FRANKLIN TEMPLETON

# Franklin U.S. Low Volatility High Dividend Index ETF (LVHD)

**Smart Beta |** Factsheet as of June 30, 2026

## Investment Overview

The Franklin U.S. Low Volatility High Dividend Index ETF (LVHD) seeks to track the investment results of an underlying index composed of equity securities of U.S. companies with relatively high yield and low price and earnings volatility. LVHD may benefit investors who want income but are concerned about the volatility that can come from traditional equity income investments.

**The Franklin Low Volatility High Dividend Index** (the Index):

The Index starts with the largest 3,000 U.S. stocks as determined by the Solactive U.S. Broad Market Index, an index calculated and published by Solactive AG composed of 3,000 U.S. large-cap, mid-cap and small-cap companies. Based on historical and projected data using Franklin Templeton Investment Solutions' proprietary methodology, the index screens for profitable companies that have the potential to pay relatively high sustainable dividend yields. Yields of the remaining securities are then scored higher or lower based on the attractiveness of their price and earnings volatility.

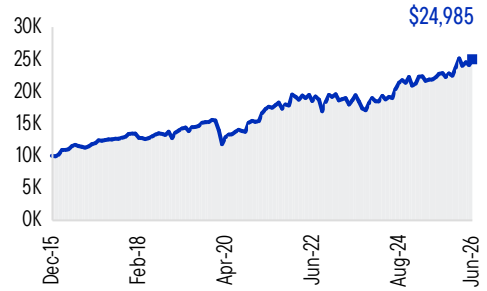
The portfolio is constructed of the highest scoring securities subject to concentration limits: no individual component of the Index will exceed 2.5%, no individual sector (as defined by FTIS) will exceed 25%, and real estate investment trust ("REIT") components as a whole will not exceed 15%. The number of component securities in the Index is anticipated to range from 50 to 100.

The Underlying Index's components are reconstituted annually and rebalanced quarterly.

## Growth of $10,000

Inception through June 30, 2026

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.

## Total Returns (%)

| | Cumulative | | | Average Annual | | | | | Inception |
|---|---|---|---|---|---|---|---|---|---|
| | 3-Mth | 6-Mth | YTD | 1-Yr | 3-Yr | 5-Yr | 10-Yr | Inception | Date |
| Market Price Return | 4.17 | 11.39 | 11.39 | 14.33 | 10.33 | 7.48 | 8.11 | 9.11 | 12/28/2015 |
| NAV Returns | 4.17 | 11.39 | 11.39 | 14.25 | 10.34 | 7.48 | 8.10 | 9.10 | 12/28/2015 |
| Investment Universe | 15.44 | 10.88 | 10.88 | 22.82 | 20.36 | 12.31 | 15.06 | 14.60 | — |
| Underlying Index | 4.15 | 11.61 | 11.61 | 14.56 | 10.58 | 7.73 | 8.36 | 9.36 | — |

## Calendar Year Total Returns (%)

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Market Price Return | 7.49 | 10.17 | -0.96 | -1.79 | 26.63 | -1.12 | 22.57 | -5.30 | 14.21 | 18.08 |
| NAV Returns | 7.52 | 10.04 | -1.09 | -1.58 | 26.56 | -1.11 | 22.57 | -5.18 | 14.11 | 18.32 |
| Investment Universe | 17.15 | 23.81 | 25.96 | -19.21 | 25.66 | 20.89 | 31.02 | -5.24 | 21.13 | 12.74 |
| Underlying Index | 7.70 | 10.25 | -0.92 | -1.30 | 26.93 | -1.10 | 22.93 | -4.93 | 14.47 | 18.72 |

***Performance data quoted represents past performance, which does not guarantee future results.*** *Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. 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, expense or sales charges. Returns for periods of less than one year are not annualized. For current month-end performance, please visit franklintempleton.com.*

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 4 p.m. Eastern 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. Performance for the ETF and its benchmark index are as of the ETF's last trading day before the end of the period.Prior to July 1, 2020, market price returns generally were based upon the mid-point between the bid and ask on the Fund's principal trading market when the Fund's NAV was determined. Market price performance reported for periods prior to July 1, 2020 will continue to reflect market prices calculated based upon the mid-point between the bid and ask on the Fund's principal trading market close. These returns do not represent investors' returns had they traded shares at other times.

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.

## Fund Overview

| | |
|---|---|
| Fund Inception Date | 12/28/2015 |
| Total Expense Ratio (%) | 0.27 |
| ETF Category | Indexed |
| Frequency of Index Reconstitution | Quarterly |
| Asset Class | Equity |
| Listed Exchange | NASDAQ - XNMS |
| NASDAQ Ticker | LVHD |
| CUSIP | 52468L406 |
| ISIN | US52468L4068 |
| Shares Outstanding | 13,800,000 |
| Underlying Index | Franklin Low Volatility High Dividend Index-NR |
| Investment Universe | Russell 3000 Index |

## 30-Day SEC Yield (%)

| | |
|---|---|
| 30-Day SEC Yield (%) | 3.41 |

## Fund Characteristics

| | Fund |
|---|---|
| Total Net Assets | $606.87 Million |
| Number of Holdings | 114 |
| Average Market Cap (Millions USD) | $102,998 |
| Price to Book | 2.32x |
| Price to Earnings (12-Month Trailing) | 20.16x |

## Risk Statistics (NAV Returns) (3-Year vs. Russell 3000 Index)

| | Fund | Investment Universe |
|---|---|---|
| Standard Deviation (%) | 12.76 | 13.39 |
| Beta | 0.47 | — |

## Top Equity Securities (% of Total)

| | Fund |
|---|---|
| Kimberly-Clark Co | 2.70 |
| Johnson & Johnson | 2.68 |
| Altria Group, Inc. | 2.63 |
| The Coca-Cola Company | 2.60 |
| US Bancorp | 2.54 |
| The Home Depot, Inc. | 2.48 |
| Procter & Gamble Co/T Npv | 2.45 |
| Southern Co/The | 2.24 |
| Duke Energy Corporation | 2.23 |
| PNC Financial Services Group | 2.23 |

## Sector Allocation (Equity as a % of Total)

| | Fund |
|---|---|
| Utilities | 24.60 |
| Consumer Staples | 21.67 |
| Real Estate | 15.13 |
| Financials | 8.54 |
| Industrials | 7.87 |
| Energy | 6.89 |
| Consumer Discretionary | 6.27 |
| Health Care | 4.61 |
| Communication Services | 2.20 |
| Materials | 1.00 |

## Market Cap Breakdown (% of Equity) (USD)

| | Fund |
|---|---|
| <3 Billion | 1.23 |
| 3-10 Billion | 7.73 |
| 10-25 Billion | 17.62 |
| 25-50 Billion | 18.71 |
| >50 Billion | 54.72 |

## Portfolio Data Information

Holdings are provided for informational purposes only and should not be construed as a recommendation to purchase or sell any security.

## Portfolio Management

| | Years with Firm | Years of Experience |
|---|---|---|
| Brett E Risser | 22 | 26 |
| Chris Floyd, CFA | 25 | 27 |
| Jacqueline Hurley Kenney, CFA | 17 | 17 |
| Jose Maldonado, CFA | 11 | 17 |

Franklin Templeton Investment Solutions translates a wide variety of investor goals into portfolios powered by Franklin Templeton's best thinking around the globe. The team includes more than 100 investment professionals, specializing in strategic asset allocation and tactical positioning, fundamental and quantitative research, active integration, and risk 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. **Dividends** may fluctuate and are not guaranteed, and a company may reduce or eliminate its dividend at any time. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. **Real estate investment trusts** (REITs) are closely linked to the performance of the real estate markets. REITs are subject to illiquidity, credit and interest rate risks, and risks associated with small- and mid-cap investments. Performance of the fund may vary significantly from the performance of an **index**, as a result of transaction costs, expenses and other factors. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. These and other risks are discussed in the fund's prospectus.

## 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. **Weighted Average Market Capitalization:** A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share. For a portfolio, the value represents a weighted average based on the stocks held. **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

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

ETF/ETP 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/ETPs 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/ETP (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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**Fund Benchmark and Index Methodology:** The **Franklin Low Volatility High Dividend Index** is based on a proprietary methodology created and sponsored by Franklin Templeton Investment Solutions, LLC, the subadvisor. The methodology calculates a composite "stable yield" score, with the yield of stocks with relatively high price and earnings volatility adjusted downward and the yield of stocks with relatively low price and earnings volatility adjusted upward. The composition of the Index after annual reconstitution and rebalancing may fluctuate and exceed the aforementioned limits due to market movements. The components of the Underlying Index, and the degree to which these components represent certain sectors and industries, may change over time. The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

Net Returns (NR) include income net of tax withholding when dividends are paid. Source: FTSE. Important data provider notices and terms available at www.franklintempletondatasources.com. All data is subject to change.

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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.***