



Investment Solutions

INVESTORS ARE OFTEN FOCUSED ON TWO CONFLICTING OBJECTIVES

- **Managing and Understanding Risks**
- **Maximizing Asset Growth**

QS EMPLOYS A TEAM OF SPECIALIZED EXPERTS FOCUSED ON SOLVING FOR THESE OBJECTIVES AND HELPING CLIENTS ACHIEVE THEIR INTENDED OUTCOMES.

Value Proposition

- *Innovative Solutions for specific investment/ business problems*
- *Unique and tailored client experience — ability to define objective, universe, vehicles, incorporate constraints*
- *Deeper partnership with investors to enhance value for clients*



INVESTMENT SOLUTIONS leverages the full breadth of Legg Mason's investment and operational capabilities in the creation of robust custom strategies that meet clients' specific objectives and constraints.

1. Managing and Understanding Risk

QS employs a proprietary risk modeling framework that is able to account for multiple types of risks. These risks include market drawdown, market volatility, longevity risk, active risk, and liability management. Using a quantitative approach, QS is able to deploy flexibility within its risk models to solve for investors' customized risk objective. We combine this flexibility with specific features that have been shown to aid in managing investor risks.

QS RISK MODELLING FRAMEWORK FEATURES

- *Long term vs. short term risk*
- *Accounts for varying data histories*
- *Accounts for uncertainty within forecasts*

2. Maximizing Asset Growth

QS combines fundamental data with behavioral insights in order to capture market inefficiencies that can lead to excess returns. These insights incorporate a number of signals to determine what has offered investors premia and also which type of environments these signals have been most effective. By combining data and insights with a flexible risk modeling framework, QS is able to elevate the certainty of outcomes.

QS GROWTH MODEL FEATURES

- *Robust Factor Library*
- *Macroeconomic Signals*
- *Tactical Asset Models*
- *Strategic Asset Forecasts*
- *Active Investment Manager Allocation*

QS Investors is a global quantitative asset manager, based in NY and Boston, established in 1999, and wholly-owned subsidiary of Legg Mason since 2014.





QS Investors marries
our proprietary research
with the needs and
objectives of investors.

QS Investment Solutions Partners



CAPABILITIES

- *Robust Factor Library*
- *Tactical Asset Allocation*
- *Strategic Asset Allocation*
- *Glidepath Creation*
- *Manager Selection*
- *Goals Based Engine*
- *ESG Compliance*
- *Dynamic Risk Management*
- *DRIVE (Decumulation)*



IMPLEMENTATION

- *Dedicated and Efficient Portfolio Execution*
- *Utilize Tech Interface*
- *Index Construction and Oversight*
- *AUM or AUA*

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QSCR-18943 (10/2019)