians without Western Asset's involvement. Physical custody of each client's assets is maintained with a qualified custodian in an account either in the client's name or, in the case of a private fund, the name of the legal entity. Even in the case of Western Asset's sponsored pooled private funds, an unaffiliated qualified custodian maintains custody of the funds' assets.

Clients should receive quarterly or monthly account statements from the bank, broker-dealer, or other financial services firm that serves a qualified custodian to their account(s), and clients should carefully review such account statements.to ensure that they reflect appropriate activity in the account(s). Separate account clients may also receive separate account statements from us. Each separate account client should compare the account statements that it receives from its qualified custodian with those that it receives from Western Asset.

Item 16. Investment Discretion

Western Asset accepts discretionary authority to manage securities accounts on behalf of its clients and generally all of the accounts Western Asset manages are discretionary. In addition, Western Asset provides investment advisory services through managed accounts sponsored by the program sponsors. Although most of these services are provided on a discretionary basis, Western Asset provides certain services on a non-discretionary basis or in model-based programs.

As part of the client onboarding process Western Asset will review and negotiate an Investment Management Agreement with the client. Typically included or attached to the agreement is a set of investment guidelines governing the management of the account. These are reviewed and discussed with the client upon inception. Western Asset will not normally commence management of the account without an executed Investment Management Agreement and investment guidelines.

Clients will typically seek to limit the account to an agreed set of permitted types of instruments and include requirements for diversification of issuers and sectors, maximum or minimum allocations to asset classes, ratings classifications, currency denomination and other similar characteristics highly dependent on the nature of the account. Western Asset will endeavor to follow reasonable directions, investment guidelines and requests subject to concerns about maintaining the account's ability to meet its objective and Western Asset's ability to program the limitations into its compliance systems.

Item 17. Voting Client Securities

As a fixed income only manager, the occasion to vote proxies is very rare, for instance, when fixed income securities are converted into equity by their terms or in connection with a bankruptcy or corporate workout. In addition to SEC requirements governing advisers, our proxy voting policies reflect the long-standing fiduciary standards and responsibilities for ERISA accounts. Unless a manager of ERISA assets has been expressly precluded from voting proxies, the DOL has determined that the responsibility for these votes lies with the investment manager.

Proxy Policy and Process

Western Asset's proxy voting procedures are designed and implemented in a way that is reasonably expected to ensure that proxy matters are handled in the best interest of our clients. While the guidelines included in the procedures are intended to provide a benchmark for voting standards, each vote is ultimately cast on a case-by-case basis, taking into consideration Western Asset's contractual obligations to our clients and all other relevant facts and circumstances at the time of the vote (such that these guidelines may be overridden to the extent Western Asset deems appropriate). In exercising its voting authority, Western Asset will not consult or enter into agreements with officers, directors or employees of Franklin Resources (Franklin Templeton includes Franklin Resources, Inc. and organizations operating as Franklin Templeton) or any of its affiliates (other than Western Asset affiliated companies) regarding the voting of any securities owned by its clients.

A summary of the voting procedures is included below. A full copy of the policy and procedures is available upon request. You may also request information detailing how proxies were voted with respect to securities held in your portfolio(s). Proxy voting delegation may be revoked by a client at any time.

Proxy Voting Procedures Summary

Once proxy materials are received by Corporate Actions, they are forwarded to the Portfolio Compliance Group for coordination and the following actions:

a. Proxies are reviewed to determine accounts impacted.

b. Impacted accounts are checked to confirm Western Asset voting authority.

c. Where appropriate, the Regulatory Affairs Group reviews the issues presented to determine any material conflicts of interest. Please see the Conflicts of Interest section below for further information on determining material conflicts of interest.

d. If a material conflict of interest exists, (i) to the extent reasonably practicable and permitted by applicable law, the client is promptly notified, the conflict is disclosed and Western Asset obtains the client's proxy voting instructions, and (ii) to the extent that it is not reasonably practicable or permitted by applicable law to notify the client and obtain such instructions (*e.g.*, the client is a mutual fund or other commingled vehicle or is an ERISA plan client), Western Asset seeks voting instructions from an independent third-party.

e. The Portfolio Compliance Group provides proxy material to the appropriate research analyst or portfolio manager to obtain their recommended vote Research analysts and portfolio managers determine votes on a case-by-case basis taking into account the voting guidelines contained in these procedures. For avoidance of doubt, depending on the best interest of each individual client, Western Asset may vote the same proxy differently for different clients. The analyst's or portfolio manager's basis for their decision is documented and maintained by the Portfolio Compliance Group.

f. Situations can arise in which more than one Western Asset client invests in instruments of the same issuer or in which a single client may invest in instruments of the same issuer but in multiple accounts or strategies. Multiple clients or the same client in multiple accounts or strategies may have different investment objectives, investment styles, or investment professionals involved in making decisions. While there may be differences, votes are always cast in the best interests of the client and the investment objectives agreed with Western Asset. As a result, there may be circumstances where Western Asset casts different votes on behalf of different clients or on behalf of the same client with multiple accounts or strategies.

g. As a general matter, Western Asset votes to encourage management and governance practices that enhance the strength of the issuer, build value for investors, and mitigate risks that might threaten their ability to operate and navigate competitive pressures. Constructive proposals that seek to advance the health of the issuer and the prospect for risk-adjusted returns to Western Assets clients are viewed more favorably than proposals that advance a single issue or limit the ability of management to meet its operating objectives.

h. Proxies are voted in accordance with the determination received from steps (d) or, (e), (f), or (g).

Conflicts of Interest

All proxies that potentially present conflicts of interest are reviewed by the Regulatory Affairs Group for a materiality assessment. Issues to be reviewed include, but are not limited to:

a. Whether Western Asset (or, to the extent required to be considered by applicable law, its affiliates) manages assets for the company or an employee group of the company or otherwise has an interest in the company;

b. Whether Western Asset or an officer or director of Western Asset or the applicable portfolio manager or analyst responsible for recommending the proxy vote (together, "Voting Persons") is a close relative of or has a personal or business relationship with an executive, director or person who is a candidate for director of the company or is a participant in a proxy contest; and

c. Whether there is any other business or personal relationship where a Voting Person has a personal interest in the outcome of the matter before shareholders.

Retirement Accounts

For accounts subject to ERISA, as well as other retirement accounts, Western Asset is presumed to have the responsibility to vote proxies for the client. The DOL has issued a bulletin that states that investment managers have the responsibility to vote proxies on behalf of Retirement Accounts unless the authority to vote proxies has been specifically reserved to another named fiduciary. Furthermore, unless Western Asset is expressly precluded from voting the proxies, the DOL has determined that the responsibility remains with the investment manager.

To comply with the DOL's position, Western Asset will be presumed to have the obligation to vote proxies for its retirement accounts unless Western Asset has obtained a specific written instruction indicating that: (a) the right to vote proxies has been reserved to a named fiduciary of the client, and (b) Western Asset is precluded from voting proxies on behalf of the client. If Western Asset does not receive such an instruction, Western Asset will be responsible for voting proxies in the best interests of the retirement account client and in accordance with any proxy voting guidelines provided by the client.

Item 18. Financial Information

Western Asset is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.

Item 19. Requirements for State-Registered Advisers

Western Asset is not registered with any state securities authority.

Additional Information

Western Asset believes the following information may be of interest and/or important for you to know about certain of its policies and practices.

Error Correction Policy

Western Asset's general policy, except where contractual arrangements or regulatory requirements provide otherwise, is (i) to make a client account whole for any net loss associated with an error, and (ii) to retain in a client's account, any net gain resulting from an error.

Western Asset categorizes errors as follows:

1. Breaches of investment guidelines and/or investment restrictions resulting from any transaction whereby a transaction and/or portfolio is not consistent with:
   a. Client guidelines (includes prospectus for a fund). Client guidelines are limited to written guidelines or instructions, except as otherwise expressly required by a client's investment management agreement; or
   b. Regulatory requirements/restrictions (examples include, but are not limited to, legally improper or prohibited purchases/sales of securities; improper transactions with affiliates; legally improper or prohibited cash/currency transactions).

2. Operational Errors:
   a. Trading errors include, but are not limited to, execution of incorrect security transaction (other than as described above for breaches of guidelines, restrictions or regulations).
   b. Settlement errors.

Western Asset is responsible for interpreting and applying this Error Correction Policy and determining whether a breach or error has occurred. Western Asset makes its determination on a case-by-case basis, based on factors it determines are reasonable, including regulatory and contractual requirements and business practices. Western Asset is not required to notify a client as Western Asset investigates a potential breach or error and determines that no breach or error has occurred. Having carried out an assessment, Western Asset may conclude that a particular event is not an error and as such is not compensable to the client. For example, errors in third party systems used in connection with portfolio construction, including but not limited to research, forecasting, selection and optimization systems and errors that reflect subjective judgments (*e.g.*, an investment, including a hedging trade, that does not perform favorably or as expected but otherwise complies with applicable contractual requirements) would generally not be considered to be trade errors. The Policy also does not require Western Asset to compensate a client for net losses if no breach or error has occurred or if Western Asset is not responsible for a breach or error, although Western Asset may do so in its discretion. Western Asset makes its determinations on a case-by-case basis, in its discretion, and consistent with the applicable standards of care, contractual obligations and disclosure to investors.

If a breach or error occurs in a client portfolio, it is Western Asset's policy that the breach or error shall be corrected as soon after discovery as reasonably practical or the client shall be promptly contacted within a reasonable amount of time to obtain a waiver. If a waiver is declined, the breach will be promptly corrected. If the breach or error, after correction, results in a gain to the client, that gain is retained in the client portfolio. If Western Asset is responsible for a breach or error that, after correction, results in a net loss to a client, Western Asset will reimburse the account for the net loss. The calculation of the amount of any net loss will depend on the facts and circumstances of any breach or error and the exact methodology may vary. For example, in certain circumstances, a net loss may be calculated by reference to an index or an alternative security. When evaluating the potential adverse impact of a breach, relative analysis may be considered to compare the returns of an ineligible investment to other comparable eligible securities, benchmarks, indices or other indicators. In cases of breaches or errors involving a derivative instrument, the question of whether the account has suffered a loss will normally include an analysis of whether the account could have achieved similar investment exposure through other derivatives or the cash markets. If the underlying exposure was permitted, Western Asset will normally take the view that the portfolio did not suffer a loss. The basis of calculation of a net loss will be shared with the client for discussion.

The client will be asked which method of reimbursement it prefers. The client may choose to receive compensation by check, wire or may receive a reduction in fees. The process typically operates the same regardless of the amount involved. However, depending on the circumstances, the Firm may consider small amounts as *de minimis* and choose not to reimburse on the theory that the indirect cost of review to the client far outweighs the payment.

If Western Asset is aware of errors in client accounts that are not the responsibility of the firm, Western Asset will facilitate communications with the client and third-parties in order to facilitate resolution of the error**.**

Consistent with industry practice and convention, Western Asset will not provide notice, make claims or provide compensation for settlement issues (including overdrafts) with losses of less than $500, regardless of the party at fault, absent specific agreement with a client.

Class Action Suit Filings

Unless specifically agreed otherwise, Western Asset will not take action or render advice involving a legal action on behalf of a client with respect to securities or other investments held in the client's account, which become the subject of legal notices or proceedings, including securities class actions and bankruptcies.

Dual Employment by Affiliates

From time to time employees of Western Asset, including portfolio management employees, may also be employed by entities affiliated with Western Asset, for certain designated purposes and subject to certain conditions designed to ensure compliance with applicable regulatory requirements. In such cases, the affiliated entity shall be responsible for the supervision of the activities of any such appointed employee with respect to the services they provide on behalf of the affiliated entity.

Appendix A—Investment Strategies

Asia Local Currency Debt

The Western Asset Asia Local Currency Debt (USD) strategy aims to maximize total return and add value through interest-rate positioning (duration, curve and country), currency allocation and security selection, while approximating benchmark risk. The strategy invests primarily in a diversified portfolio of local-currency-denominated Asian sovereign and high-quality corporate bonds.

Asia USD Debt

The Western Asset Asia USD Debt strategy aims to maximize total return and add value through sector allocation, interest-rate positioning (duration, curve and country), and security selection, while approximating benchmark risk. The strategy invests primarily in a diversified portfolio of Asian sovereign, quasi-sovereign, banks and corporate issues.

Currency Alpha

The Western Asset Currency Alpha strategy includes portfolios that employ an active, team-managed investment approach utilizing both qualitative and quantitative analysis and proprietary modeling. The objective is to exceed a cash-equivalent benchmark by at least 500 basis points annually over the course of a market cycle.

Emerging Markets Corporate

The Western Asset Emerging Markets Corporate strategy aims to maximize total return and add value through interest-rate positioning (duration, curve and country), currency and subsector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of USD-denominated corporate and quasi-sovereign issuers in emerging market countries.

Emerging Markets Diversified

The Western Asset Emerging Markets Diversified strategy aims to maximize total return and add value through sector rotation, interest-rate positioning (duration, curve and country), currency allocation and security selection, while approximating benchmark risk. The strategy invests in and rotates among the three investable sectors of the emerging markets debt investable universe: USD- (or hard currency-) denominated sovereign/quasi-sovereign debt, USD- (or hard currency-) denominated corporate credit, and local currency-denominated sovereign debt. Portfolios in the Composite do not use leverage.

Euro Aggregate

The Western Asset Euro Aggregate strategy aims to maximize total return and add value through duration and curve positioning, sector, country and currency allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major fixed-income sectors with a bias toward euro-denominated securities. The strategy allows for opportunistic investments in high-yield and non-euro securities provided the currency exposure is primarily hedged to euros.

Global Aggregate

The Western Asset Global Aggregate strategy is an aggregate fixed-income strategy that aims to maximize total return and add value through duration and curve positioning, sector, country and currency allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major global fixed-income sectors and currencies. The strategy allows for opportunistic investments in high-yield securities.

Global Credit-Corporate (USD) Hedged

The Western Asset Global Credit-Corporate (USD Hedged) strategy employs an active, team-managed investment approach around a long-term, value-oriented investment philosophy. The strategy seeks to leverage Western Asset's best ideas and disciplined research program across all regions and subsectors of the global corporate bond markets to add value while approximating benchmark risk. The approach is to construct a portfolio that emphasizes investment-grade corporate bonds.

Global High Yield

The Western Asset Global High Yield (USD Hedged) strategy aims to maximize total return and add value through regional positioning, subsector rotation, ratings positioning and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of global high-income securities including US high-yield, European high-yield and emerging markets high-yield.

Global Inflation-Linked

The Western Asset Global Inflation-Linked strategy includes portfolios that employ team-managed investment approach around a long-term, value-oriented investment philosophy. These portfolios use diversified strategies in seeking to add value while minimizing risk. The approach is to construct a portfolio primarily of inflation-indexed debt securities issued by issuers represented in the benchmark and denominated in the benchmarks' currency. This strategy allows for opportunistic investments in nominal bonds.

Global Multi-Sector

The Western Asset Global Multi-Sector strategy is an unconstrained strategy that aims to maximize total return and add value through active sector rotation, country and currency allocation, duration and yield-curve positioning, and security selection, while managing overall portfolio risk. The strategy invests in a diversified portfolio using all global markets and currencies, primarily high-yield corporate securities, investment-grade corporates, mortgage- and asset-backed securities, emerging market securities and developed market government bonds.

Global Sovereign

The Western Asset Global Sovereign strategy aims to maximize total return and add value through duration and curve positioning, sector, country and currency allocation, and security selection, while approximating benchmark risk. The strategy invests in a globally diversified portfolio using all of investment-grade government bond markets and currencies.

Global Term Premium

The Western Asset Global Term Premium strategy includes portfolios that employ proprietary models and a rigorous quantitative investment discipline combined with the professional insights and experience of portfolio managers. This strategy does not intend to follow traditional index cap weight; instead portfolios aim to enhance yield after currency hedging cost by concentrating on markets exhibiting steeper curves. The excess return objectives are customizable based on investors risk tolerance. Investors can target excess return ranging from 1.5% annually over the course of a market cycle, with target tracking error of 200 to 300 basis points.

Japan Core Conservative

The Western Asset Japan Core Conservative strategy is a local currency strategy that aims to outperform the benchmark by seeking to add value through duration, curve positioning, sector allocation and security selection. The strategy invests in diversified portfolios of Japanese investment-grade fixed income securities denominated in Japanese yen, including samurai, corporate, sovereign, mortgage-backed, and asset-backed securities.

Japan Fixed Income

The Western Asset Japan Fixed Income strategy is a local currency strategy that aims to outperform the benchmark by seeking to add value through duration, curve positioning, sector allocation, and security selection. The strategy primarily invests in diversified portfolios of Japanese investment-grade fixed income sectors, including corporate, sovereign, mortgage-backed, asset-backed securities in Japanese yen. The strategy can opportunistically invest in non-Japan domiciled and/or non-JPY securities.

Macro Opportunities

The Western Asset Macro Opportunities strategy is a macro-oriented, global, unconstrained strategy providing concentrated and opportunistic exposures to Western Asset’s key themes. It aims to maximize total return and add value, while managing overall portfolio risk, through duration, yield-curve and volatility management as an offset to high-conviction long-term themes. These long-term themes consist of sector, country and currency rotation and security selection. The strategy invests in a diversified portfolio consisting of a core of liquid developed credit and currencies, combined with an actively managed global rates component constructed through liquid derivatives.

Multi-Asset Credit

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.

Short Duration High Income

The Western Asset Short Duration High Income strategy aims to maximize total return and add value through asset class allocation, subsector rotation, ratings positioning and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of high-income, short duration investments including high-yield bonds, leveraged loans, middle-market debt, emerging market credit and non-agency residential mortgage-backed securities. The strategy will be at a minimum in 80% below-investment-grade and a minimum of 80% in corporate debt. Duration will be maintained below three years.

Short Duration High Yield

The Western Asset Short Duration High Yield strategy aims to maximize total return and add value through subsector rotation, ratings positioning and security selection, while managing overall portfolio risk. The strategy invests in U.S. high-yield bonds with maturities of primarily one to five years.

Structured Product

The Western Asset Structured Product strategy provides a broad and opportunistic exposure to the structured product market. The strategy aims to maximize total return and add value through subsector rotation and security selection while managing overall portfolio risk. The strategy invests in a diversified portfolio using all structured product sectors, including non-agency residential mortgage-backed, commercial mortgage-backed and asset-backed securities.

Structured Product Levered

The Western Asset Structured Product Levered strategy provides a broad and opportunistic exposure to the structured product market with opportunistic use of leverage. The strategy aims to maximize total return and add value through subsector rotation and security selection, while managing overall portfolio risk. The strategy invests in a diversified portfolio across all sectors of the structured product market including residential and commercial mortgage-backed securities, asset-backed securities and whole loans. These portfolios can also use opportunistic leverage.

Total Return Unconstrained

The Western Asset Total Return Unconstrained strategy is a U.S.-centric and credit-focused unconstrained broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector, country and currency allocation, and security selection, while managing overall portfolio risk. The strategy invests in a diversified portfolio using all major fixed-income sectors with a bias toward non-Treasuries. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities.

UK Credit

The Western Asset UK Corporate Only Investment Grade Futures & Options strategy aims to maximize total return and add value through subsector rotation, ratings positioning and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily UK corporate bonds, with opportunistic allocations to non-UK exposures.

US Agency MBS

The Western Asset US Agency MBS strategy aims to maximize total return and add value through subsector rotation and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of exclusively agency mortgage-backed securities guaranteed by Ginnie Mae, Fannie Mae and Freddie Mac.

US Agency MBS Plus

The Western Asset US Agency MBS Plus strategy aims to maximize total return and add value through subsector rotation and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily agency residential mortgage-backed securities and commercial mortgage-backed securities guaranteed by Ginnie Mae, Fannie Mae and Freddie Mac. These portfolios may also invest a portion of their assets in non-agency residential mortgage-backed and commercial mortgage-backed securities, which seek to provide a yield pickup and low correlation to agency mortgage-backed securities.

US Bank Loan

The Western Asset US Bank Loan strategy aims to maximize total return and add value through subsector rotation, ratings positioning and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of bank loans and at times will take exposure to high-yield when relative value opportunities arise.

US Core

The Western Asset US Core strategy is a U.S. broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major investment-grade fixed-income sectors with a bias toward non-Treasuries, especially corporate, mortgage-backed and asset-backed securities. The portfolios will have the ability to use futures and options.

US Core Constrained

The Western Asset US Core Constrained strategy is a U.S. broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major investment-grade fixed-income sectors with a bias toward non-Treasuries, especially corporate, mortgage-backed and asset-backed securities.

US Core Plus

The Western Asset US Core Plus strategy is a U.S. broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector, country and currency allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using all major fixed-income sectors with a bias toward non-Treasuries. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities. The portfolios will have the ability to use futures and options.

US ESG Core Plus

The Western Asset US ESG Core Plus strategy aims to maximize total return via a long-term value-based, fixed-income portfolio that incorporates ESG (environmental, social and governance) principles to support sustainability objectives designed to identify value and enhance risk management. The US ESG Core Plus Strategy employs negative issuer screens and is diversified across a range of complementary bond sectors, which can help reduce portfolio volatility and enhance income potential. Its focus on ESG investing helps guide the portfolio managers in their selection of issuers and bond issues, favoring those that fulfill the UN's criteria to advance investing in a more sustainable world. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities. The portfolios will have the ability to use futures and options.

US Enhanced Liquidity

The Western Asset US Enhanced Liquidity strategy aims to maximize total return and add value through duration and yield-curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of money market securities and short duration assets, including primarily corporate notes, corporate paper, asset-backed securities, U.S. agency paper and bank obligations.

US High Yield

The Western Asset US High Yield strategy aims to maximize total return and add value through subsector rotation, ratings positioning and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of U.S. high-income securities.

US High Quality High Yield

The Western Asset US High Quality High Yield strategy aims to maximize risk adjusted total return. In addition to total return the strategy will look to minimize, on a relative basis, down capture, volatility and maximum drawdown. The strategy invests primarily in a diversified portfolio of U.S. high-income BB rated securities with the ability to take opportunistic exposure in both higher and lower rated issuance.

US Intermediate

The Western Asset US Intermediate strategy is a U.S. broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified intermediate-term portfolio using all major investment-grade and U.S. dollar-denominated fixed income sectors including corporate, mortgage-backed and asset-backed securities. The portfolios will have the ability to use futures and options.

US Intermediate Plus

The Western Asset US Intermediate Plus strategy is a U.S. broad market strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified intermediate-term portfolio using all major fixed-income sectors including corporate, mortgage-backed and asset-backed securities. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities. The portfolios will have the ability to use futures and options.

US Investment Grade Credit

The Western Asset US Investment Grade Credit strategy aims to maximize total return and add value primarily through subsector rotation, security selection and ratings positioning, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily U.S. investment-grade credit bonds.

US Investment Grade Credit Plus

The Western Asset US Investment Grade Credit Plus strategy aims to maximize total return and add value primarily through subsector rotation, security selection and ratings positioning, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily U.S. investment-grade corporate bonds. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities.

US Investment Grade Intermediate Credit Plus

The Western Asset US Investment Grade Intermediate Credit Plus strategy aims to maximize total return and add value primarily through subsector rotation, security selection and ratings positioning, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily U.S. intermediate investment-grade credit bonds. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities.

US Short Duration

The Western Asset US Short Duration strategy aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified, limited duration portfolio using all major fixed-income sectors with a bias toward higher-quality non-Treasuries, especially corporate, mortgage-backed and asset-backed securities. The portfolios may have the ability to use futures and options.

US Short Duration Constrained

The Western Asset US Short Duration Constrained strategy aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified, limited duration portfolio using all major fixed-income sectors with a bias toward higher-quality non-Treasuries, especially corporate, mortgage-backed and asset-backed securities.

US Long Credit

The Western Asset US Long Credit strategy aims to maximize total return and add value primarily through subsector rotation, security selection and ratings positioning, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily long-dated investment-grade credit bonds.

US Long Credit Plus

The Western Asset US Long Credit Plus strategy aims to maximize total return and add value primarily through subsector rotation, security selection and ratings positioning, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily long-dated credit bonds. The strategy allows for opportunistic investments in high-yield, emerging markets and non-dollar securities.

US Long Duration Plus

The Western Asset US Long Duration Plus strategy aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily long-dated government and investment-grade credit bonds. The strategy allows for opportunistic allocations to high-yield, structured securities, emerging markets and non-dollar securities. Derivatives may be used to enhance portfolio strategy and control risk.

US Liquidity

The Western Asset US Liquidity strategy is a highly liquid cash management strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of primarily commercial paper, asset-backed securities, U.S. Treasuries, U.S. agencies, bank obligations and repurchase agreements.

US Municipal Intermediate

The Western Asset US Municipal Intermediate bond strategy aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of U.S. municipal securities. The portfolios may have the ability to use futures and options.

US Municipal Long

The Western Asset US Municipal Long strategy includes portfolios that employ an active, team-managed strategy around a disciplined investment process backed by state-of-the-art analytics and risk sensitivity in the allocation and selection phase. The objective is to exceed the benchmark by 50 basis points annually over the course of a market cycle while seeking to obtain optimal after-tax return.

US Taxable Municipal

The Western Asset US Taxable Municipal strategy aims to maximize total return and add value through duration and curve positioning, sector allocation and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio of investment-grade U.S. taxable municipal bonds.

Appendix B—Investment Risks

Below is a brief summary of the material risks associated with the significant strategies and methods of analysis used by Western Asset. Investing in securities and other financial instruments involves a risk of loss that clients should be prepared to bear, including the loss of all or a substantial portion of a client's investments. All investment strategies carry some degree of investment, market, regulatory and political risk. The risks involved for different client accounts will vary based on each client's investment strategy and the type of securities or other investments held in the client's account. Clients should be aware that not all of the risks listed below will pertain to every account; certain risks may only apply to certain strategies. Not all risks are described below.

Management Risks

The investment results of any account are dependent upon Western Asset's management of the account. The investment strategies, techniques and risk analyses employed, while designed to enhance returns, may not produce the desired results. Assessment of market, interest rate or other trends could be incorrect and may not anticipate actual market movements or the impact of economic conditions generally. As a result, portfolio construction may be suboptimal and the account may lose money and/or underperform the account benchmark.

There can be no assurance that all of Western Asset's key personnel will continue to be associated with Western Asset for any length of time. The loss of their services could have an adverse impact on a strategy's ability to achieve its investment objective.

Western Asset may rely on quantitative models (both proprietary and those developed by third-parties) ("Models") and information and data ("Data") supplied by third-parties. When Models or Data used prove to be incorrect or incomplete, any investment decisions made in reliance on the Models and Data may not produce the desired results and an account may realize losses. For example, Western Asset may, in reliance on faulty Models or Data, buy certain investments at prices that are too high, sell certain investments at prices that are too low or miss favorable investment opportunities altogether. In addition, any hedging based on faulty Models or Data may prove to be unsuccessful. Some of the Models that may be used may be predictive in nature. Because these predictive Models are typically constructed based on historical data supplied by third-parties, the success of these Models is dependent largely on the accuracy and reliability of the supplied historical data. In addition, Models that are predictive in nature may, for example, incorrectly forecast future behavior, leading to potential losses on a cash flow and/or mark-to-market basis. Use of these Models in unforeseen or certain low-probability scenarios (often involving a market disruption of some kind) also may result in losses for the account.

Interest Rate Risks

The market value of an account's investments will change in response to changes in interest rates. During periods of declining interest rates, the values of fixed income securities generally rise. Conversely, during periods of rising interest rates, the values of such securities generally decline. The magnitude of these fluctuations is generally greater for securities with longer maturities. Notwithstanding the foregoing, because of the resetting of interest rates, adjustable rate securities are less likely than nonadjustable rate securities of comparable quality and maturity to increase significantly in value when market interest rates fall or to decrease significantly in value when interest rates rise (in each case, depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Additionally, short-term and long-term interest rates, and interest rates in different countries, do not necessarily move in the same direction or by the same amount. As a result of principal prepayment features, the values of asset-backed securities generally fall when interest rates rise, but their potential for capital appreciation in periods of falling interest rates is limited because of the prepayment feature. To the extent an account invests in interest only securities or fixed income securities paying no interest, such as zero coupon and principal only securities, the account will be exposed to additional interest rate risk. In addition, interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. Recently, there have been inflationary price movements, which have caused the fixed income securities markets to experience heightened levels of interest rate volatility and liquidity risk. It cannot be predicted when inflation will return to more normalized levels or how long financial authorities will counter inflationary pressures with monetary tightening. The U.S. Federal Reserve has raised interest rates from historically low levels and may continue to raise interest rates. In addition, changes in monetary policy may exacerbate the risks associated with changing interest rates. Any additional interest rate increases in the future could cause the value of an account's investments to decrease.

Credit Risks

An account is also subject to credit risk (*i.e.*, the risk that an issuer of securities will be unable to pay principal and/or interest when due, or that the value of a security will suffer because investors believe the issuer is less able to pay). Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, subordination, lack or inadequacy of collateral or credit enhancement for a debt instrument affects its credit risk.

In some cases, the credit risk may be broadly gauged by credit ratings. Changes by recognized rating services in their ratings of securities and changes in the ability of an issuer to make scheduled payments may also affect the value of these investments. However, ratings are only the opinions of the agencies issuing them and are not guarantees as to quality of the rated securities. Additionally, Western Asset often relies on its own independent analysis of the credit quality and risks associated with individual securities considered for an account, rather than relying on ratings agencies or third-party research. Therefore, Western Asset's capabilities in analyzing credit quality and associated risks will be particularly important, and there can be no assurance that it will be successful in this regard.

Government securities are subject to varying degrees of credit risk depending upon how the securities are supported. Not all government securities are backed by the full faith and credit of a national government. In addition, investments in emerging country sovereign or quasi-sovereign debt are subject to the risk that one may lack recourse against the issuer in the event of default. Investments in quasi-sovereign debt also are subject to the risk that the issuer will default independently of its sovereign.

Market Risks

Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of investments held in a client account. Such conditions may include general financial market conditions or changing market perceptions. Legal, political, regulatory, or tax changes, or changes in government intervention in the financial markets also may cause fluctuations in markets and securities prices. Even in the absence of a credit downgrade or default, the prices of fixed income securities held by an account may decline significantly due to reduction in market demand. Market demand for fixed income securities is amplified by liquidity risks. Changes in market conditions will not typically have the same impact on all types of investments.

Due to increasing interdependence among global economies and markets, social, political or economic conditions and events (including, but not limited to, armed conflicts, natural/environmental disasters, public health crises, social unrest, and government shutdowns and defaults) in one country, market, or region might adversely affect markets, issuers, and/or foreign exchange rates in other countries, including the U.S. The investments held by an account could be negatively affected by the economic conditions and events of a country, market, or region even if the account does not invest in such country, market, or region. Historically, instability in the financial markets has led governments across the globe to take actions designed to support those markets. There can be no guarantee that any economic stimulus bills (within the United States or other countries) or other government actions intended to support markets will have their intended effect. Moreover, governments or their agencies may acquire distressed assets from financial institutions, may acquire ownership interests in various institutions, or may impose conditions on issuers receiving financial assistance (including by restricting or limiting their ability to pay dividends), all of which may affect an account's investments in ways that are not foreseen. The commencement, continuation or withdrawal of supportive government policies, such as economic stimulus programs or supportive monetary policy, could significantly affect the financial markets and an account.

Political institutions may not be able to effectively respond to political and economic conditions and events, and these political institutions may erode over time. For example, one or more countries that have adopted the euro may abandon that currency and/or withdraw from the Economic and Monetary Union of the European Union. Any partial or complete dissolution of the Economic and Monetary Union of the European Union, or any increased uncertainty as to its status, could have significant adverse effects on currency and financial markets, and on the liquidity and values of an account's investments.

Securities and financial markets may be susceptible to market manipulation or other fraudulent trade practices, which could disrupt the orderly functioning of these markets or adversely affect the values of investments traded in these markets, including investments held by an account.

Loans, Loan Participations and Loan Assignments Risks

Bank loans may not be readily marketable and may be subject to restrictions on resale. There can be no assurance that future levels of supply and demand in loan trading will provide an adequate degree of liquidity and no assurance that the market will not experience periods of significant illiquidity in the future.

Investments in loans through direct assignment of a lender's interests may involve additional risks to an account. For example, if a secured loan is foreclosed, the account could become part owner of any collateral associated with that loan, and would bear the costs and liabilities and risks associated with owning and disposing of the collateral.

Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating in the interest, not with the borrower. An account must rely on the seller of the participation interest or its agent not only for the enforcement of its rights against the borrower, but also for the receipt and processing of principal, interest, or other payments due under the loan. This may subject an account to greater delays, expenses, and risks than if it could enforce its rights directly against the borrower. In addition, an account generally will have no rights of set-off against the borrower, and may not directly benefit from the collateral supporting the debt obligation in which it has purchased the participation. In addition, under the terms of a participation agreement, an account may be treated as a creditor of the seller of the participation interest (rather than of the borrower), thus exposing an account to the credit risk of the seller in addition to the credit risk of the borrower. Additional risks include inadequate perfection of a loan's security interest, the possible invalidation or compromise of an investment transaction as a fraudulent conveyance or preference under relevant creditors' rights laws, the validity and seniority of bank claims and guarantees, environmental liabilities that may arise with respect to collateral securing the obligations, and adverse consequences resulting from participating in such instruments through other institutions with lower credit quality.

Participation interests may also be adversely affected by lender liability brought against the lender by the borrower or by equitable subordination claims brought against the lender by other creditors of the borrower.

Western Asset may, with respect to its management of investments in certain loans for an account, seek to remain flexible to purchase and sell other securities in the borrower's capital structure, by remaining "public." In such cases, it will seek to avoid receiving material, non-public information about the borrowers to which an account may lend (through assignments, participations or otherwise) which may place an account at an information disadvantage relative to other lenders. If Western Asset's personnel do come into possession of material, non-public information about the issuers of loans that may be held by an account or other accounts managed by it, its ability to trade in other securities of the issuers of these loans will be limited pursuant to applicable securities laws.

The SEC has also proposed regulations that could have an adverse impact on fund structures that are focused on bank loans or have a greater than 15% permissive limit to invest in bank loans.

Asset-Backed (Including Mortgage-Backed) Securities Risks

Payment of interest and repayment of principal on asset-backed securities largely depends on the cash flows generated by the underlying assets backing the securities. The amount of market risk associated with investments in asset-backed securities depends on many factors, including the deal structure (*i.e.*, determinations as to the required amount of underlying assets or other support needed to produce the cash flows necessary to service interest and principal payments), the quality of the underlying assets, the level of credit support, if any, provided for the securities, and the credit quality of the credit-support provider, if any. Asset-backed securities involve risk of loss of principal if obligors of the underlying obligations default and the defaulted amounts exceed the securities' credit support. During periods of deteriorating economic conditions, including but not limited to recessions or rising unemployment, delinquencies and losses generally increase, sometimes dramatically, with respect to securitizations involving loans, sales contracts, receivables and other obligations underlying asset-backed securities.

In addition, principal repayment could be materially slowed depending on the cash flows generated by the underlying assets and/or principal losses may materially reduce payments received by an investor. The obligations underlying asset-backed securities, in particular securities backed by pools of residential and commercial mortgages, also are subject to unscheduled prepayment. Consequently, early payment associated with mortgage-backed securities may cause these securities to experience significantly greater price and yield volatility than traditional fixed income securities. During periods of falling interest rates, the rate of mortgage loan prepayments usually increases, which tends to decrease the life of mortgage-backed securities. During periods of rising interest rates, the rate of mortgage loan prepayments usually decreases, which tends to increase the life of mortgage-backed securities.

The value of asset-backed securities also may be affected by other factors, such as the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool and its ability to service the underlying collateral, the originator of the underlying assets, or the entities providing the credit enhancement. Additionally, the value of asset-backed securities is subject to risks associated with the servicers' performance. In addition, the insolvency of entities that generate receivables or that utilize the underlying assets may result in a decline in the value of the underlying assets as well as costs and delays.

An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool's ability to make payments of principal or interest to an account as a holder of subordinated securities, reducing the values of those securities or in some cases rendering them worthless; the risk of such defaults is generally higher in the case of mortgage pools that include so-called 'subprime' mortgages. An unexpectedly high or low rate of prepayments on a pool's underlying mortgages may have a similar effect on subordinated securities. In addition, certain types of asset-backed securities may experience losses on the underlying assets as a result of certain rights provided to consumer debtors under federal and state law.

Mortgage loan originators and servicers have experienced serious financial difficulties and, in some cases, bankruptcy. Such financial difficulties may have a negative effect on the ability of the servicer to pursue collection on mortgage loans that are experiencing increased delinquencies and defaults and to maximize recoveries on the sale of underlying mortgage loans. The inability of the originator to repurchase mortgage loans in the event of early payment defaults and loan representation breaches may also affect the performance of mortgage-backed securities. These difficulties may adversely affect the performance and market value of mortgage-backed securities.

Collateralized Debt Obligations Risks

Investing in collateralized debt obligations ("CDOs") may entail a variety of unique risks. Among other risks, CDOs may be subject to prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates).

Additional risks include, without limitation: (i) the possibility that distributions from collateral securities will be insufficient or losses to be borne are so great, that interest or other payments will be reduced or nonexistent; (ii) the possibility that the quality of the collateral may decline in value or default, due to factors such as the performance of the issuer thereof, the availability of any credit enhancement, the level and timing of payments and recoveries on, and the characteristics of, the underlying receivables, loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer of the securitized assets; (iii) market and liquidity risks affecting the price of a structured finance investment, if required to be sold, at the time of sale; and (iv) if the particular structured product in which an account is invested is invested in a security in which such account is also invested, this would tend to increase such account's overall exposure to the credit of the issuer of such securities.

In many securitizations and CDOs and collateralized loan obligations transactions, there are asset and counterparty performance requirements that must be met to ensure income is paid to all investors, rather than being retained in a lock-up or cash reserve as additional credit or liquidity support for senior investors. If an account takes subordinated positions in such transactions, it could result in an elimination, deferral or reduction of the income received by the account.

The underlying collateral in a loan portfolio or securitization is not necessarily individually assessed prior to purchase. Losses may occur not only because of default, but also because of an adverse change in interest rates, poor servicing by an account manager, prepayment occurring outside historical averages, adverse credit spread moves, basis risk movements and lower than assumed collateral recovery rates, among other factors. Such losses within the collateral may adversely impact the loan portfolio or securitization assets in which an account may invest.

Environmental, Social and Governance ("ESG") Investing Risk

An account's ESG investment approach could cause the account to perform differently compared to accounts that do not have such an approach or compared to the market as a whole. An account's application of ESG-related considerations may affect the account's exposure to certain issuers, industries, sectors or other characteristics and may impact the relative performance of the account – positively or negatively – depending on the relative performance of such investments. Views on what constitutes "ESG investing," and therefore what investments are appropriate for an account that has an ESG investment approach, may differ among investment advisers and investors. In certain circumstances, there may be times when not every investment is assessed for ESG factors and, when they are, not every ESG factor may be identified or evaluated. Western Asset's assessment of an issuer's ESG factors is subjective and will likely differ from that of investors, third-party service providers (*e.g.*, ratings providers) and other funds. As a result, investments selected by Western Asset may not reflect the beliefs and values of any particular investor and there is no guarantee that Western Asset's efforts to select investments based on ESG practices will be successful. Further, Western Asset is dependent on the timeliness, completeness and accuracy of ESG data reported by issuers and /or third-party research providers which is out of their control.

Perpetual Bond Risks

Perpetual bonds offer a fixed return with no maturity date. Because they never mature, perpetual bonds can be more volatile than other types of bonds that have a maturity date and may have heightened sensitivity to changes in interest rates. If market interest rates rise significantly, the interest rate paid by a perpetual bond may be much lower that the prevailing interest rate. Perpetual bonds are also subject to credit risk with respect to the issuer. In addition, because perpetual bonds may be callable after a set period of time, there is the risk that the issuer may recall the bond.

Lower-Rated Securities Risks

Lower-rated securities reflect a greater possibility that adverse changes in the financial condition of the issuer or in general economic conditions (including, for example, a substantial period of declining earnings), or both, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. Such lower-rated securities also may be in default. Many issuers of lower-rated securities are highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations. In addition, many issuers may be (i) in poor financial condition, (ii) experiencing poor operating results, (iii) having substantial capital needs or negative net worth or (iv) facing special competitive or product obsolescence problems, and may include companies involved in bankruptcy or other reorganizations or liquidation proceedings. In the event of an issuer's bankruptcy, claims of other creditors may have priority over the claims of lower-rated securities holders, leaving few or no assets available to repay lower-rated securities holders. An account may incur expenses to the extent necessary to see recovery upon default or to negotiate new terms with a defaulting issuer. Lower-rated securities frequently have redemption features that permit an issuer to repurchase the security from the holder before it matures. If the issuer redeems lower-rated securities, an account may have to invest the proceeds in securities with lower yields and may lose income. Certain lower-rated securities may not be publicly traded, and therefore it may be difficult to obtain information as to the true condition of the issuers. Overall declines in the below investment-grade bond and other markets may adversely affect such issuers by inhibiting their ability to refinance their debt at maturity. The inability (or perceived inability) of issuers to make timely payments of interest and principal would likely make the values of securities held by an account more volatile and could limit its ability to sell its securities at prices approximating the values placed on such securities. Lower-rated securities are generally less liquid than higher-rated securities.

When an account invests in securities in the lower rating categories, the achievement of the account's goals is more dependent on Western Asset's security selection ability than would be the case if it were investing in securities in the higher rating categories.

Bank Capital Securities Risks

Bank capital securities are issued by banks to help fulfill their regulatory capital requirements. There are three common types of bank capital: Lower Tier II, Upper Tier II and Tier I. Bank capital is generally, but not always, of investment grade quality. Upper Tier II securities are commonly thought of as hybrids of debt and preferred stock. Upper Tier II securities are often perpetual (with no maturity date), callable and have a cumulative interest deferral feature. This means that under certain conditions, the issuer bank can withhold payment of interest until a later date. However, such deferred interest payments generally earn interest. Tier I securities often take the form of trust preferred securities.

The activities of U.S. banks and most foreign banks are subject to comprehensive regulations. The enactment of new legislation or regulations, as well as changes in interpretation and enforcement of current laws, may affect the manner of operations and profitability of U.S. and foreign banks. Significant developments in the U.S. banking industry have included increased competition from other types of financial institutions, increased acquisition activity and geographic expansion. Banks may be particularly susceptible to certain economic factors, such as interest rate changes and adverse developments in the market for real estate. Fiscal and monetary policy and general economic cycles can affect the availability and cost of funds, loan demand and asset quality and thereby impact the earnings and financial conditions of banks.

Obligations of non-U.S. banks involve certain risks associated with investing in non-U.S. securities described under "Investment in Non-U.S. Securities Risks" below, including the possibilities that their liquidity could be impaired because of future political and economic developments, that their obligations may be less marketable than comparable obligations of United States banks, that a non-U.S. jurisdiction might impose taxes, including withholding taxes on interest income payable on those obligations, that non-U.S. deposits may be seized or nationalized, that non-U.S. governmental restrictions such as exchange controls may be adopted and in turn might adversely affect the payment of principal and interest on those obligations and that the selection of those obligations may be more difficult because there may be less publicly available information concerning non-U.S. banks. The accounting, auditing and financial reporting standards, practices and requirements applicable to non-U.S. banks may differ from those applicable to United States banks. Non-U.S. banks are not generally subject to examination by any U.S. Government agency or instrumentality.

Valuation Risks

The sales price an account could receive for any particular portfolio investment may differ from the account's valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued using a fair value methodology. The process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and involves subjective judgement, and the resulting values may differ from the values that would have been determined had a ready market existed for such securities and from values placed on such securities by other investors or may prove to be incorrect. In addition, third-party pricing information may at times not be available regarding certain securities or, if available, may not be considered reliable. Even if considered reliable, such information may not reflect the price that would be obtained in an actual market transaction. Disruptions in the credit markets have from time to time resulted in a severe lack of liquidity for many securities, making them more difficult to value and, in many cases, putting significant downward pressure on prices.

Inflation Linked Securities Risks

The value of inflation-linked securities generally fluctuates in response to changes in real interest rates, which are in turn tied to the relationship between nominal interest rates and the rate of inflation. If real interest rates rise (*i.e.,* if interest rates rise for reasons other than inflation (for example, due to changes in currency exchange rates)), the value of the inflation-linked securities in an account's portfolio will decline. Moreover, because the principal amount of inflation linked securities would be adjusted downward during a period of deflation, an account will be subject to deflation risk with respect to its investments in these securities.

The periodic adjustment of U.S. inflation linked securities is currently tied to the Consumer Price Index for Urban Consumers ("CPI-U"), which is calculated monthly by the U.S. Bureau of Labor Statistics. The CPI-U is a measurement of changes in the cost of living, made up of components such as housing, food, transportation, and energy. Inflation linked securities issued by a non-U.S. government are generally adjusted to reflect changes in a comparable inflation index calculated by that government.

There can be no assurance that the CPI-U or any other inflation index will accurately measure the real rate of inflation in the prices of goods and services.

Inflation/Deflation Risks

Inflation risk is the risk that the value of assets or income from an account's investments will be worth less in the future as inflation decreases the value of money. The market prices of debt securities generally fall as inflation increases because the purchasing power of the principal and income is expected to be worth less when repaid. Inflation rates may change frequently and drastically as a result of various factors and an account's investments may not keep pace with inflation, which may result in losses to such accounts or adversely affect the real value of a client's investments. Deflation risk is the risk that prices throughout the economy will decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of an account.

U.S. Government Securities Risks

Certain U.S. government securities are supported by the full faith and credit of the United States; others are supported by the right of the issuer to borrow from the U.S. Treasury; others are supported by the discretionary authority of the U.S. government to purchase the agency's obligations; and still others are supported only by the credit of the issuing agency, instrumentality or enterprise. U.S. government securities not supported by the full faith and credit of the U.S. government involve credit risk greater than investments in other types of U.S. government securities. In addition, the value and liquidity of U.S. government securities may be affected adversely by changes in the ratings of those securities. Securities issued by the U.S. Treasury historically have been considered to present minimal credit risk. The downgrade in the long-term U.S. credit rating by at least one major rating agency has introduced greater uncertainty about the ability of the U.S. to repay its obligations. A further credit rating downgrade or a U.S. credit default could decrease the value and increase the volatility of an account's investments.

Derivative Instruments Risks

A derivative is a financial contract the value of which depends upon, or is derived from, the value of underlying assets, reference rates or indices. Derivatives may relate to securities, interest rates, currencies or currency exchange rates, inflation rates, commodities and other indices or assets, and include futures contracts and related options, foreign currency contracts, swap contracts, options, forward contracts, repurchase or reverse repurchase agreements or other cleared or over-the-counter contracts. All derivative instruments involve risks different from, and potentially greater than, the risks associated with investing directly in securities and other more traditional assets, including:

- Management Risks. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative adds to a portfolio. There can be no guarantees that Western Asset's use of derivatives will produce the desired effect.

- Counterparty Risks. This is the risk that a loss may be sustained as a result of the failure of the other party to a derivative (usually referred to as a "counterparty") to comply with the terms of the derivative contract, or as a result of the counterparty's insolvency or unwillingness to honor its obligations.

- Documentation Risks. Many derivative instruments also have documentation risk. Because the contract for each over-the-counter derivative transaction is individually negotiated with a specific counterparty, there exists the risk that the parties may interpret contractual terms (*e.g.*, the definition of default) differently and thus may need to compromise their claims or seek a third-party determination, which could result in significant delay and/or expense in recovering amounts owed under the contract, or in the counterparty's interpretation prevailing over the account's.

- Liquidity Risks. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many over-the-counter derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous or anticipated time or price. Less liquid derivatives may also fall more in price than other securities during market falls. During these periods of market disruptions, an account may have a greater need for cash to provide collateral for large swings in the mark-to-market obligations arising under the derivatives used by it, and as a result may be forced to sell securities or other assets to raise cash at a disadvantageous time or price.

- Leverage Risks. Because many derivatives have a leverage component (*i.e.*, a notional value in excess of the assets needed to establish and/or maintain the derivative position), adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

- Other Risks. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives. Derivatives also involve the risk that changes in their value may not correlate perfectly with the assets, rates or indices they are designed to track. The risk may be more pronounced when outstanding notional amounts in the market exceed the amounts of the referenced assets. Derivatives are also subject to currency and other risks. Suitable derivatives are not available in all circumstances. Counterparties to derivatives contracts may have the right to terminate such contracts if an account's net asset value declines below a certain level over a specified period of time. The exercise of such a right by the counterparty could have a material adverse effect on the account. Use of derivatives may also have different tax consequences for an account than a direct investment in the underlying asset.

- Options Risks. The value of options entered into by an account will be affected by many factors, including changes in the value of underlying asset or indices, changes in the dividend rates of underlying asset (or in the case of indices, the securities comprising such indices), changes in interest rates, changes in the actual or perceived volatility of financial markets and underlying asset, and the remaining time to an option's expiration. The value of an option also may be adversely affected if the market for the option is reduced or becomes less liquid. If an account writes a call option and does not hold the underlying asset or instrument, the amount of loss is theoretically unlimited. There can be no assurance that a liquid market will exist when an account seeks to close out an option position. If an account were unable to close out an option that it had purchased on a security, currency or other reference instrument, it would have to exercise the option in order to realize any profit or the option may expire worthless. Governments, trading venues and clearing brokers may limit the number of derivatives contracts that a person may own or control. Such limits may restrict Western Asset's ability to invest in certain derivatives contracts, which may impede the strategy's ability to achieve its investment objective.

The U.S. government has enacted legislation that provides for new regulation of the derivatives market, including clearing, margin, reporting, and registration requirements. The European Union, the United Kingdom and some other countries are implementing similar requirements, which will affect market participants when they enter into derivatives transactions with a counterparty organized in that country or otherwise subject to that country's derivatives regulations. These rules and regulations could, among other things, restrict an account's ability to engage in, or increase the cost of, derivatives transactions, for example, by making some types of derivatives no longer available, increasing margin or capital requirements, or otherwise limiting liquidity or increasing transaction costs. While the new rules and regulations and central clearing of some derivatives transactions are designed to reduce systemic risk (*i.e.*, the risk that the interdependence of large derivatives dealers could cause them to suffer liquidity, solvency or other challenges simultaneously), there is no assurance that they will achieve that result, and in the meantime, as noted above, central clearing and related requirements create exposure to new kinds of costs and risks.

For example, in the event of a counterparty's (or its affiliate's) insolvency, the ability of an account to exercise remedies, such as the termination of transactions, netting of obligations and realization on collateral, could be stayed or eliminated under new special resolution regimes adopted in the U.S., the European Union, the United Kingdom and various other jurisdictions. Such regimes provide government authorities with broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, with respect to counterparties who are subject to such proceedings in the European Union or the United Kingdom, the liabilities of such counterparties could be reduced, eliminated, or converted to equity in such counterparties (sometimes referred to as a "bail in").

Additionally, U.S. regulators, the European Union, the United Kingdom and certain other jurisdictions have adopted minimum margin and capital requirements for uncleared derivatives transactions. These rules impose minimum margin requirements on derivatives transactions and may increase the amount of margin required. They impose regulatory requirements on the timing of transferring margin and the types of collateral that parties are permitted to exchange.

These and other regulations are relatively new and evolving, so their potential impact on market participants and the financial system are not yet known.

Counterparty Risks

An account is exposed to counterparty risk to the extent it uses over-the-counter derivatives, enters into repurchase agreements, lends its portfolio securities, or allows an over-the-counter derivative counterparty to retain possession of collateral. If a counterparty fails to meet its contractual obligations, goes bankrupt, or otherwise experiences a business interruption, an account could be unable to recover amounts owed to it by the counterparty, miss investment opportunities or otherwise hold investments it would prefer to sell, resulting in losses.

There can be no assurance that a counterparty will be able or willing to make timely settlement payments or otherwise meet its obligations, especially during adverse market conditions. An account may invest in derivatives and/or execute a significant portion of its securities transactions through a limited number of counterparties and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the account. Under applicable law or contractual provisions, including if an account enters into an investment or transaction with a financial institution and such financial institution (or an affiliate of the financial institution) experiences financial difficulties, an account may in certain situations be prevented or delayed from exercising its rights to terminate the investment or transaction, or realizing on any collateral, or such law or contractual provision may result in the suspension of payment and delivery obligations of the parties under such investment or transactions or in another institution being substituted for that financial institution without the consent of an account. Further, an account may be subject to "bail-in" risk under applicable law whereby, if required by the financial institution's authority, the financial institution's liabilities could be written down, eliminated or converted into equity or an alternative instrument of ownership. A bail-in of a financial institution may result in a reduction in value of some or all of its securities and, if an account holds such securities or has entered into a transaction with such a financial institution when a bail-in occurs, such account may also be similarly impacted.

Transactions entered into by Western Asset may be executed on various U.S. and non-U.S. exchanges, and may be cleared and settled through various clearinghouses, custodians, depositories and prime brokers throughout the world. When an account enters into an exchange-traded or cleared derivative transaction, the account is subject to the credit and counterparty risk of the clearinghouse and the clearing member through which it holds its cleared position. Counterparty risk of market participants with respect to centrally cleared derivatives is concentrated in a few clearinghouses, and it is not clear how an insolvency proceeding of a clearinghouse would be conducted and what impact an insolvency of a clearinghouse would have on the financial system. Although Western Asset attempts to execute, clear and settle the transactions through entities Western Asset believes to be sound, there can be no assurance that a failure by any such entity will not lead to a loss to an account.

Prepayment or Call Risks

Many fixed income securities give the issuer the option to repay or call the security prior to its maturity date. Issuers often exercise this right when interest rates fall. Accordingly, if an account holds a fixed income security subject to prepayment or call risk, it may not benefit fully from the increase in value that other fixed income securities generally experience when interest rates fall. Upon prepayment of the security, the account would also be forced to reinvest the proceeds at then current yields, which would be lower than the yield of the security that was paid off. In addition, if an account purchases a fixed income security at a premium (at a price that exceeds its stated par or principal value), the account may lose the amount of the premium paid in the event of prepayment. Prepayment further tends to reduce the yield to maturity and the average life of the security. The effect on an account's return is similar to that discussed above for "Asset-Backed (including Mortgage-Backed) Securities Risks."

Extension Risks

When interest rates rise, repayments of fixed income securities, particularly asset-backed and mortgage-backed securities, may occur more slowly than anticipated, extending the effective duration of these fixed income securities at below market interest rates and causing their market prices to decline. This may cause the values of securities held by an account to be more volatile. The effect on an account's return is similar to that discussed above for "Asset-Backed (Including Mortgage-Backed) Securities Risks."

Hedging Risks

Certain investment strategies may involve hedging certain risks, such as market risk and interest rate risk, through the use of various derivative instruments. However, it is generally not possible to eliminate all risk of adverse market movement. Suitable hedging transactions may not be available in all circumstances, and there can be no assurance that the account will engage in these transactions to reduce exposure to risks when that would be beneficial or that the hedging strategy, if used, will be successful.

Investment in Non-U.S. Securities Risks

Investment in securities of non-U.S. issuers presents certain special risks, including those resulting from future political, legal, and economic developments, which could include unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), economic sanctions, trade embargoes, expropriation, nationalization, or confiscatory taxation of assets, adverse changes in investment capital or exchange control regulations (which include suspension of the ability to transfer currency from a country), political or financial instability, geopolitical tensions, wars, diplomatic developments, difficulty in obtaining and enforcing judgments against non-U.S. entities, the possible imposition of the applicable country's governmental laws or restrictions, and the reduced availability of public information concerning issuers. In the event of a nationalization, expropriation or other confiscation of assets, which could be triggered by economic sanctions, trade embargoes or other reasons, an account could lose its entire investment in a security. Legal remedies available to investors in certain jurisdictions may be more limited than those available to investors in the United States. Issuers of non-U.S. securities may not be subject to the same degree of regulation as U.S. issuers. Furthermore, non-U.S. issuers are not generally subject to uniform accounting, auditing, disclosure, custody and financial reporting standards or other regulatory practices and requirements comparable to those applicable to U.S. issuers. There is generally less government supervision and regulation of non-U.S. exchanges, brokers and issuers than there is in the United States, and there is greater difficulty in taking appropriate legal action in non-U.S. courts. The Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is usually unable to inspect audit work papers in certain foreign countries. There are special tax considerations that apply to securities of non-U.S. issuers and securities principally traded overseas.

The costs associated with investment in debt securities of non-U.S. issuers, including withholding taxes, transfer taxes, brokerage commissions and custodial fees, may be higher than those associated with investment in debt securities of U.S. issuers. Securities of many non-U.S. issuers may be less liquid and their prices more volatile than those of comparable U.S. issuers. In addition, non-U.S. securities transactions may be subject to difficulties associated with the settlement of such transactions. Non-U.S. markets have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures. Delays in settlement could result in temporary periods when assets of an account are uninvested and no return is earned thereon. The inability of an account to make intended security purchases due to settlement problems could cause it to miss attractive investment opportunities. Settlement failures could also adversely affect an account's performance. The inability to dispose of a security due to settlement problems could result in losses to an account due to subsequent declines in value of the security.

Investment in Emerging Market Issuers Risks

An account may from time to time invest in emerging market issuers. The risks described above, including the risks of nationalization or expropriation of assets, are typically increased to the extent that an account invests in emerging market issuers. Investments in emerging market issuers are speculative and subject to greater risks.

The securities, derivatives and currency markets of emerging market countries are generally smaller, less developed, less liquid and more volatile than the securities, derivatives and currency markets of the United States and other developed markets. There also may be a lower level of monitoring and regulation of securities markets in emerging market countries, and the activities of investors in such markets and enforcement of existing regulations may be extremely limited. Emerging markets are more likely to experience problems with the clearing and settling of trades and the holding of securities by banks, agents and depositories, in part because an account will need to use brokers, banks, agents and depositories that are less well capitalized, and custody and registration of assets in some countries may be unreliable compared to more developed countries. Emerging markets may have less stringent investor protection and disclosure standards, less reliable settlement practices, greater government involvement in the economy, and greater risk of new or inconsistent government treatment of or restrictions on issuers and instruments than developed countries. Financial and other disclosures by emerging market issuers may be considerably less reliable than disclosures made by issuers in developed markets. The currencies of certain emerging market countries have experienced a steady devaluation relative to the U.S. dollar, and continued devaluations may adversely affect the value of the assets of any portfolio denominated in such currencies. Many emerging market countries have experienced substantial, and in some periods extremely high, rates of inflation for many years, and continued inflation may adversely affect the economies and securities markets of such countries. Foreign securities may be subject to increased credit/counterparty risk because of the potential difficulties of requiring foreign entities to honor their contractual commitments.

Underlying Currency Risks

Currency risk is the risk that fluctuations in exchange rates may negatively affect the value of an account's investments.

Currency risk includes the risk that currencies in which an account's investments are traded, in which the account receives income and/or in which the account has taken on an active investment position will decline in value relative to its base currency.

In the case of hedging positions, currency risk includes the risk that the currency to which an account has obtained exposure declines in value relative to the currency being hedged.

Currency exchange rates may fluctuate significantly over short periods of time for a number of reasons, including changes in supply and demand in the currency exchange markets, actual or perceived changes in interest rates, intervention (or the failure to intervene) by U.S. and non-U.S. governments or central banks or supra-national agencies such as the International Monetary Fund ("IMF"), and currency controls or other political and economic developments.

Officials in non-U.S. jurisdictions may from time to time take actions in respect of their currencies that could significantly affect the value of an account's assets denominated in those currencies or the liquidity of such investments. The currency markets of emerging market countries are generally more volatile than the currency markets of the United States and other developed countries (and at times may be extremely volatile).

In addition, certain emerging market currencies are traded using only non-deliverable forwards, which are settled in cash based on the price of such currencies, and there is a risk that the price used to calculate the amount payable in connection with the settlement of such a contract will not reflect the value of the underlying currency. Certain emerging market currencies are illiquid, and in certain cases, an account may not be able to convert certain currencies into U.S. dollars, in which case Western Asset may decide to purchase dollars in a parallel market where the exchange rate could be materially and adversely different. The exchange rates for emerging market currencies may be particularly affected by exchange control regulations.

Sovereign Debt Risks

A governmental entity's willingness or ability to repay principal and interest when due may be affected by, among other factors, its cash flow situation, the extent of its reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy toward the IMF, the political constraints to which a governmental entity may be subject, and changes in governments and political systems. At certain times, certain countries (particularly emerging market countries) have declared moratoria on the payment of principal and interest on external debt. Such countries have experienced difficulty serving their sovereign debt on a timely basis, resulting in defaults and restructurings of their debt.

Governmental entities may also depend on expected disbursements from other governments, multilateral agencies and others to reduce principal and interest arrearages on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations.

Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third-parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debts in a timely manner. Consequently, governmental entities may default on their sovereign debt. Holders of sovereign debt may be asked to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which sovereign debt on which governmental entities have defaulted may be collected in whole or in part. Sovereign debt risks are greater for emerging market issuers.

Investments in Other Commingled Investment Vehicles Risks

An account may invest in commingled investment vehicles, including commingled investment vehicles sponsored, advised or sub-advised by Western Asset, its affiliates or an unaffiliated manager. Such investment vehicles may have limited liquidity and any investment by an account in such vehicles will have the risks inherent in the instruments in which such vehicles invest. Any investment by an account in such a vehicle is subject to the risk that it could be adversely affected by the actions of other investors in the commingled vehicle, including, for example, purchases or redemptions of interests in large amounts and/or on a frequent basis. In the event of such redemption or purchase, the commingled vehicle could be required to sell its holdings or invest cash at a time when it is not advantageous to do so. It is possible that such investment vehicles may make distributions or redemptions in kind rather than in cash. An account may bear certain fees and expenses of a commingled investment vehicle, in addition to any fees or expenses incurred directly by the account. Western Asset is subject to potential conflicts of interest when determining whether to invest an account's assets in a fund managed by Western Asset (for which it may receive management fees) or in a fund managed by an unaffiliated manager (for which Western Asset does not receive management fees). Similarly, Western Asset is subject to potential conflicts of interest when determining whether to sell interests held by an account in a fund sponsored or managed by the Western Asset or its related parties. Western Asset may have other incentives to select an affiliated fund over another fund.

Convertible Securities Risks

Convertible securities are typically issued by smaller capitalized companies whose stock prices may be volatile. The price of a convertible security often reflects variations in the price of the underlying common stock in a way that non-convertible debt does not. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by an account is called for redemption, the portfolio will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these actions could have an adverse effect on an account.

Contingent convertible or contingent capital securities are a type of hybrid security that are intended to either convert into equity securities or have their principal written down or written off upon the occurrence of certain trigger events. An automatic write down, write off, or conversion event will typically be triggered by a reduction in the issuer's capital level or an action by the issuer's regulator, but may also be triggered by other factors. Due to the contingent write down, write off, or conversion feature, contingent convertible securities may have a greater risk of principal loss than other securities in times of financial stress. If the trigger level is breached, the value of the contingent convertible securities may decrease to zero with no opportunity for an increase in value even if the issuer continues to operate.

Equity and Preferred Securities Risks

Equity securities are generally more volatile and riskier than some other forms of investment. Equity securities of issuers with relatively small market capitalizations may be more volatile than the securities of larger, more established companies than the broad equity market indices.

Certain preferred stocks contain provisions that allow an issuer under certain conditions to skip or defer distributions. Preferred stocks often are subject to legal provisions that allow for redemption in the event of certain tax or legal changes or at the issuer's call. In the event of redemption, an account may not be able to reinvest the proceeds at comparable rates of return. Preferred stocks are subordinated to bonds and other debt securities in an issuer's capital structure in terms of priority for corporate income and liquidation payments, and therefore will be subject to greater credit risk than those debt securities. Preferred stocks may trade less frequently and in a more limited volume and may be subject to more abrupt or erratic price movements than many other securities, such as common stocks, corporate debt securities and U.S. government securities. The market prices of preferred shares are subject to changes in interest rates and are more sensitive to changes in the issuer's creditworthiness than are the prices of debt securities.

Liquidity Risks

An account may invest in assets and derivatives that it may not be able to readily sell or dispose of, including securities whose disposition is restricted by securities laws. The effect of liquidity risk is particularly pronounced when low trading volume, lack of a market maker, the size of the position being sold, or legal restrictions (including daily price fluctuation limits or "circuit breakers") limit or prevent an account's ability to initiate a transaction, sell assets or close derivative positions at desirable prices. An account is also exposed to liquidity risk when it has an obligation to purchase particular securities (for example, as a result of entering into reverse repurchase agreements, writing a put, or closing out a short position.) The illiquidity of an account's portfolio may increase when liquidity is most needed, such as during periods of market turmoil or high redemptions.

Limitations on liquidity of an account's investments could prevent a successful sale thereof, result in delay of any sale (for example, several weeks or longer), or reduce the amount of proceeds that might otherwise be realized. In addition, an account's holdings in securities for which the relevant market is or becomes less liquid are more susceptible to loss of value. Less liquid securities also may fall more in price than other securities during periods when markets decline generally. Also, because illiquid securities may be volatile and difficult to value, the values realized on their sale may differ from the values at which they are carried by an account. Finally, an account may be unable to achieve its desired level of exposure to a certain sector when there is illiquidity in the market for certain instruments.

These risks have increased in recent years due to general declines in liquidity in fixed income markets. As a result of both the experience of dealers and other counterparties during the 2007-2010 credit issues and the resulting changes in regulatory and capital burdens on these entities, especially banks, market liquidity in fixed income has generally declined. Dealers and other market intermediaries are less likely to be prepared to hold bonds in inventory and take balance sheet risks, resulting in a significant reduction in market making activity. In addition, many dealers have exited one or more sectors of the fixed income markets.

Turnover/Frequent Trading Risks

The rate at which securities are purchased and sold in an account is known as "portfolio turnover." Higher portfolio turnover is in some cases a result of frequent trading or regular cash flows and involves correspondingly greater expenses to an account, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also represent tax risk. The trading costs and tax risk associated with portfolio turnover may adversely affect an account's performance. The use of futures or other forward settling derivatives may result in the appearance of higher portfolio turnover as positions are "rolled forward" in order to maintain a specific exposure. Accordingly, portfolio turnover rates may vary based on how such rates are calculated.

Commodity Markets Risks

Substantial risks are involved in trading instruments based upon commodity price movements. The prices of such investments may be highly volatile and market movements are difficult to predict. Commodity prices are influenced by a wide range of factors, including changes in overall market movements, real or perceived inflationary trends, changes in interest rates or currency exchange rates, nationalization, expropriation or other confiscation, changes in the costs of discovering, developing, refining, transporting and storing commodities, and developments affecting a particular region, industry or commodity, such as drought, floods or other weather conditions, livestock disease, epidemics, trade embargoes and tariffs. Certain commodities are susceptible to negative prices due to factors such as supply surpluses caused by global events. A liquid secondary market may not exist for certain commodity-related instruments and there can be no assurance that one will develop.

Exposure to commodities is often achieved through derivative instruments, such as commodity futures, and such investments therefore are subject to the risks associated with derivatives generally, described above under "Derivative Instruments Risks." The value of commodity-related derivatives will rise and fall in response to changes to the underlying commodity or commodities or commodity index.

Actions of and changes in governments and political and economic instability in commodity-producing and -exporting countries may affect the production and marketing of commodities. In addition, commodity-related industries throughout the world are subject to greater political, environmental, and other governmental regulation than many other industries. Changes in government policies and the need for regulatory approvals may adversely affect the products and services of companies in the commodities industries.

Concentration of Investments Risks

To the extent an account concentrates its investments in one or more countries, the value of its assets will be especially affected by economic, political and other factors affecting such country or countries. During times when an account invests its assets in one issuer or a small number of issuers, the value of its assets will be subject to an increased risk of loss if an issuer in which it invests were unable to make interest or principal payments or if the market value of the issuer's securities were to decline. Similarly, investments concentrated in a particular industry are subject to an increased risk of loss based on events that affect that industry.

Borrowing and Leverage Risks

If permitted by investment policies, an account may purchase securities on margin, may borrow money, may use derivatives (including reverse repurchase agreements), and may lend its securities, each of which may cause its portfolio to be leveraged.

Leverage has a more pronounced effect on an account's losses when the value of its investments decline. An account could be subject to a "margin call," under which it would be required to either deposit additional funds with a broker or suffer mandatory liquidation of securities pledged to a broker if the securities pledged to a broker to secure its margin accounts decline in value.

Municipal Security Risks

Municipal securities are subject to interest rate and credit risks. There may be less information available on the financial condition of issuers of municipal securities than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. While income from municipal securities is generally not subject to U.S. federal income tax, a portion of the income may be taxable. Some investors may be subject to the Alternative Minimum Tax. Capital gains distributions, if any, are taxable. Municipal securities issuers may be adversely affected by rising health care costs, increasing unfunded pension liabilities, and by the phasing out of federal programs providing financial support. Also, if the Internal Revenue Service determines that an issuer of a municipal security has not complied with applicable tax requirements, interest from the security could become taxable and the security could decline significantly in value. Unfavorable conditions and developments relating to projects financed with municipal securities can result in lower revenues to issuers of municipal securities, potentially resulting in defaults. The value of municipal securities can also be adversely affected by changes in the financial condition of one or more individual municipal security issuers or insurers of municipal security issuers, regulatory and political developments, tax law changes or other legislative actions, and by uncertainties and public perceptions concerning these and other factors. The cost associated with combating the novel coronavirus (COVID-19) and its negative impact on tax revenues adversely affected the financial condition of state and local governments. The lingering economic effects of this outbreak could continue to affect the ability of many state and local governments to make payments on debt obligations when due and could adversely impact the value of their bonds. Additionally, prolonged inflationary pressures could adversely affect a state's economy.

Municipal obligations issued by the Commonwealth of Puerto Rico or its political subdivisions, agencies, instrumentalities, or public corporations may be affected by economic, market, political, and social conditions in Puerto Rico. Puerto Rico has recently experienced (and may in the future experience) significant fiscal and economic challenges, including substantial debt service obligations, high levels of unemployment, underfunded public retirement systems, and persistent government budget deficits. These challenges and uncertainties have been exacerbated by hurricane Maria and the resulting natural disaster in Puerto Rico. These challenges may negatively affect the value of investments in Puerto Rico municipal securities. Major ratings agencies have downgraded the general obligation debt of Puerto Rico to below investment grade and continue to maintain a negative outlook for this debt, which increases the likelihood that the rating will be lowered further. In both August 2015 and January 2016, Puerto Rico defaulted on its debt by failing to make full payment due on its outstanding bonds, and there can be no assurance that Puerto Rico will be able to satisfy its future debt obligations. Further downgrades or defaults may place additional strain on the Puerto Rico economy and may negatively affect the value, liquidity, and volatility of investments in Puerto Rico municipal securities. In 2016, the Puerto Rico Oversight, Management, and Economic Stability Act, known as "PROMESA," was signed into law, allowing Puerto Rico to restructure its municipal debt obligations, thus increasing the risk that Puerto Rico may never pay off municipal indebtedness, or may pay only a small fraction of the amount owed, which could impact the value of investments in Puerto Rico municipal securities. Proceedings under PROMESA remain ongoing, and it is unclear at this time how those proceedings will be resolved or what impact they will have on the value of investments in Puerto Rico municipal securities.

Confidential Information Access Risks

The intentional or unintentional receipt of material, non-public information by Western Asset or its personnel could limit Western Asset's ability to sell certain investments held by an account or pursue certain investment opportunities on behalf of an account, potentially for a substantial period of time. Also, certain issuers of floating rate loans or other investments may not have any traded securities ("Private Issuers") and may offer private information pursuant to confidentiality agreements or similar arrangements. Western Asset may access such private information, while recognizing that the receipt of that information could potentially limit Western Asset's ability to trade in certain securities on behalf of an account if the Private Issuer later issues traded securities.

Possibility of Fraud and Other Misconduct of Service Providers Risks

Misconduct by employees of service providers to Western Asset or the accounts and/or their respective affiliates could cause significant losses to such accounts. Misconduct may include the failure to comply with operational and risk procedures, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such accounts. No assurances can be given that Western Asset will be able to identify or prevent such misconduct.

Cash Management and Defensive Investing Risks

The value of the investments held by an account for cash management or defensive investing purposes can fluctuate. Like other fixed income securities, they are subject to risk, including market, interest rate and credit risk. If an account holds cash uninvested it will be subject to the credit risk of the depository institution holding the cash. If an account holds cash uninvested, the account will not earn income on the cash and the account's yield will go down. If a significant amount of an account's assets are used for cash management or defensive investing purposes, it may not achieve its investment objective. Defensive investing may not work as intended and the value of an account's assets may still decline.

Government and Regulatory Risks

During and after the 2008 economic crisis, instability in the financial markets led the U.S. Government to take significant intervening actions designed to support certain financial institutions and segments of the financial markets that had experienced extreme volatility, and in some cases a lack of liquidity. Most significantly, the U.S. Government enacted a broad-reaching new regulatory framework over the financial services industry and consumer credit markets, the potential impact of which on the value of securities held by an account is not fully known. During the recent market volatility caused by the coronavirus outbreak, the U.S. Government and the Federal Reserve, as well as certain foreign governments and central banks, took extraordinary actions with respect to the financial markets generally and money market instruments in particular. While these actions stabilized the markets for these instruments, that can be no assurances that those actions will continue or continue to be effective. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of Western Asset or its affiliates, the instruments in which an account invests, or the issuers of such instruments, in ways that are unforeseeable and could have a material adverse effect on an account or strategy. Governments or their agencies may also acquire distressed assets from financial institutions and acquire ownership interests in those institutions. The implications of government ownership and disposition of these assets are unclear, and such a program may have positive or negative effects on the liquidity, valuation and performance of an account's holdings. Furthermore, volatile financial markets can expose accounts to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by accounts. The value of an account's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which an account invests. In the event of such a disturbance, issuers of securities held by an account may experience significant declines in the value of their assets and even cease operations, or may receive government assistance accompanied by increased restrictions on their business operations or other government intervention. Economies and financial markets throughout the world are becoming increasingly interconnected. As a result, whether or not an account invests in securities of issuers located in or with significant exposure to countries experiencing economic and financial difficulties, the value and liquidity of the account's investments may be negatively affected.

The European Union's as well as United Kingdom's MiFID II require investment managers in the scope of MiFID II to pay for research services from brokers and dealers directly out of their own resources or by establishing "research payment accounts" for each client, rather than through client commissions. MiFID II's research requirements present various compliance and operational considerations for investment advisers and broker-dealers serving clients in the United States, the United Kingdom and the European Union. Western Asset or an affiliate may be subject to MiFID II in certain situations. It is possible that Western Asset or an affiliate will cause an account to pay for research services with soft dollars in circumstances where MiFID II prohibits other client accounts from paying for such research services, including where trades are aggregated on behalf of accounts that are subject to MiFID II with those that are not. In such situations, an account not subject to MiFID II would bear the additional amounts for the research services and Western Asset's other client accounts would not, although Western Asset's other client accounts might nonetheless benefit from those research services.

The Alternative Investment Fund Managers Directive 2011/61/EU, including all national, implementing or supplementary measures, laws and regulations ("AIFMD") and the UK Alternative Investment Fund Managers Regulations 2013 (as amended including by the EUWA and the Alternative Investment Fund Managers (Amendment Etc.) (EU Exit) Regulations 2019 (the "AIFM Law") regulate the activities of fund managers undertaking fund management activities in the European Economic Area (the "EEA") and the United Kingdom (the "UK") or marketing fund interests to investors in the EEA or the UK.

Western Asset is not a UK or EEA authorized alternative investment fund manager under AIFMD or AIFM Law but may be required to comply with certain provisions of AIFMD or AIFM Law if it markets interests or shares in certain funds in the EEA or the UK under the national private placement regimes. Compliance with the provisions of AIFMD or AIFM Law by Western Asset may impose additional costs and other restrictions on the investment or other opportunities of such funds. AIFMD or AIFM Law does not apply where an investor approaches Western Asset to invest in, or request information on, a fund at its own initiative (known as reverse solicitation). There is a risk that an EEA member state or UK regulatory authority or government may reach a different conclusion to Western Asset as to whether reverse solicitation applies and find that AIFMD or AIFM Law did apply to Western Asset or the funds. Such a finding may result in a regulatory or governmental authority or court in the relevant EEA member state or the UK requiring Western Asset or the applicable fund to return any capital or other funds to investors or otherwise seeking to take other enforcement or remedial action against Western Asset and/or the funds. This may result in a reduction in the overall amount of capital available to the funds, which limits, in turn, the range of investment strategies and investments that the funds are able to pursue and make or otherwise result in a loss to the funds.

Market Disruption and Geopolitical Risks

An account is subject to the risk that political, social or financial instability, civil unrest, war, terrorism, related geopolitical events, natural disasters, major cybersecurity events, and the global and domestic effects of widespread or local health, wealth or clients may lead to increased short-term market volatility or have adverse long-term effects on the U.S. and world economies and markets generally. Those events as well as other changes in U.S. and non-U.S. economic, political, or social conditions, such as trade sanctions, tariffs, severing of diplomatic ties, expropriation, nationalization, confiscation, embargoes, the imposition of restrictions on foreign investment, the lack of hedging instruments, and repatriation of capital invested also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of an account's investments. At such times, an account's exposure to a number of other risks described elsewhere in this section can increase.

The COVID-19 pandemic and efforts to contain its spread have resulted in, among other effects, significant market volatility, reductions in economic activity, market closures, and declines in global financial markets. These effects and the effects of other infectious illness outbreaks, epidemics or pandemics may be short term or may last for an extended period of time, and in either case could result in a substantial economic downturn or recession. Furthermore, events involving limited liquidity, defaults, non-performance or other adverse developments that affect one industry, such as the financial services industry, or concerns or rumors about any events of these kinds, have in the past and may in the future lead to market-wide liquidity problems, may spread to other industries, and could negatively affect the value and liquidity of an account's investments. Governmental responses may exacerbate other pre-existing political, social, economic, market and financial risks. These events may have a significant adverse effect on an account's performance and on the liquidity of its investments, impair its ability to satisfy redemption requests, if applicable, and have the potential to impair the ability of Western Asset or its other service providers to serve the account and could lead to operational disruptions that negatively impact the account.

Europe - Current Events Risks

A number of countries in Europe have experienced severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe and elsewhere have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen or spread within and outside of Europe. Responses to the financial problems by European governments, central banks and others, including austerity measures and reforms, may not work, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. Further defaults or restructurings by governments and others of their debt could have additional adverse effects on economies, financial markets and asset valuations around the world.

On January 31, 2020, the United Kingdom left the European Union (the "EU") ("Brexit"). An agreement between the United Kingdom and the European Union governing their future trade relationship became effective January 1, 2021. Brexit has resulted in volatility in European and global markets and could have negative long-term impacts on financial markets in the United Kingdom and throughout Europe. Significant uncertainty remains in the market regarding the ramifications of the withdrawal of the United Kingdom from the EU and the arrangements that will apply to the United Kingdom's relationship with the EU and other countries following its withdrawal; the range and potential implications of possible political, regulatory, tax, economic and market outcomes are difficult to predict. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in the United Kingdom or EU, including companies or assets held or considered for prospective investment by Western Asset.

The future application of EU-based legislation to the private fund industry in the United Kingdom and the EU will ultimately depend on how the United Kingdom renegotiates the regulation of the provision of financial services within and to persons in the EU. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on an account and its investments, including the ability of an account to achieve its investment objectives. Brexit could result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, an adverse effect on the ability of Western Asset to manage and operate an account and to make investments and an increased legal, regulatory or compliance burden for Western Asset, its affiliates and/or accounts, each of which could have a negative impact on the operations, financial condition, returns or prospects of the accounts.

The United Kingdom's withdrawal from the EU has caused uncertainty in a number of areas including, but not limited to, trade within Europe, foreign direct investment in Europe, the scope and functioning of European regulatory frameworks (including with respect to the regulation of alternative investment fund managers and the distribution and marketing of alternative investment funds), industrial policy pursued within European countries, immigration policy pursued within EU countries, the regulation of the provision of financial services within and to persons in Europe and trade policy within European countries and internationally. The volatility and uncertainty caused by the withdrawal may adversely affect the value of investments and the ability to achieve the investment objective of an account.

Russia's military invasion of Ukraine in February 2022 resulted in the United States, other countries and certain international organizations levying broad economic sanctions against Russia. These sanctions froze certain Russian assets and prohibited, among other things, trading in certain Russian securities and doing business with specific Russian corporate entities, large financial institutions, officials and oligarchs. The sanctions also included the removal of some Russian banks from the Society for Worldwide Interbank Financial Telecommunications (SWIFT), the electronic network that connects banks globally, and imposed restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. The United States and other countries have also imposed economic sanctions on Belarus and may impose sanctions on other countries that support Russia's military invasion. A number of large corporations and U.S. states have also announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses. These sanctions and any additional sanctions or other intergovernmental actions that may be undertaken against Russia or other countries that support Russia's military invasion may result in the future in adverse effects on the Russian economy, the devaluation of Russian or other affected currencies, a downgrade in the sanctioned country's credit rating, and a decline in the value and liquidity of Russian securities and securities of issuers in other countries that support the invasion. The potential for wider conflict may further decrease the value and liquidity of certain Russian securities and securities of issuers in other countries affected by the invasion. In addition, the ability to price, buy, sell, receive, or deliver such securities is also affected due to these measures. For example, an account may be prohibited from investing in securities issued by companies that are subject to such sanctions. In addition, the sanctions may require an account to freeze its existing investments in companies operating in or having dealings with Russia or other sanctioned countries, which would prevent such account from selling these investments. Any exposure that an account may have to Russian counterparties or counterparties in other sanctioned countries also could negatively impact the account's portfolio.

Additionally, Russia has taken retaliatory actions, including strict capital controls limiting the ability of foreigners to trade on the Moscow Stock Exchange and for foreigners to sell, receive or deliver assets held in the custody of local Russian banks (such as equities of Russian companies and Rubles). The ongoing conflict has resulted in significant market disruptions, including in certain markets, industries and sectors, such as the oil and natural gas markets, and negatively affected global supply chains, food supplies, inflation and global growth. The extent and duration of the military actions associated with Russia's invasion of Ukraine, the resulting sanctions, and the resulting disruption of the Russian economy are impossible to predict but may cause volatility in other regional and global markets and may negatively impact the performance of various sectors and industries, as well as companies in other countries, which could have a negative effect on the performance of an account, even if the account's portfolio does not have direct exposure to securities of Russian issuers.

Investments in Exchange - Traded Funds Risks

Unlike shares of typical mutual funds or unit investment trusts, shares of exchange-traded funds ("ETF") are generally traded on an exchange and may trade throughout a trading day. Among other risks, the market price for ETF shares may be higher or lower than the EFT's net asset value. The sale and redemption prices of ETF shares purchased from the issuer are generally based on the issuer's net asset value. Investments in ETFs involve the risk that the ETF's performance may not track the performance of the index (if any) the ETF is designed to track. Unlike an index, an ETF incurs administrative expenses and transaction costs in trading securities. In addition, the timing and magnitude of cash inflows and outflows from and to investors buying and redeeming shares in the ETF could create cash balances that cause the ETF's performance to deviate from the index (which remains "fully invested" at all times). Performance of an ETF and an index it is designed to track also may diverge because the composition of the index and the securities held in the ETF may occasionally differ. Further, there can be no guarantee that the methodology underlying the Index or the daily calculation of the Index will be free from error. It is also possible that the value of the Index may be subject to intentional manipulation by third-party market participants. In addition, ETFs often use derivatives to track the performance of a relevant index and, therefore, investments in those ETFs are subject to the same derivatives risks discussed above. Investments in ETFs are subject to the risk that the listing exchange may halt trading of an ETF's shares, in which case the account would be unable to sell its ETF shares unless and until trading is resumed.

Taxation of Carried Interest

Under current U.S. federal income tax law, gains in respect of Western Asset's right to carried interest are subject to a three-year "holding period" requirement in order to be classified as "long-term capital gains," while the corresponding holding period requirement with respect to an investor's interest generally is one year. This three-year holding period requirement applicable to carried interest that Western Asset may receive from certain accounts, as well as the enactment of further legislation affecting the taxation of carried interest, could create a conflict of interest as the tax position of Western Asset may differ from the tax positions of an account and/or investors, including with respect to decisions on the timing and structure of asset dispositions. For example, the holding period requirement may give Western Asset an incentive to cause a fund to hold an investment for longer than three years in order to obtain lower tax rates on carried interest gains even if there are attractive realization opportunities earlier than three years.

Tax Risks

Tax laws and regulations applicable to an account are subject to change, and unanticipated tax liabilities could be incurred by investors as a result of such changes. Investors should consult their own tax advisors to determine the potential tax-related consequences of investing in an account with Western Asset.

Systems and Operational Risks

Western Asset relies to a significant extent on computer programs and systems to trade, clear and settle transactions; to aid in evaluating certain securities and other financial instruments based on trading information and other data; to monitor portfolios; and to generate risk management, accounting, and other reports that are important to the oversight of activities related to the accounts Western Asset manages. In addition, many of Western Asset's operations interface with or depend on systems operated by third-parties, including custodians, futures commission merchants (*i.e.*, clearing and executing brokers), market counterparties and exchanges and other trading facilities. The availability and full functionality of these programs and systems is subject to certain operational risks and limitations, including, but not limited to, those caused by malware, malicious software, natural disasters, power failures, services outages, interoperability issues, inoperability issues, aging, transition issues, failure to upgrade or update, and human error. A defect, delay, or failure in any of these programs or systems could impede Western Asset's ability to conduct ongoing business operations and thereby have a material adverse effect on an account. Western Asset has developed policies and procedures intended to monitor and control reasonably foreseeable operational risks, including business continuity policies and procedures. These policies and procedures do not purport to address or anticipate every operational risk related to an account, including, in particular, those risks that Western Asset does not foresee as material, and they may not operate as intended in the event of an impairing event. Additionally, the investment operations of an account are dynamic and complex. As a result, certain operational risks, including, without limitation, those arising from human error, natural disasters, failed systems, incompatible systems, or events beyond our control, are intrinsic to the investment operations of an account, especially given the volume, diversity and complexity of transactions that accounts generally enter into daily, and are very unlikely to be eliminated.

Cybersecurity Risks

With the increased use of technologies such as the Internet and cloud-based technology and the dependence on computer systems to perform business and operational functions, client accounts and their service providers (including Western Asset) may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, gaining unauthorized access to digital systems for purposes of misappropriating assets and causing operational disruption. Successful cyber-attacks against, or security breakdowns of Western Asset, its affiliates, or a custodian, administrator, or other affiliated or third-party service provider may adversely affect client accounts. For instance, cyber-attacks or technical malfunctions may interfere with the processing of client or other transactions, affect the ability to calculate the value of an account's assets, cause the release of private client information or confidential information, impede trading, cause reputational damage, and subject Western Asset or client accounts to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks or technical malfunctions may render records of client assets and transactions and other data integral to the management of client accounts inaccessible or inaccurate or incomplete. A client account may also incur substantial costs for cybersecurity risk management in order to prevent cyber incidents in the future and both such account and its shareholders could be negatively impacted as a result. While Western Asset has established business continuity plans and systems designed to reduce the risk of cyber-attacks through the use of technology, processes and controls, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified or prepared for given the evolving nature of this threat. New ways to carry out cyber-attacks continue to develop. In managing client accounts, Western Asset is reliant upon third-party service providers for certain day-to-day operations, and clients will be subject to the risk that the protections and protocols implemented by those service providers will be ineffective to protect client accounts from cyber-attack. Such third-party service providers may have limited indemnification obligations to the client account or Western Asset. Similar types of cybersecurity risks or technical malfunctions also are present for issuers of securities in which client accounts invests, which could result in material adverse consequences for such issuers, and may cause investments in such securities to lose value. Western Asset may have limited ability to prevent or mitigate cyber-attacks or security or technology breakdowns affecting client accounts and their service providers.

Limitations on Liability Risks

Governing documents of pooled investment vehicles often limit the circumstances under which a general partner, manager and their affiliates can be held liable to a fund or an investor. As a result, investors may have a more limited right of action in certain cases than they would otherwise have in the absence of such provisions. Additionally, in the event that a claim is made, the general partner, manager or their affiliates may be entitled to indemnification by the pooled vehicle, in which case the assets of the vehicle could be used to indemnify the relevant parties for amounts incurred in connection with such a claim.

Credit Risk Transfer Securities Risks

Credit risk transfer securities are fixed- or floating-rate unsecured general obligations issued from time to time by Freddie Mac, Fannie Mae or other government sponsored entities ("GSEs"). Typically, such securities are issued at par and have stated final maturities. The securities are structured so that: (i) interest is paid directly by the issuing GSE, and (ii) principal is paid by the issuing GSE in accordance with the principal payments and default performance of a certain pool of residential mortgage loans acquired by the GSE ("reference obligations"). The performance of the securities will be directly affected by the selection of the reference obligations by the GSE. Such securities are issued in tranches to which certain principal repayments and credit losses are allocated corresponding to the seniority of the particular tranche. Each tranche of securities will have credit exposure to the reference obligations and the yield to maturity will be directly related to the amount and timing of certain defined credit events on the reference obligations, any prepayments by borrowers, and any removals of a reference obligation from the pool.

Credit risk transfer securities are unguaranteed and unsecured debt securities issued by the GSE and therefore are not directly linked to or backed by the underlying mortgage loans. As a result, in the event that a GSE fails to pay principal or interest on its credit risk transfer securities or goes through a bankruptcy, insolvency or similar proceeding, holders of such credit risk transfer securities have no direct recourse to the underlying mortgage loans and will generally receive recovery on par with other unsecured note holders in such a scenario.

An account may also invest in credit risk transfer securities that are issued by private entities, such as banks or other financial institutions. Such securities are subject to risks similar to those associated with credit risk transfer securities issued by GSEs.

The risks associated with an investment in credit risk transfer securities are different than the risks associated with an investment in mortgage-backed securities issued by Fannie Mae, Freddie Mac or other GSEs or issued by a private issuer, because some or all of the mortgage default or credit risk associated with the underlying mortgage loans is transferred to investors. As a result, investors in these securities could lose some or all of their investment in these securities if the underlying mortgage loans default.

Your Privacy at Western Asset

This Privacy Notice was last updated on December 1, 2023

Western Asset is committed to keeping nonpublic personal information about you secure and confidential. This privacy notice is intended to help you understand how we fulfill this commitment and applies only to clients and former clients who are individuals. This is to help you understand how we handle, protect and limit certain nonpublic personal information that we may collect in order to conduct and process your business with us.

Information We Collect

The personal information that we may collect about you comes from the following sources:

- Information received from you, such as on applications, agreements, and other forms, via the telephone, through our websites, correspondence, e-mail or other communications (including face-to-face meetings);
- Information about your transactions with us, our affiliates, or others; and
- Information we may receive about you from other sources, such as your credit worthiness and credit history.

Disclosure Policy

We do not disclose any non-public personal information about you except as permitted by applicable law. For example, we are permitted to disclose non-public personal information to our affiliates and non-affiliated third parties that perform various services on our behalf, including custodians, broker-dealers, and companies that perform marketing services on our behalf. We ensure that our outside service providers working on our behalf are obligated, pursuant to a written agreement or otherwise, to protect the confidentiality of your information and use it only to provide the services we asked them to perform. Further, we do not sell and do not intend to sell your personal data to any third parties.

Safeguarding Your Personal Information

We have in place necessary and appropriate administrative, technological, physical, and procedural safeguards, including, but not limited to, state-of-the art technologies and security controls, corporate governance, and cybersecurity tools, as well as business continuity and disaster recovery plans and procedures, designed to protect your personal data. Third parties who have access to such personal information must agree to follow appropriate standards of security and confidentiality. Our employees are trained in and are required to follow procedures with respect to maintaining the confidentiality of our clients' non-public personal information. We restrict access using a "least privilege" model, meaning that our employees are given access to your information only on a "need-to-know" basis, including your personal data, and only for our business purposes.

Contact Information

Mail: Western Asset 385 East Colorado Blvd., Pasadena, CA 91101 Attn: Western Asset Privacy
Email: dataprotection@westernasset.com
Phone: 1-626-844-9400 or toll-free 1-844-905-0999

PRIVACY NOTICE SPECIFIC TO U.S. RESIDENTS PURSUANT TO STATE PRIVACY LAWS

This Privacy Notice was last updated on December 1, 2023

We care about your privacy and value the trust you place in us when you share your personal information. Accordingly, we want to let you know how we handle the personal information you give us or is given to us by another party. Please review the following notice for information about how we collect, use, and share your personal information.

This Privacy Notice applies to residents of the United States, and, with respect to an account managed by Western Asset Management Company, LLC ("Western Asset") for an individual or entity client, are a broker, dealer, investment adviser, agent, fiduciary, or representative acting on behalf of or for the account of such individual or entity client, the provisions of this Privacy Notice apply to your personal information.

As a result of your relationship with Western Asset your personal information may be processed in the following ways:

Personal Information We Collect or Receive About You

- Contact information, such as your name, email address, firm name, phone number, or address.
- Financial and transaction-related information, such as, for example, account numbers, bank information, transaction history, and assets under management.

How We Use Your Personal Information

- To provide the information, products, or services you or your representative requested or as reasonably expected given the context in which the personal information was collected.
- To communicate with you concerning your or your clients' accounts and to facilitate the management and servicing of such accounts.
- For legal and regulatory compliance, including all uses and disclosures of personal information that are required by law or reasonably needed for compliance with company policies and procedures.

Please note, personal information, including sensitive personal information, of clients is not sold to or shared with third parties. Additionally, Western Asset does not use nor disclose sensitive personal information for the purpose of inferring characteristics about clients.

Recipients of Your Personal Information

We may disclose your personal information to the following recipients for a business or commercial purpose as described below:

- To our affiliated companies and entities for the purpose of servicing your account.
- To government or regulatory agencies to meet legal or regulatory obligations.
- To other service providers who perform services on our behalf and at our instructions in order to support and assist us in conducting our ordinary course of business.
- To our advisors, such as legal counsel, accountants and auditors, who are required to maintain the confidentiality of any information that we share with them in their capacity as our fiduciaries.

Retention Periods

The retention periods for personal information within each category may vary depending on the nature of the business records in which the personal information is maintained. Retention periods for our business records are set based on the following criteria: (1) the length of time the record is needed for the purposes for which it was created, (2) the time the record is needed for other operational purposes, such as audits and reporting, and (3) the length of time the record is needed for legal or regulatory compliance purposes, including without limitation in connection with any legal defense and legal holds or to satisfy regulatory record retention requirements.

Personal Information About Minors

We do not collect information from minors under 18 years of age.

Privacy Rights and Controls

The state you reside in may provide you with certain privacy rights over your personal information as described below:

- Right to know – Requires that we inform you about the personal information that we collect.
- Right to access – Allows you to request a copy of the personal information we have on file for you and to be informed about how we use and share your personal information.
- Right to delete – Allows you to request that we delete or anonymize your personal information where we do not have a legal or regulatory obligation or other valid reason to continue to retain it.
- Right to correct – Allows you to request that we correct inaccuracies in your personal information, taking into account the nature of the personal information and the purposes of the processing of your personal information.
- Right to appeal – Allows you to request that we review a decision to not fulfill a privacy rights request.

If you wish to exercise any of the rights you have in respect of your personal information, you should advise Western Asset by contacting us as set forth below under the contact information section. The rights noted above are subject to our legal and regulatory obligations. You may designate an authorized agent to make a rights request on your behalf, subject to the identification process described below. We do not discriminate based on requests for information related to our use of your personal information, and you have the right not to receive discriminatory treatment related to the exercise of your privacy rights.

We may request information from you in order to verify your identity or authority in making such a request. This process may include providing a password/passcode, a copy of government issued identification, an affidavit or other applicable documentation, *i.e.,* written permission, if you have appointed an authorized agent to make a request on your behalf or you are an authorized agent making such a request (*e.g.,* pursuant to a power of attorney or other written permission). We may require you to verify your identity directly even when using an authorized agent, unless a power of attorney has been provided. We reserve the right to deny a request submitted by an agent if suitable and appropriate proof is not provided.

Contact Information

Mail: Western Asset 385 East Colorado Blvd., Pasadena, CA 91101 Attn: Western Asset Privacy
Email: dataprotection@westernasset.com
Phone: 1-626-844-9400 or toll-free at 1-844-905-0999

Western Asset Management Company
Form ADV Part 2B
Brochure Supplement

December 31, 2023

This brochure supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Additional information about Western Asset is available on the SEC's website at www.adviserinfo.sec.gov.

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Daniel C. Alexander, CFA
Portfolio Manager

Educational Background and Business Experience

Daniel C. Alexander (born 1982) is a Portfolio Manager at Western Asset's Pasadena office. Since joining the Firm in 2004, Danny has served as a Portfolio Analyst and in Portfolio Compliance. Previously, he participated in Western Asset's Risk Management Rotation Program. Prior to joining Western Asset, Danny was an Assistant Financial Analyst at Mortgage Capital Trading after starting his career at Coghlan Financial Group.

Mr. Alexander holds a Bachelor of Science in Management Science from the University of California, San Diego. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Alexander has no disciplinary actions to report.

Other Business Activities

Mr. Alexander is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Alexander does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Alexander is supervised by Ryan K. Brist, Head of Investment-Grade Credit/Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Christian R. Amantea
Portfolio Manager

Educational Background and Business Experience

Christian R. Amantea (born 1973) is a Portfolio Manager at Western Asset's New York office. Prior to joining the Firm in 2005, Mr. Amantea was Director and Portfolio Manager with Citigroup Asset Management and a Fund Accountant with SEI Investments.

Mr. Amantea holds a Bachelor of Science degree from Villanova University.

Disciplinary Information

Mr. Amantea has no disciplinary actions to report.

Other Business Activities

Mr. Amantea is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Amantea does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Amantea is supervised by Kevin K. Kennedy, Head of Liquidity Portfolio Management, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Robert E. Amodeo, CFA
Head of Municipals

Educational Background and Business Experience

Robert E. Amodeo (born 1964) is the Head of Municipals at Western Asset's New York office. Mr. Amodeo began his career at The Bank of New York but soon thereafter joined Salomon Brothers Inc., where he was responsible for analyzing various private investment partnerships, including venture-capital, oil-and-gas, and real-estate, equity and bond portfolios. In 1992, Robert joined Salomon Brothers Asset Management where his role evolved into managing director, head of the municipal bond investment team and he worked with Salomon's Yield Book department to adapt advanced technology for municipal bond and tax-efficient portfolio management. Since 2005, Robert has been part of Western Asset's municipal bond investment team and is the sector head of that group.

Mr. Amodeo holds a Bachelor's degree from Long Island University and a Master of Public Administration, Advanced Management and Finance from Columbia University. He is a CFA® charterholder and has written various articles regarding the public finance market. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Amodeo has no disciplinary actions to report.

Other Business Activities

Mr. Amodeo is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Amodeo does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Amodeo is supervised by Ryan K. Brist, Head of Investment-Grade Credit/Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

John L. Bellows, PhD, CFA
Head of Broad Markets

Educational Background and Business Experience

John L. Bellows (born 1982) is the Head of Broad Markets at Western Asset's Pasadena office. In 2018 he took on an elevated role in the Global Portfolios Team, where he is a leading voice for US and global macro strategies. John is a member of the US Broad Strategy Committee, which formulates domestic investment themes and strategies, as well as the Global Investment Strategy Committee, which is responsible for setting policy and providing strategic investment oversight for the Firm. He joined the Firm in 2012 as an Investment Management Strategy Analyst before assuming his current role. Prior to joining Western Asset, John served at the US Department of the Treasury, as the Acting Assistant Secretary for Economic Policy.

John holds a Bachelor of Arts in Economics from Dartmouth College, where he graduated magna cum laude, and a PhD in Economics from the University of California, Berkeley. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Bellows has no disciplinary actions to report.

Other Business Activities

Mr. Bellows is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Bellows does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Bellows is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset Management Company, LLC
385 E. Colorado Boulevard, Pasadena, California 91101
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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Richard A. Booth
Portfolio Manager/Research Analyst

Educational Background and Business Experience

Richard A. Booth (born 1974) is a Portfolio Manager/Research Analyst at Western Asset's London office. He has 27 years of industry experience and is a member of the Firm's Global Investment Strategy Committee. As a member of the Global Portfolios team, Mr. Booth is responsible for the day-to-day management of global and global inflation-linked portfolios alongside the development and implementation of global investment strategy and is the lead Portfolio Manager for the Firm's European strategies. Before joining the Firm, he was a Research Analyst at Foreign & Colonial Asset Management.

Mr. Booth holds a Bachelor of Social Science degree in Money Banking and Finance from Birmingham University.

Disciplinary Information

Mr. Booth has no disciplinary actions to report.

Other Business Activities

Mr. Booth is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Booth does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Booth is supervised by Gordon S. Brown, Head of Global Portfolios, who may be reached at +44-(0)20-7422-3000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset Management Company Limited
10 Exchange Square, Primrose Street, London EC2A 2EN
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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Tim Boss
Portfolio Manager

Educational Background and Business Experience

Tim Boss (born 1981) is a Portfolio Manager at Western Asset's New York office. His primary responsibilities include managing domestic liquidity portfolios, with a focus on institutional US government and Treasury money market funds and separate accounts. Prior to joining the Firm in 2020, Tim was Director and Portfolio Manager with Credit Suisse Asset Management, LLC, where he began as Vice President and Portfolio Manager. Tim also held the role of Operations Associate with Credit Suisse First Boston, as a Mutual Fund Accountant with State Street Corporation. He began his career as a Financial Representative of the Northwestern Mutual Finance Network.

Tim holds a Bachelor of Science degree in Finance as well as an MBA from Rider University.

Disciplinary Information

Mr. Boss has no disciplinary actions to report.

Other Business Activities

Mr. Boss is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Boss does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Boss is supervised by Kevin K. Kennedy, Head of Liquidity Portfolio Management, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Ryan K. Brist, CFA
Head of Investment-Grade Credit/Portfolio Manager

Educational Background and Business Experience

Ryan K. Brist (born 1971) is the Head of Investment-Grade Credit/Portfolio Manager at Western Asset's Pasadena office. In this role, he also has oversight of US credit research as well as of the Municipal Team. Ryan is a member of the Global Credit Committee, which sets the overall themes for the Firm's credit exposures, as well as a member of the US Broad Market Strategy Committee and of the ESG Strategic Steering Committee. Before joining Western Asset in 2009, Ryan served as Chief Investment Officer and Portfolio Manager at Logan Circle Partners, LP, and Co-Chief Investment Officer and Senior Portfolio Manager at Delaware Investment Advisors. Previously, he was Vice President of Corporate Bond Trading at Conseco Capital Management and an Analyst in Corporate Finance at Dean Witter Reynolds' Retail Products Group.

Ryan holds a Bachelor of Science in Finance from Indiana University. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Brist has no disciplinary actions to report.

Other Business Activities

Mr. Brist is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Brist does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Brist is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset

Gordon S. Brown
Head of Global Portfolios

Educational Background and Business Experience

Gordon S. Brown (born 1970) is the Head of Global Portfolios at Western Asset's London office. As a member of the Global Portfolios Team and the Global Investment Strategy Committee, Gordon is responsible for the day-to-day management of global portfolios alongside the development and implementation of global investment strategy. He is also a member of the Global Multi-Sector Investment Team, Emerging Markets Team, and Unconstrained Asset Allocation Committee. Gordon joined the Firm in 2011 from Baillie Gifford & Co., where he was Senior Investment Manager in Emerging Market Rates and Currencies. Formerly, he served as Head of Global Fixed-Income in London at State Street Global Advisors, Senior Portfolio Manager at Commerz International Management, and Fixed-Income Analyst at Dunedin Fund Managers.

Gordon holds a Master of Science in Investment Analysis from the University of Stirling, a Master of Science in Business Economics from the University of Strathclyde, and a Master of Arts in Economic Science from the University of Aberdeen. Gordon is also an Associate Member of the UK Society of Investment Professionals.

Disciplinary Information

Mr. Brown has no disciplinary actions to report.

Other Business Activities

Mr. Brown is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Brown does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Brown is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset Management Company Limited
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+44-(0)20-7422-3000

Michael C. Buchanan, CFA
Co-Chief Investment Officer

Educational Background and Business Experience

Michael C. Buchanan (born 1968) is the Co-Chief Investment Officer at Western Asset's Pasadena office. As Co-CIO, he leads the Global and US Strategy Committees with Ken Leech. Michael has direct oversight of Western Asset's Global Credit Team, which covers the US and non-US investment-grade, high-yield and bank loan sectors, as well as the Firm's Structured Credit and Emerging Market Teams. He also leads the Global Credit Committee, which ultimately determines overall firmwide credit themes.

Prior to joining Western Asset in 2005, Michael served as Managing Director and Head of US Credit Products at Credit Suisse Asset Management and as Executive Vice President and Portfolio Manager at Janus Capital Management. He also worked at BlackRock Financial Management as Managing Director and Portfolio Manager and at Conseco Capital Management as Vice President and Portfolio Manager.

Michael graduated with honors from Brown University. He holds a Bachelor of Arts in Economics, and is a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Buchanan has no disciplinary actions to report.

Other Business Activities

Mr. Buchanan is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Buchanan does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Buchanan is supervised by James W. Hirschmann, President and Chief Executive Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Prashant Chandran, CFA
Portfolio Manager

Educational Background and Business Experience

Prashant Chandran (born 1967) is a Portfolio Manager at Western Asset's Pasadena office. He is a member of the Global Investment Strategy Committee, which is responsible for setting policy and providing strategic investment oversight for the Firm, as well as the Market & Credit Risk Committee, which determines and monitors internal and external risk guidelines and reviews market and credit risk issues. Prior to rejoining Western Asset in 2007, Prashant worked at Tahoma Capital. Previously, he was a Research Analyst for Western Asset, and Director of Capital Markets at Microsoft Corporation for over five years.

Prashant earned a Bachelor of Science from the Indian Institute of Technology Bombay. He also holds a Master of Science from the University of Toledo and an MBA from the University of Chicago, Booth School of Business. Prashant is a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Chandran has no disciplinary actions to report.

Other Business Activities

Mr. Chandran is registered as an associated person with the NFA. An associated person is permitted to solicit funds and discuss investment strategies with clients and prospects on behalf of the CTA or CPO. Western Asset Management Company, LLC is registered as a Commodity Trading Adviser (CTA) and a Commodity Pool Operator (CPO) with the National Futures Association (NFA). No additional commissions or other sales-based compensation are received as part of being an associated person.

Additional Compensation

Mr. Chandran does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Chandran is supervised by S. Kenneth Leech, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Amit Chopra, CFA
Portfolio Manager

Educational Background and Business Experience

Amit Chopra (born 1971) is a Portfolio Manager at Western Asset's Pasadena office. Amit focuses on long duration, liability driven investment (LDI) and customized strategies. He is a member of the US Broad Strategy Committee, which sets the overall themes for US broad market investment strategies. He joined the Firm in 2016. Prior to joining Western Asset, Amit was Senior Vice President of Portfolio Management at Pacific Investment Management Company (PIMCO). His portfolio management responsibilities included PIMCO's Long Duration Treasury, Extended Duration Treasury and Long Duration Government/Credit mutual funds as well as long duration and LDI separate accounts. Prior to working with PIMCO, Amit was an Associate with Blackrock Financial in New York.

Amit holds a Bachelor of Science in Finance and Business Economics from the University of Southern California, where he graduated with Honors. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Chopra has no disciplinary actions to report.

Other Business Activities

Mr. Chopra is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Chopra does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Chopra is supervised by John L. Bellows, Head of Broad Markets, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Ion G. Dan
Portfolio Manager

Educational Background and Business Experience

Ion G. Dan (born 1976) is a Portfolio Manager at Western Asset's Pasadena office. Prior to joining the Firm, he worked as a Senior Portfolio Manager and Division Director with Macquarie Investment Management.

Ion holds a Bachelor of Science degree in Business Administration and a Bachelor of Arts degree in Economics from the University of California, Berkeley.

Disciplinary Information

Mr. Dan has no disciplinary actions to report.

Other Business Activities

Mr. Dan is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Dan does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Dan is supervised by Greg E. Handler, Head of Mortgage and Consumer Credit, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Kazuto Doi, PhD
Portfolio Manager

Educational Background and Business Experience

Kazuto Doi (born 1965) is a Portfolio Manager at Western Asset's Tokyo office. He joined the Firm in 2005 after working five years as Managing Director and Head of Fixed-Income at Citigroup Asset Management. Previously Mr. Doi was an Investment Research Manager at PanAgora Asset Management, and Manager of Fixed-Income Investment at Nippon Life Insurance Company.

Mr. Doi holds a Bachelor of Arts degree from Kyoto University, Master of Science from Boston College and PhD from Tokyo Institute of Technology. He is a CMA® of the Security Analysts Association of Japan.

Disciplinary Information

Mr. Doi has no disciplinary actions to report.

Other Business Activities

Mr. Doi is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Doi does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Doi is supervised by Anthony Kirkham, Head of Melbourne Operations and Investment Management/Portfolio Manager, who may be reached at +61-(0)3-9016-5600. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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Ian R. Edmonds
Portfolio Manager

Educational Background and Business Experience

Ian R. Edmonds (born 1969) is a Portfolio Manager at Western Asset's London office. With more than 33 years of experience, Ian is the lead Portfolio Manager of the Firm's Global Multi-Sector portfolios and Co-Manager of European and Global Investment-Grade Credit portfolios. He is a member of the Global Credit Committee and Co-Chair of the Firm's Unconstrained Committee. He previously served as a Part-Qualified Actuary at Bacon & Woodrow.

Ian holds a Bachelor of Science degree from University College, London, and is an Associate Member of the UK Society of Investment Professionals.

Disciplinary Information

Mr. Edmonds has no disciplinary actions to report.

Other Business Activities

Mr. Edmonds is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Edmonds does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Edmonds is supervised by Annabel Rudebeck, Head of Non-US Credit, who may be reached at +44-(0)20-7422-3000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

David T. Fare, CFA
Portfolio Manager

Educational Background and Business Experience

David T. Fare (born 1962) is a Portfolio Manager at Western Asset's New York office. He began his financial services career in 1987 as a portfolio accountant at Merrill Lynch, and joined Western Asset Management's predecessor organization Shearson Asset Management in 1989.

Mr. Fare, who is a CFA® charterholder, received a Bachelor of Business Administration degree from St. John's University, where he majored in Finance. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Fare has no disciplinary actions to report.

Other Business Activities

Mr. Fare is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Fare does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Fare is supervised by Robert E. Amodeo, Head of Municipals, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Barbara J. Ferguson
Portfolio Manager

Educational Background and Business Experience

Barbara J. Ferguson (born 1960) is a Portfolio Manager at Western Asset's New York office. Prior to joining the Firm in 2005, Ms. Ferguson was Director and Senior Portfolio Manager with Citigroup Asset Management, and a Trader with American Express and National Westminster Bank.

Ms. Ferguson holds a Bachelor of Business Administration degree from Baruch College.

Disciplinary Information

Ms. Ferguson has no disciplinary actions to report.

Other Business Activities

Ms. Ferguson is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Ms. Ferguson does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Ferguson is supervised by Robert E. Amodeo, Head of Municipals, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Connie Fischer
Director of Portfolio Operations

Educational Background and Business Experience

Connie Fischer (born 1968) is the Director of Portfolio Operations at Western Asset's Pasadena office. In her current role, Connie runs the business side of the Investment Team globally, and is the senior person responsible for managing counterparty relationships. She joined the Firm in 2023 after working as Co-Head of Investment Sectors with Guggenheim Partners for nine years, and as Global Head of Prime Brokerage and Financing with BlackRock from 1999 to 2013. Earlier in her career, Connie was Manager of Fixed Income Operations with Susquehanna Partners, and held roles as a Fixed Income Sales Associate with Donaldson, Lufkin Jenrette and Prudential Securities.

Connie holds a Bachelor of Science degree in Applied Economics from the University of San Francisco.

Disciplinary Information

Fischer has no disciplinary actions to report.

Other Business Activities

Fischer is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Fischer does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Fischer is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Dean French
Portfolio Manager

Educational Background and Business Experience

Dean French (born 1985) is a Portfolio Manager at Western Asset's London office. As a member of the Global Portfolios Team, Dean is responsible for the day-to-day management of global portfolios and the development and implementation of global investment strategy.

He holds a Bachelor of Science degree in Financial Mathematics from the University of Hertfordshire

Disciplinary Information

Mr. French has no disciplinary actions to report.

Other Business Activities

Mr. French is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. French does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. French is supervised by Gordon S. Brown, Head of Global Portfolios, who may be reached at +44-(0)20-7422-3000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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Desmond Fu
Portfolio Manager

Educational Background and Business Experience

Desmond Fu (born 1982) is a Portfolio Manager at Western Asset's Singapore office. He has more than 18 years of experience. Previously, he was a Portfolio Manager with APS Komaba Asset Management Pte Ltd, an Investment Manager with UOB Life Assurance Pte Ltd and an Executive Officer with Central Provident Fund Board.

Desmond holds a Master of Science degree in International Political Economy from Nanyang Technological University, a Bachelor of Science degree in Economics and Management (with honors) from the London School of Economics and Political Science and a diploma in Civil and Structural Engineering from Singapore Polytechnic.

Disciplinary Information

Mr. Fu has no disciplinary actions to report.

Other Business Activities

Mr. Fu is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Fu does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Fu is supervised by Desmond Soon, Head of Investment Management, Asia (ex-Japan)/Portfolio Manager, who may be reached at +65-6428-3600. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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Kurt D. Halvorson, CFA
Portfolio Manager

Educational Background and Business Experience

Kurt D. Halvorson (born 1977) is a Portfolio Manager at Western Asset's Pasadena office. Prior to joining the Firm in 2010, Mr. Halvorson was a Senior Corporate Bond Manager with Aegon USA Investment Management, a Senior Trader with 40/86 Advisors, LLC, and an Associate in Corporate Bond Trading with Banc of America Securities, LLC.

Kurt holds a Bachelor of Arts degree in Business from Covenant College. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Halvorson has no disciplinary actions to report.

Other Business Activities

Mr. Halvorson is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Halvorson does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Halvorson is supervised by Ryan K. Brist, Head of Investment-Grade Credit/Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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Greg E. Handler, CFA
Head of Mortgage and Consumer Credit

Educational Background and Business Experience

Greg E. Handler (born 1980) is the Head of Mortgage and Consumer Credit at Western Asset's Pasadena office. He currently serves as a member of Western Asset's US Broad Strategy Committee which formulates domestic investment themes and strategies. Greg, who joined the Firm in 2002, has been a lead portfolio manager on Western Asset's structured product portfolios since they launched in July 2007. He has been focusing his research on the non-agency MBS sector for more than 18 years. Greg's contributions have been instrumental to the Firm's residential credit research and trading efforts and he developed the tools the team uses to manage and analyze the market. He possesses a deep knowledge of mortgage credit and has successfully navigated highly volatile markets. Prior to joining the Investment Management Team, Greg was a Risk Analyst within the Risk Management & Quantitative Solutions Department.

He holds a Bachelor of Science from Pomona College, and studied at the Universidad de Salamanca. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Handler has no disciplinary actions to report.

Other Business Activities

Mr. Handler is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Handler does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Handler is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Mark A. Hughes, CFA
Portfolio Manager/Research Analyst

Educational Background and Business Experience

Mark A. Hughes (born 1976) is a Portfolio Manager/Research Analyst at Western Asset's Pasadena office. His responsibilities include formulating strategy for EM corporate credit exposures across the Firm and leading the EM corporate credit research effort. In 2009 Mark joined Western Asset's Global Credit Team as a Research Analyst responsible for the autos, industrials and media sectors. Prior to joining the Firm, he served as a Senior Vice President of Credit Research at Pacific Investment Management Company (PIMCO). He has also been a Financial Analyst for W.R. Huff Asset Management and an Investment Banking Associate for Seattle-Northwest Securities.

Mark holds a Bachelor of Arts from Willamette University and an MBA from the Massachusetts Institute of Technology's Sloan School of Management. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Hughes has no disciplinary actions to report.

Other Business Activities

Mr. Hughes is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Hughes does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Hughes is supervised by Kevin J. Ritter, Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

John C. Hwang
Portfolio Manager

Educational Background and Business Experience

John C. Hwang (born 1977) is a Portfolio Manager at Western Asset's Pasadena office. John co-manages all CLO portfolios issued by Western Asset and is responsible for all corporate structured credit investments within the Firm. Prior to joining Western Asset, he served as a Senior Associate for Deutsche Bank's structured finance group with a focus on CDOs backed by bank loans (CLOs), asset-backed securities (CDOs) and investment-grade/high-yield corporates (CBOs).

John attended the University of California, Irvine where he received a Bachelor of Arts in Economics.

Disciplinary Information

Mr. Hwang has no disciplinary actions to report.

Other Business Activities

Mr. Hwang is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Hwang does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Hwang is supervised by Walter E. Kilcullen, Head of US High Yield, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Christopher N. Jacobs, CFA
Portfolio Manager

Educational Background and Business Experience

Christopher N. Jacobs (born 1966) is a Portfolio Manager at Western Asset's Pasadena office. Prior to joining Western Asset, he was a Managing Partner and Portfolio Manager at Breakwater Fund Management LLC. He also worked as a Senior Analyst and later as Head Trader at Ares Management LLC.

Mr. Jacobs, who is a CFA® charterholder, received an MBA from the University of Virginia Darden Graduate School of Business, and a Bachelor of Arts degree from Davidson College in North Carolina. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Jacobs has no disciplinary actions to report.

Other Business Activities

Mr. Jacobs is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Jacobs does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Jacobs is supervised by Walter E. Kilcullen, Head of US High Yield, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Blanton Y. Keh, CFA
Portfolio Manager

Educational Background and Business Experience

Blanton Y. Keh (born 1971) is a Portfolio Manager at Western Asset's Pasadena office. Blanton joined the Firm in 2004 after serving as a Portfolio Manager with Banc of America Capital Management, and, prior to that, as a Market Risk Manager with Bank of America.

Blanton holds a Master of Science degree and an MBA from the Anderson Graduate School of Management at the University of California, Los Angeles, and a Bachelor of Science degree from the California State Polytechnic University. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Keh has no disciplinary actions to report.

Other Business Activities

Mr. Keh is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Keh does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Keh is supervised by Ryan K. Brist, Head of Investment-Grade Credit/Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Kevin K. Kennedy
Head of Liquidity Portfolio Management

Educational Background and Business Experience

Kevin K. Kennedy (born 1954) is the Head of Liquidity Portfolio Management at Western Asset's New York office. Prior to joining the Firm in 2005, Kevin served as Managing Director and Portfolio Manager with Citigroup Asset Management, as Portfolio Manager with Metropolitan Life, as Money Market Trader with Kenney & Branisel Inc. and as Trader and Portfolio Manager of the Treasury Division with the Bank of New York.

Kevin holds a Bachelor of Arts degree from Stonehill College.

Disciplinary Information

Mr. Kennedy has no disciplinary actions to report.

Other Business Activities

Mr. Kennedy is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Kennedy does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kennedy is supervised by John L. Bellows, Head of Broad Markets, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Walter E. Kilcullen
Head of US High Yield

Educational Background and Business Experience

Walter E. Kilcullen (born 1976) is the Head of US High Yield at Western Asset's Pasadena office. Walter is the lead portfolio manager of the Firm's US high-yield strategies, including separate accounts and open-end retail funds. In addition, he manages the Western Asset High-Yield Opportunistic LLC fund and high-yield allocations within Core and Core Plus strategies. Walter brings leveraged finance experience to Western Asset's US Broad Strategy Committee, which formulates domestic investment themes and strategies. Walter is also a member of the Firm's Global Credit Committee, which oversees broad credit strategies for broad market and dedicated credit assignments. Walter has previously served the Firm as Head of High-Yield Trading. Prior to joining Western Asset in 2002, he began his career at Seix Investment Advisors, where he was Head of High-Yield Trading.

Walter holds a Bachelor of Arts in Economics from the University of Massachusetts, Amherst.

Disciplinary Information

Mr. Kilcullen has no disciplinary actions to report.

Other Business Activities

Mr. Kilcullen is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kilcullen does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kilcullen is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Christopher F. Kilpatrick
Portfolio Manager

Educational Background and Business Experience

Christopher F. Kilpatrick (born 1974) is a Portfolio Manager at Western Asset's Pasadena office. Chris Kilpatrick is a Portfolio Manager in Western Asset's Pasadena office and specializes in high-yield credit. He has been with the Firm since 2003, and has previously served as a Research Analyst and Trader. Prior to joining Western Asset, Chris was a High-Yield Loan Trader and Senior Structure Analyst at Pacific Investment Management Company (PIMCO) and worked at GMAC Mortgage Corporation.

Chris has 26 years of industry experience and holds a Bachelor of Arts in Finance from California State University, Long Beach. Chris also holds an MBA from the Paul Merage School of Business at the University of California, Irvine.

Disciplinary Information

Mr. Kilpatrick has no disciplinary actions to report.

Other Business Activities

Mr. Kilpatrick is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kilpatrick does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kilpatrick is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Michael S. Kim
Research Analyst

Educational Background and Business Experience

Michael S. Kim (born 1979) is a Research Analyst at Western Asset's Pasadena office. He specializes in high-yield credit and covers the healthcare, pharmaceuticals, homebuilding, building products and broadcasters industries. Prior to joining the Firm in 2017, Michael was Principal of US Opportunistic and Liquid Opportunistic Credit with Apollo Global Management, LLC. Previously, he served as Managing Director and Partner of Equity and Fixed-Income Research with CRT Capital Group, LLC and Vice President of Credit Markets Strategy with The Royal Bank of Scotland. Before that, he was Associate Director of High-Yield Research with UBS Securities LLC after starting his career as an Analyst and Associate of Leveraged Finance and Corporate Banking with Bank of America, N.A.

Michael holds a Bachelor of Arts in Business Economics from Brown University and an MBA with honors from Columbia Business School.

Disciplinary Information

Mr. Kim has no disciplinary actions to report.

Other Business Activities

Mr. Kim is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kim does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kim is supervised by Michael T. Borowske, Head of US Corporate Credit Research, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Hiroyuki Kimura
Portfolio Manager

Educational Background and Business Experience

Hiroyuki Kimura (born 1963) is a Portfolio Manager at Western Asset's Tokyo office. Prior to joining the Firm in 2005, Hiroyuki was a Senior Portfolio Manager with Citigroup Asset Management and Vice President of Credit Suisse First Boston. He began his career with Taiheiyo Securities.

Hiroyuki holds a Bachelor of Arts degree from Chiba University and is a Chartered Member of the Security Analysts Association of Japan.

Disciplinary Information

Mr. Kimura has no disciplinary actions to report.

Other Business Activities

Mr. Kimura is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kimura does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kimura is supervised by Kazuto Doi, Portfolio Manager, who may be reached at +81-(0)3-4520-4300. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Anthony Kirkham, CFA
Head of Melbourne Operations and Investment Management/Portfolio Manager

Educational Background and Business Experience

Anthony Kirkham (born 1968) is the Head of Melbourne Operations and Investment Management/Portfolio Manager at Western Asset's Melbourne office. Anthony previously served as Head of the Australian Investment team, Head of Australian Operations, and Portfolio Manager at Western Asset. From 1999 to 2007, he was Deputy Head of Investments and Senior Portfolio Manager at both Western Asset and its local predecessor, Citigroup Asset Management. Mr. Kirkham previously worked as Fixed Interest Manager at RACV Investments between 1996 and 1999. He also served as Senior Dealer at Metway Bank and Senior Dealer and Credit Analyst at Commonwealth Bank.

Mr. Kirkham holds a Bachelor of Commerce degree from the University of Melbourne, a Master of Applied Finance from Macquarie University and a Graduate Diploma from the Securities Institute of Australia. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Kirkham has no disciplinary actions to report.

Other Business Activities

Mr. Kirkham is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kirkham does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kirkham is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Ryan J. Kohan
Head of Bank Loans

Educational Background and Business Experience

Ryan J. Kohan (born 1985) is the Head of Bank Loans at Western Asset's Pasadena office. Prior to joining the Firm in 2019, Ryan was with Sound Point Capital where he served as Lead Portfolio Manager on the American Beacon Sound Point Floating Rate Fund. Previously, Ryan spent more than four years as Senior Investment Analyst for Doral Leveraged Asset Management (DLAM). He was a founding member of the team and was responsible for the establishment and management of $1.5 billion of performing loan assets across three CLOs and one total return vehicle. In addition, Ryan's coverage responsibilities at DLAM included more than 50 names in the aerospace and defense, industrial, automotive, and food and beverage industries. Prior to DLAM, Ryan was an Investment Banker in the Restructuring Group of Rothschild.

Ryan graduated magna cum laude from Babson College with a Bachelor of Science in Business Management.

Disciplinary Information

Mr. Kohan has no disciplinary actions to report.

Other Business Activities

Mr. Kohan is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Kohan does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Kohan is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

S. Kenneth Leech
Co-Chief Investment Officer

Educational Background and Business Experience

S. Kenneth Leech (born 1954) is the Co-Chief Investment Officer at Western Asset's Pasadena office. Ken Leech is Co-Chief Investment Officer at Western Asset and has more than 46 years of industry experience. Ken joined the Firm in 1990, and from 1991 to 2022, assets under management grew from just over $5 billion to $421.0 billion. He leads the Global and US Strategy Committees with Michael Buchanan. Ken also serves on the Market & Credit Risk Committee, which determines and monitors internal and external risk guidelines, and reviews market and credit risk issues. From 2002–2004, he served as a member of the Treasury Borrowing Advisory Committee. In 2017, Ken and the Western Asset team were nominated for Morningstar's US Fixed-Income Manager of the Year, the third time in four years. Over the last 20 years, the team has been nominated six times, most recently winning the award in 2014. Ken was inducted into the Fixed-Income Analyst Society Hall of Fame in 2007.

Prior to joining Western Asset, Ken was a Portfolio Manager with Greenwich Capital Markets, The First Boston Corporation and the National Bank of Detroit. He is a graduate of the University of Pennsylvania's Wharton School. In his four years there, he received three degrees: a Bachelor of Arts, a Bachelor of Science and an MBA, graduating summa cum laude.

Disciplinary Information

Mr. Leech has no disciplinary actions to report.

Other Business Activities

Mr. Leech is registered as an associated person with the NFA. An associated person is permitted to solicit funds and discuss investment strategies with clients and prospects on behalf of the CTA or CPO. Western Asset Management Company, LLC is registered as a Commodity Trading Adviser (CTA) and a Commodity Pool Operator (CPO) with the National Futures Association (NFA). No additional commissions or other sales-based compensation are received as part of being an associated person.

Additional Compensation

Mr. Leech does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Leech is supervised by James W. Hirschmann, President and Chief Executive Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Chia-Liang Lian, CFA
Head of Emerging Markets Debt

Educational Background and Business Experience

Chia-Liang Lian (born 1969) is the Head of Emerging Markets Debt at Western Asset's Pasadena office. CL has previously served the Firm as Head of Investment Management in Asia, excluding Japan, before assuming his current role in 2015. Under his leadership, Western Asset received Benchmark Magazine's Best-In-Class House Award in Asia Fixed-Income in 2012. In 2017, CL and the Western Asset team were recognized as Best Fund Manager—Bonds-Asia Pacific Local Currency—Legg Mason Global Asset Management by Citywire Asia Awards 2017.

Prior to joining the Firm in 2011, CL was with Pacific Investment Management Company (PIMCO) for six years, where he served as Head of Emerging Asia Portfolio Management. He also spent eight years as a sovereign debt strategist at JPMorgan Chase and Merrill Lynch. Previously, he was at the Monetary Authority of Singapore (MAS) as Senior Economist responsible for formulating exchange rate policy. He holds a Bachelor of Social Sciences in Economics from the National University of Singapore, where he graduated as part of the MAS' Finance Scholarship Programme. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Lian has no disciplinary actions to report.

Other Business Activities

Mr. Lian is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Lian does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Lian is supervised by S. Kenneth Leech, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Swee-Ching Lim
Portfolio Manager

Educational Background and Business Experience

Swee-Ching Lim (born 1974) is a Portfolio Manager at Western Asset's Singapore office. Prior to joining the Firm in 2012, Mr. Lim served as a Credit Analyst in Portfolio Management with Barclays Capital, a Research Analyst with Morgan Stanley and an Investment Banking Analyst with UBS.

Mr. Lim holds a Bachelor of Arts degree from Dartmouth College.

Disciplinary Information

Mr. Lim has no disciplinary actions to report.

Other Business Activities

Mr. Lim is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Lim does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Lim is supervised by Desmond Soon, Head of Investment Management, Asia (ex-Japan)/Portfolio Manager, who may be reached at +65-6428-3600. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Mark S. Lindbloom
Portfolio Manager

Educational Background and Business Experience

Mark S. Lindbloom (born 1956) is a Portfolio Manager at Western Asset's Pasadena office. He is a member of the Firm's US Broad Strategy Committee as well as the Market & Credit Risk Committee. Prior to joining Western Asset in 2005, Mark was a Portfolio Manager at Citigroup Asset Management and at Brown Brothers Harriman & Company. He has also worked as an Analyst at New York Life Insurance.

Mark holds an MBA from Pace University and a Bachelor of Science from Rider University. Mark, along with CIO Ken Leech and Portfolio Manager Carl Eichstaedt, was named Morningstar's 2014 US Fixed-Income Manager of the Year for the Western Asset Core Bond and the Western Asset Core Plus Bond funds.

Disciplinary Information

Mr. Lindbloom has no disciplinary actions to report.

Other Business Activities

Mr. Lindbloom is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Lindbloom does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Lindbloom is supervised by S. Kenneth Leech, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

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Keith A. Luna, CFA
Portfolio Manager/Research Analyst

Educational Background and Business Experience

Keith A. Luna (born 1981) is a Portfolio Manager/Research Analyst at Western Asset's Pasadena office. Before transitioning into his current role, Keith was a Portfolio Analyst with the Firm. Prior to joining Western Asset in 2003, he was a Senior Research Associate with Techknowledge Point Corporation and a Research Analyst with the Investment Group of Santa Barbara.

Keith holds an MBA from the University of California, Los Angeles, and a Bachelor of Arts from Westmont College. As an undergraduate he completed Messiah College's International Business Institute study in Europe. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Luna has no disciplinary actions to report.

Other Business Activities

Mr. Luna is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Luna does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Luna is supervised by Amit Chopra, Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Frederick R. Marki, CFA
Portfolio Manager

Educational Background and Business Experience

Frederick R. Marki (born 1961) is a Portfolio Manager at Western Asset's Pasadena office. Prior to joining the Firm in 2005, Mr. Marki was Senior Portfolio Manager with Citigroup Asset Management, Portfolio Manager with UBS, and Vice President with Merrill Lynch. He began his career as an Assistant Economist at the Federal Reserve Bank of New York.

Mr. Marki holds a Bachelor of Science degree from the Massachusetts Institute of Technology. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Marki has no disciplinary actions to report.

Other Business Activities

Mr. Marki is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Marki does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Marki is supervised by John L. Bellows, Head of Broad Markets, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Nicholas Mastroianni, CFA
Portfolio Manager

Educational Background and Business Experience

Nicholas Mastroianni (born 1985) is a Portfolio Manager at Western Asset's Pasadena office. He holds a Bachelor of Science from the University of Southern California, and is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Mastroianni has no disciplinary actions to report.

Other Business Activities

Mr. Mastroianni is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Mastroianni does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Mastroianni is supervised by John L. Bellows, Head of Broad Markets, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Simon Miller
Portfolio Manager

Educational Background and Business Experience

Simon Miller (born 1982) is a Portfolio Manager at Western Asset's Pasadena office. He brings more than 18 years of experience in commercial real estate and capital markets to Western Asset's Pasadena office. Simon has navigated multiple market and real estate credit cycles, and has expertise spanning portfolio management, capital markets, trading, loan origination and structuring, credit and asset management including distressed credit workouts. Prior to joining Western Asset in 2021, he was a Portfolio Manager for CMBS/CRE at Doubleline Capital where he was responsible for the establishment of a credit investment platform, including the development of investment evaluation, asset management, portfolio management tools and procedures, and formation of a CRE loan origination and CRE CLO business. Previously, he was Assistant Vice President, CRE Credit and Asset Management at Torchlight investors, Associate Director, CRE Originations at GE Capital and analyst, CMBS at JER Partners.

Simon holds a Bachelor of Science in Management with a Concentration in Finance from Tulane University, and a Master of Science in Real Estate with a Concentration in Finance from New York University. Simon is a licensed California real estate broker and participates in the CREFC Mentorship program and the Real Estate Cabinet of the Jewish Federation of Los Angeles.

Disciplinary Information

Mr. Miller has no disciplinary actions to report.

Other Business Activities

Mr. Miller is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Miller does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Miller is supervised by Greg E. Handler, Head of Mortgage and Consumer Credit, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Michele Mirabella, CFA
Portfolio Manager

Educational Background and Business Experience

Michele Mirabella (born 1968) is a Portfolio Manager at Western Asset's New York office. Before joining the Firm in 2005, she was a Director at Citigroup Asset Management.

Ms. Mirabella earned an MBA from Pace University and a Bachelor of Science degree from Montclair State University. She is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Ms. Mirabella has no disciplinary actions to report.

Other Business Activities

Ms. Mirabella is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Ms. Mirabella does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Mirabella is supervised by Kevin K. Kennedy, Head of Liquidity Portfolio Management, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

John C. Mooney, CFA
Portfolio Manager

Educational Background and Business Experience

John C. Mooney (born 1965) is a Portfolio Manager at Western Asset's New York office. Prior to joining the Firm in 2005, Mr. Mooney served as Director and Portfolio Manager with Citigroup Asset Management, Vice President of AIG/SunAmerica, Assistant Vice-President with First Investors Management Company and worked with Alliance Capital LP and The Boston Company.

Mr. Mooney is a CFA® charterholder and holds a Bachelor of Arts degree from Denison University. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Mooney has no disciplinary actions to report.

Other Business Activities

Mr. Mooney is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Mooney does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Mooney is supervised by Robert E. Amodeo, Head of Municipals, who may be reached at +1-212-601-6000. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Kevin J. Ritter, CFA
Portfolio Manager

Educational Background and Business Experience

Kevin J. Ritter (born 1975) is a Portfolio Manager at Western Asset's Pasadena office. Kevin has also served as a Trader and Research Analyst since rejoining the Firm in 2006. Prior to this, he was an Emerging Markets Trader at Payden & Rygel for two years. Before joining Western Asset for the first time in 2003 as a Portfolio Analyst, Kevin worked as a Spring Associate and Portfolio Analyst at FH International Financial Services. He began his career in emerging markets in 1998, filling various roles in the capital markets groups at Dresdner Kleinwort Wasserstein and ING Barings.

Kevin holds a Bachelor of Arts from Dartmouth College in Political Science and is a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Ritter has no disciplinary actions to report.

Other Business Activities

Mr. Ritter is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Ritter does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Ritter is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Annabel Rudebeck
Head of Non-US Credit

Educational Background and Business Experience

Annabel Rudebeck (born 1977) is the Head of Non-US Credit at Western Asset's London office. Annabel is a member of the Firm's Global Investment Strategy Committee, Global Credit Committee and ESG Strategic Steering Committee. She also leads the Global Credit Team in London. Annabel is responsible for the day-to-day management of the Firm's Global Credit portfolios alongside the development and implementation of global credit investment strategy. She joined the Firm in 2016 from Rogge Global Partners where she was a Senior Partner and Head of Global Investment-Grade Credit, working previously for J.P. Morgan Securities as a Credit Research Associate.

Annabel graduated with a Masters in Economics and a Bachelor of Arts degree in Economics (with Honors) from the University of Cambridge.

Disciplinary Information

Ms. Rudebeck has no disciplinary actions to report.

Other Business Activities

Ms. Rudebeck is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Ms. Rudebeck does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Rudebeck is supervised by Michael C. Buchanan, Co-Chief Investment Officer, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Rajiv Sachdeva, PhD
Head of Portfolio and Quantitative Analysis

Educational Background and Business Experience

Rajiv Sachdeva (born 1964) is the Head of Portfolio and Quantitative Analysis at Western Asset's Pasadena office. He has held this position since 2008. Previously, Dr. Sachdeva co-founded Dalton Strategic Partnership, a London-based boutique investment manager, where he was responsible for risk management and information technology. He has also worked as Head of European Risk Management for Western Asset in London and as a Director at Merrill Lynch Investment Managers. Dr. Sachdeva started his financial career as a Risk Analyst with Bankers Trust.

Dr. Sachdeva holds a PhD in Experimental Particle Physics from Imperial College, London and qualified in Medicine at the University of Newcastle upon Tyne.

Disciplinary Information

Mr. Sachdeva has no disciplinary actions to report.

Other Business Activities

Mr. Sachdeva is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Sachdeva does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Sachdeva is supervised by Connie Fischer, Director of Portfolio Operations, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Julien A. Scholnick, CFA
Portfolio Manager

Educational Background and Business Experience

Julien A. Scholnick (born 1975) is a Portfolio Manager at Western Asset's Pasadena office. Prior to joining the Firm in 2003, Julien served as an Associate in the Private Client Group with Salomon Smith Barney, as a Senior Analyst with Digital Coast Partners and as a Senior Analyst with Arthur Andersen, LLP.

Julien holds a Bachelor of Arts degree from the University of California, Los Angeles, and an MBA from Cornell University. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Scholnick has no disciplinary actions to report.

Other Business Activities

Mr. Scholnick is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Scholnick does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Scholnick is supervised by John L. Bellows, Head of Broad Markets, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Molly Schwartz, CFA
Portfolio Manager

Educational Background and Business Experience

Molly Schwartz (born 1982) is a Portfolio Manager at Western Asset's Pasadena office. Prior to her current role, Molly was a member of the US Credit Team and of the US Broad Market Team where she specialized in allocating across the various fixed-income sectors for LDI and Long Duration mandates. Molly began her career with Western Asset working with the Investment-Grade Credit Team, first as a Portfolio Analyst and subsequently as a Trader.

Molly holds an MBA and Bachelor of Science in Finance from the University of Southern California. She is also a CFA® Charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Ms. Schwartz has no disciplinary actions to report.

Other Business Activities

Ms. Schwartz is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Ms. Schwartz does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Schwartz is supervised by Ryan K. Brist, Head of Investment-Grade Credit/Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Stephen Sibley, CFA
Portfolio Manager/Research Analyst

Educational Background and Business Experience

Stephen Sibley (born 1968) is a Portfolio Manager/Research Analyst at Western Asset's New York office. He joined the Firm in 2005 after serving as Vice President at Citigroup Asset Management for 15 years.

Mr. Sibley holds a Bachelor of Science degree from St. John's University. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Sibley has no disciplinary actions to report.

Other Business Activities

Mr. Sibley is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Mr. Sibley does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Sibley is supervised by Julien A. Scholnick, Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Desmond Soon, CFA
Head of Investment Management, Asia (ex-Japan)/Portfolio Manager

Educational Background and Business Experience

Desmond Soon (born 1963) is the Head of Investment Management, Asia (ex-Japan)/Portfolio Manager at Western Asset's Singapore office. Prior to joining the Firm in 2012, Mr. Soon served as Vice President of Portfolio Management with ST Asset Management; Asia Fixed-Income Analyst and Portfolio Manager with AMP Capital Investors; Head of Fixed-Income and Currency with DBS Asset Management; Investment Manager with Pacific Asset Management; Assistant Vice President of Asian Securities Trading with Bank of America; Assistant Director of Capital Market Sales with NatWest Markets; Manager of Bond Sales with Yamaichi Merchant Bank, and as Investment Officer and Bond Dealer with United Overseas Bank. Desmond Soon and the Western Asset team were awarded Legg Mason Global Asset Management Best Fund Manager by Citywire Asia Awards 2017.

Mr. Soon holds a Bachelor of Social Sciences from the National University of Singapore, as well as a Master of Science in Financial Engineering. Mr. Soon is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Soon has no disciplinary actions to report.

Other Business Activities

Mr. Soon is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Soon does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Soon is supervised by Anthony Kirkham, Head of Melbourne Operations and Investment Management/Portfolio Manager, who may be reached at +61-(0)3-9016-5600. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Theresa M. Veres
Portfolio Manager

Educational Background and Business Experience

Theresa M. Veres (born 1966) is a Portfolio Manager at Western Asset's New York office. Theresa is dedicated to managing Insurance strategies which include capital efficient Bank Owned Life Insurance (BOLI) portfolios. Previously, Theresa served as Director and Portfolio Manager with Citigroup Asset Management and as Vice President with Salomon Brothers Inc.

Theresa holds a Bachelor of Science degree from Drexel University.

Disciplinary Information

Ms. Veres has no disciplinary actions to report.

Other Business Activities

Ms. Veres is a registered representative of Franklin Distributors, LLC. Franklin Distributors, LLC ("FD") is a limited-purpose broker-dealer that promotes investment products of Western Asset and other Franklin Resources, Inc. affiliates. Registered representatives are able to assist FD with promotional activities in support of Western Asset's strategies and products. No additional commissions or other sales-based compensation is received as part of being a registered representative.

Additional Compensation

Ms. Veres does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Veres is supervised by Amit Chopra, Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset Management Company, LLC
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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Bonnie M. Wongtrakool, CFA
Global Head of ESG Investments/Portfolio Manager

Educational Background and Business Experience

Bonnie M. Wongtrakool (born 1974) is the Global Head of ESG Investments/Portfolio Manager at Western Asset's Pasadena office. Bonnie leads the Firm's ESG research, engagement, strategies and portfolios, which express Western Asset's ESG capabilities across a wide range of fixed-income mandates. Bonnie is a member of the Firm's US Broad Strategy Committee, which formulates domestic investment themes and strategies. She also chairs the Firm's ESG Strategic Steering Committee and its ESG Cross Mandate Task Force, and represents the Investment Management Team on the Market and Credit Risk Committee, Global Product Development Committee and DEI Committee.

Prior to her ESG leadership role, Bonnie was a Portfolio Manager on the MBS/ABS Team, where she managed the Firm's dedicated mortgage funds and was responsible for mortgage allocations across the Firm's multi-sector portfolios. She brings to her role broad experience across the financial services industry, having previously worked at Mercer Management Consulting in strategy consulting, at Orion Partners in private equity, and at Donaldson, Lufkin & Jenrette Securities in investment banking.

Bonnie graduated Phi Beta Kappa and magna cum laude with a Bachelor of Arts in Economics from Harvard College, where she received the Detur Prize and was awarded the John Harvard Scholarship for academic distinction. She subsequently received a law degree, cum laude, from Harvard Law School, and is a member (inactive) of the Massachusetts State Bar. Bonnie is also a CFA® charterholder, and serves on the Board of Trustees of the Pasadena Playhouse and the Investment Committee of the Pasadena Community Foundation. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Ms. Wongtrakool has no disciplinary actions to report.

Other Business Activities

Ms. Wongtrakool is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Ms. Wongtrakool does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Ms. Wongtrakool is supervised by Connie Fischer, Director of Portfolio Operations, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Suguru Yasuno
Portfolio Manager

Educational Background and Business Experience

Suguru Yasuno (born 1973) is a Portfolio Manager at Western Asset's Tokyo office. Prior to joining the Firm in 2005, Mr. Yasuno was a Portfolio Manager with Citigroup Asset Management, and UFJ Partners Asset Management.

Mr. Yasuno holds a Bachelor of Science from Kyoto University. He is a Chartered Member of the Security Analysts Association of Japan.

Disciplinary Information

Mr. Yasuno has no disciplinary actions to report.

Other Business Activities

Mr. Yasuno is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Yasuno does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Yasuno is supervised by Kazuto Doi, Portfolio Manager, who may be reached at +81-(0)3-4520-4300. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Western Asset Management Company Ltd
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This brochure, dated December 31, 2023, supplements Western Asset Management Company's Form ADV Part 2A which you should have already received. Please contact your Client Service Executive at 626-844-9400 if you did not receive Western Asset's Form ADV Part 2A or if you have any questions about this supplemental information.

Rafael Zielonka, CFA
Portfolio Manager

Educational Background and Business Experience

Rafael Zielonka (born 1980) is a Portfolio Manager at Western Asset's Pasadena office. Raf started his career at Western Asset in 2002, and has worked in various teams including Risk Management. Prior to assuming his current role, he served as a Portfolio Analyst and Trader.

Raf holds an MBA from The Wharton School at the University of Pennsylvania and a Bachelor of Science from California State Polytechnic University, Pomona. He is also a CFA® charterholder. A CFA® charterholder designation requires the individual to pass three separate examinations testing knowledge of finance, accounting, economics, business ethics and related topics, as well as have a minimum of four years of investment experience.

Disciplinary Information

Mr. Zielonka has no disciplinary actions to report.

Other Business Activities

Mr. Zielonka is not engaged in any investment-related business outside of employment with Western Asset Management Company.

Additional Compensation

Mr. Zielonka does not receive any economic benefits beyond the salary and merit bonus received in connection with employment at Western Asset Management Company.

Supervision

Mr. Zielonka is supervised by Mark S. Lindbloom, Portfolio Manager, who may be reached at +1-626-844-9400. Supervisors regularly review portfolio manager's investment performance, portfolio risk measurements, client support activities, adherence to client portfolio objectives and guidelines, in addition to other financial measures. This includes both formal reviews and less formal interactions.

Compensation Disclosure Statement Furnished Pursuant to ERISA Section 408(b)(2)

This Compensation Disclosure Statement is being furnished pursuant to the U.S. Department of Labor's Rule under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974 ("ERISA"). It provides disclosure concerning the direct and indirect compensation expected to be received by Western Asset Management Company ("Western Asset") in connection with the investment management services Western Asset provides to clients who are employee benefit plans (each a "Plan").

- Western Asset provides investment management services to each Plan in accordance with the investment strategy and guidelines set forth in the Investment Management Agreement ("IMA") agreed upon between Western Asset and a responsible fiduciary acting on behalf of each Plan.

- Western Asset provides investment management services directly to each Plan (and/or to one or more investment entities or funds which hold "plan assets" under ERISA and in which the Plan has a direct equity investment) as a "fiduciary," as such term is defined in Section 3(21) of ERISA, and as an investment adviser registered under the Investment Advisers Act of 1940. See IMA.

- Western Asset receives an investment advisory fee directly from each Plan. The precise fee is specified in the fee schedule to the IMA. Western Asset as an investment manager for the Plan is paid an advisory fee in accordance with the percentage fee rate and schedule described in the IMA. The advisory fee applies to all Plan assets managed by Western Asset. Any client may contact Western Asset to confirm the amount of the advisory fee. See IMA.

- It is the policy of Western Asset not to enter into agreements or arrangements with respect to brokerage in exchange for research services (commonly known as "soft dollar" commission arrangements). However, Western Asset may receive research or statistical information from brokers or dealers with whom it executes trades. This information is not provided in exchange for any specific transaction volume and there is no obligation for brokers to provide it or entitlement for Western Asset to receive it and Western Asset does not consider this information to comprise soft dollar arrangements. Regardless, it is not practical to determine or estimate the value of such research or statistical information or to allocate such value to particular client accounts.

- From time to time, employees of Western Asset may receive non-monetary compensation such as gifts and entertainment from vendors (e.g., custodians, transfer agents or broker-dealers) with which Western Asset may engage in business dealings on behalf of its clients. Western Asset maintains compliance policies under which any gifts and entertainment must be reasonable under the circumstances and not excessive in either value or frequency. In no event may an employee of Western Asset accept gifts or entertainments that are conditioned on directing specific transactions or a specific level of business to another firm. Western Asset maintains a compliance policy prohibiting the receipt of cash from vendors by its employees. Western Asset believes that any gifts and entertainment received by its employees from a vendor or a financial intermediary are received in the context of a general business relationship and should not be viewed as attributable or allocable to any particular investment advisory client.

- If the terms of the investment management agreement provide for payment in advance on a periodic basis as specified in the investment management agreement and the agreement is terminated during a period, Western Asset will refund to a Plan a pro-rata portion of the pre-paid investment management fees based on the number of days remaining in the quarter. If the terms of the investment management agreement provide for payment in arrears and the agreement is terminated during the period, a pro-rated investment management fee will be payable to Western Asset for the portion of the period during which Western Asset provides investment management services. No other compensation will be payable to Western Asset in the event that our investment management agreement is terminated. See IMA.

- Western Asset invoices each Plan for payment of its investment management fee. The Plan is then responsible for making arrangements to remit payment to Western Asset. See IMA.

- If a Plan is invested directly in a private commingled vehicle under terms of an IMA with Western Asset, specific disclosures of financial terms (such as operating expenses) are made with annual financial statements ("Financial Statements") that are distributed to each investor on an annual basis. Private commingled vehicles made available to Western Asset's separate account clients carry no management fee, no sales charges, and no redemption fees. Other than operating expenses for such funds, there are no other expenses incurred in connection with an investment in a private commingled vehicle. See IMA and Financial Statements.

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