

Royce Quant Small-Cap Quality Value ETF (SQLV)



Blend Factsheet as of September 30, 2023

Investment Overview

The Royce Quant Small-Cap Quality Value ETF (SQLV) seeks to achieve long-term growth of capital. The fund primarily invests in equity securities of small-capitalization companies that are traded in the United States and meet certain criteria using a proprietary methodology created by the fund's subadviser.

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

Strategy Differentiators

Focuses on high quality, US-traded small-cap stocks with relatively low valuations

Uses a proprietary, multi-factor scoring system that emphasizes high profitability companies (Quality) selling at attractive valuations (Value)

Thoughtfully combines strategic factors based on decades of insights from highly-regarded small-cap practitioners.

Total Returns (%)

	Cumulative			Average Annual					Inception	
	3-Mth	6-Mth	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date	
Market Price Return	-1.54	2.29	5.58	14.88	18.08	5.23	—	7.24	7/12/2017	
NAV Returns	-1.89	1.92	5.55	15.24	18.12	5.22	—	7.24	7/12/2017	
Benchmark	-5.13	-0.19	2.54	8.93	7.16	2.40	—	5.09	—	

Calendar Year Total Returns (%)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Market Price Return	-12.85	35.70	8.08	16.59	-9.22	—	—	—	—	—
NAV Returns	-12.85	35.84	7.97	16.54	-9.15	—	—	—	—	—
Benchmark	-20.44	14.82	19.96	25.52	-11.01	—	—	—	—	—

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment return and principal value will change with market conditions, and you may have a gain or a loss when you sell your shares. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

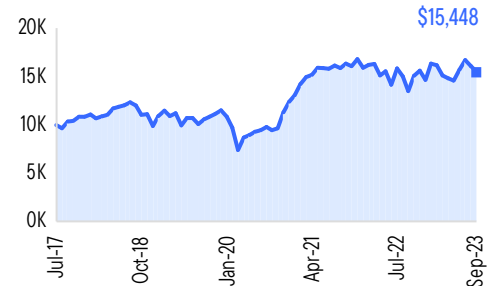
Net Asset Value (NAV) returns are based on the NAV of the ETF; Market Price returns are based upon the official closing price of the ETF's shares. Returns are average annualized total returns, except for those periods of less than one year, which are cumulative. Market Price returns are calculated using the closing price as of 1 p.m. Pacific time on each trading day (when NAV is normally determined for most funds), and do not represent the returns you would receive if you traded shares at other times. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading July 1, 2020, the NAV of the Fund is used as a proxy for the Market Price to calculate market returns.

The total annual operating expenses are as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns.

Growth of \$10,000

Inception through September 30, 2023

Market Price Returns, assuming dividends reinvested



The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment on Market Price and assumes reinvestment of dividends and capital gains. Fund expense, including management fees and other expenses were deducted.

Fund Overview

Fund Inception Date	07/12/2017
Total Expense Ratio (%)	0.60
ETF Category	Active
Asset Class	Equity
Listed Exchange	NASDAQ - XNMS
NASDAQ - XNMS Ticker	SQLV
NAV Symbol	SQLV.NV
CUSIP	52468L877
ISIN	US52468L8770
Shares Outstanding	750,000

Benchmark(s)

Russell 2000 Index

30-Day SEC Yield (%)

30-Day SEC Yields (%) 1.08

Fund Characteristics

	Fund
Total Net Assets	\$26.98 Million
Number of Holdings	244
Average Market Cap (Millions USD)	\$1,626
Price to Book	2.07x
Price to Earnings (12-Month Trailing)	9.09x

Risk Statistics (3-Year)

	Fund	Benchmark
Standard Deviation (%)	22.19	22.38
Beta	0.95	—

Top Equity Issuers (% of Total)

	Fund
Jackson Financial Inc	1.26
Alpha Metallurgical Resources Inc	1.03
Ryder System Inc	1.00
Boise Cascade Co	0.99
F&G Annuities & Life Inc	0.96
American Eagle Outfitters Inc	0.93
Peabody Energy Corp	0.88
Arch Resources Inc	0.86
Group 1 Automotive Inc	0.84
Genworth Financial Inc	0.82

Sector Allocation (Equity % of Total)

	Fund
Financials	18.89
Industrials	17.75
Consumer Discretionary	15.42
Health Care	14.42
Information Technology	10.58
Materials	7.03
Communication Services	5.38
Energy	3.90
Consumer Staples	3.88
Other	2.66

Market Cap Breakdown (% of Equity) (USD)

	Fund
<0.75 Billion	31.99
0.75-1 Billion	8.91
1-2.5 Billion	31.96
2.5-5 Billion	27.14

Portfolio Management

	Years with Firm	Years of Experience
George Necakov, CFA	29	29
Michael Connors	20	24

Royce Investment Partners, established in 1972, is dedicated to managing portfolios of small- and microcap US companies. Based in New York and with over four decades of small-cap investment experience, the firm uses a disciplined value approach to portfolio management.

What should I know before investing?

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. The Fund invests primarily in **small-cap stocks**, which may involve considerably more risk than investing in larger-cap stocks. The Fund has significant exposure to U.S. issuers. A decrease in imports or exports, changes in trade regulations and/or an economic recession in the United States may have a material adverse effect on the **U.S. economy** and the securities listed on U.S. exchanges. The Fund may focus its investments in certain industries, increasing its vulnerability to market volatility. Diversification does not ensure gains or protect against market declines.

Glossary

Standard Deviation: Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Beta** A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. The **30-day SEC yield** is calculated using the net income (interest and dividends) per share earned over a trailing 30-day period (annualized), divided by the fund's share price at the end of that period. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders. **Price to Book:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

Important Information

Prior to May 10, 2022, the fund was named the Legg Mason Small-Cap Quality Value ETF. At that time, the fund's investment strategy and benchmark also changed.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns.

ETF shares may be bought or sold throughout the day at their market price, not their Net Asset Value (NAV), on the exchange on which they are listed. Shares of ETFs are tradable on secondary markets and may trade either at a premium or a discount to their NAV on the secondary market.

Canada: This content is intended only for Canadian institutional investors that qualify as "permitted clients" as defined in National Instrument 31-103 - Registration Requirements, Exemptions and Ongoing Registrant Obligations. U.S. securities laws generally limit a non-U.S. fund's purchase of a U.S. registered mutual fund or ETF (a "U.S. Fund") to no more than 3% of the U.S. Fund's voting stock. You should consult your legal counsel prior to investing in a U.S. Fund.

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The **Russell 2000 Index** is an unmanaged list of common stocks that is frequently used as a general performance measure of U.S. stocks of small and/or midsize companies. Source: FTSE Russell. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. Important data provider notices and terms available at www.franklintempletondatasources.com.

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Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.