FRANKLIN TEMPLETON

Franklin Templeton Digital Assets Dynamic BTC/ETH SMA

Separately Managed Accounts Factsheet | as of June 30, 2026

Investment overview

Franklin Templeton Digital Assets Dynamic Bitcoin/Ethereum SMA is an actively managed strategy provides long-only, dynamic exposure to two leading digital assets, Bitcoin (BTC) and Ethereum (ETH). BTC and ETH hold majority market share in the ecosystem and are considered “large cap” or “blue chip” digital assets.

The Franklin Templeton Digital Assets investment team determines active weights for BTC and ETH based on ongoing fundamental research, which includes our proprietary tokenomics scoring system that establishes relative risk and return of each digital asset.

Management Team

At Franklin Templeton, our dedicated independent group has been building digital assets expertise since 2018, developing platforms, product expertise and strategy differentiation to help clients achieve investment in the digital assets ecosystem.

Investment objective

Seeks to provide excess return or alpha over a market capitalization weighted benchmark of Bitcoin (BTC) and Ethereum (ETH).

Portfolio positioning

Designed for investors seeking diversified, active exposure to and direct ownership of leading digital assets.

Key differentiators

Franklin Templeton Digital Assets has native expertise with both investing in and building blockchain technologies.

Research network

- Industry insight through strategic investments that inform product research and development

Domain knowledge

- Building proprietary technology directly on blockchains
- Strategic investments in early-stage blockchain-focused companies
- Operating FT validator nodes on multiple blockchains

Technical talent

- Expertise in traditional quantitative finance and data engineering
- Access to talent with deep knowledge in AI and Machine Learning data methods

Digital asset management system

- Proprietary risk, trading and portfolio management system to manage digital asset strategies

TradFi expertise

- Over 75 years of portfolio management experience in global markets
- Work alongside key regulators globally

Investment management team

Anthony Pecore
Senior Vice President
Director, Digital Asset Management
Industry since 2002

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Initial Digital Asset Selection

- Unique to this emerging space, the investment opportunity set begins at onboarded trading venues
- Investment team selects potential digital assets based on market capitalization, volume and liquidity thresholds

STEP 2

Fundamental Tokenomics Analysis

- Team conducts further analysis on the digital asset opportunity set through fundamental research that incorporates a proprietary tokenomics score card
- Tokenomics scorecard ranks a protocol based on the four p's: people, potential, protocol, and price

STEP 3

Portfolio Construction

- Investment team synthesizes research and identifies high quality digital assets for investment while seeking to maximize capital appreciation consistent with the strategy's objective

The investment process may change over time. The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting securities for client portfolios. There is no guarantee that investment objectives will be achieved.

Note: Performance calculations reflect business day performance and does not reflect any weekend performance data.

Portfolio Information‡

As of June 30, 2026

Holdings (%)

	Portfolio
Bitcoin	89.34
Ethereum	10.66
USD	0.00
Total	**100.00**

Sector Weightings (%)

	Portfolio
Currency	89.34
Smart Contract Platforms	10.66

Market Capitalization (%)

	Portfolio
Large Cap ($100B+)	100.00

‡Source: Franklin Templeton.

The characteristics set forth above are intended as a general illustration of some of the criteria the strategy team considers in selecting assets for client portfolios. There is no guarantee that investment objectives will be achieved. Allocations are subject to change. Actual underlying allocations may vary over time as markets change.

Portfolio characteristics and sector weightings are based on representative accounts within the composite. A representative portfolio may vary significantly from other similarly managed separate accounts, depending on a variety of factors, such as portfolio size, specific investment guidelines and inception date of the account. Weight based on market cap as of the date above. Percentages may not total 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of June 30, 2026 – PRELIMINARY – (Inception date: 3/31/2023)

	YTD*	1 Mth*	3 Mths*	1 Year	3 Year	Since Incept
Franklin Templeton Digital Assets Dynamic BTC/ETH SMA–Gross of Fees—(USD)	**-33.19**	**-20.19**	**-12.71**	**-43.41**	**18.58**	**19.18**
Franklin Templeton Digital Assets Dynamic BTC/ETH SMA–Net of Fees—(USD)	**-34.25**	**-20.44**	**-13.39**	**-45.16**	**15.13**	**15.72**
S&P Cryptocurrency MegaCap Index (USD)—(USD)	-35.30	-20.24	-15.17	-44.47	17.52	18.26

Calendar-Year Total Returns – Pure Gross and Net of Fees (%) ending December 31

	YTD	2025	2024
Digital Assets Dyna BTC/ETH–Gross of Fees—(USD)	-33.19	-7.50	100.89
Digital Assets Dyna BTC/ETH–Net of Fees—(USD)	-34.25	-10.23	95.27
S&P Cryptocurrency MegaCap Index (USD)—(USD)	-35.30	-7.12	102.90

Note: Performance calculations reflect business day performance and does not reflect any weekend performance data.

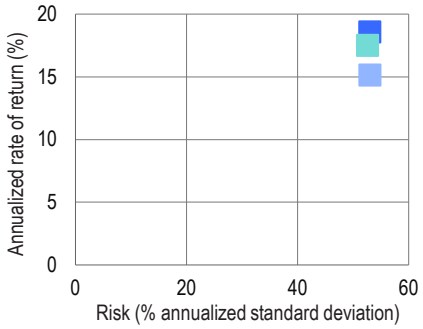
The strategy returns shown are preliminary composite returns, subject to future revision (downward or upward). Past performance is not a guarantee of future results. An investment in this strategy can lose value. Please visit www.franklintempleton.com for the latest performance figures. Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

[1] **Fees:** Periods less than one year are not annualized. Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include the existence of different implementation practices and model requirements in different investment programs. **To obtain specific information on available products and services or a GIPS® Report, contact your Franklin Templeton separately managed account sales team at (800) DIAL BEN/342-5236. Franklin Templeton claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.**

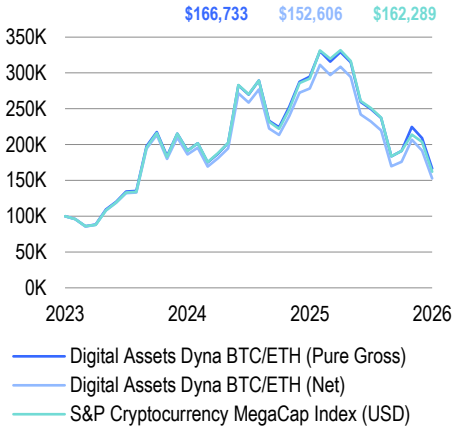
Performance Statistics [1] Preliminary (based on 3-year period ending June 30, 2026)

Risk/Return profile (%)

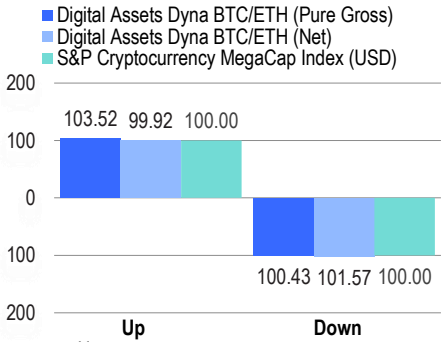


Digital Assets Dyna BTC/ETH (Pure Gross)	
Annualized Return (%)	18.58
Annualized Standard Deviation (%)	53.04
Digital Assets Dyna BTC/ETH (Net)	
Annualized Return (%)	15.13
Annualized Standard Deviation (%)	53.04
S&P Cryptocurrency MegaCap Index (USD)	
Annualized Return (%)	17.52
Annualized Standard Deviation (%)	52.62

Growth of $100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	0.47	0.42	0.46
Beta	1.01	1.01	N/A
Alpha (%)	0.97	-1.98	N/A
R-Squared	0.99	0.99	N/A

	(+) Months	(-) Months
Pure Gross:	20	16
Net:	20	16

[1] Source: Franklin Templeton.

*For illustrative purposes only. Assumes no withdrawals or contributions. These statistics are based on pure gross and net-of-fees quarterly composite returns, were calculated assuming reinvestment of dividends and income, and take into account both realized and unrealized capital gains and losses.

Performance results are for the composite which includes all actual, fully discretionary accounts with substantially similar investment policies and objectives managed to the composite's investment strategy. Composite returns are stated in U.S. dollars and assume reinvestment of any dividends, interest income, capital gains, or other earnings. The composite may include account(s) that are gross of fees and pure gross of fees. "Pure" gross-of-fee returns do not reflect the deduction of any expenses, including transaction costs. A traditional (or "true") gross-of-fee return reflects performance after the reduction of transaction costs but before the reduction of the investment advisory fee. The gross-of-fee return may include a blend of "true" gross-of-fee returns for non-wrap accounts and "pure" gross-of-fee returns for wrap accounts. Net-of-fee returns is reduced by a model "wrap fee" (3.0% is the maximum anticipated wrap fee for equity and balanced portfolios) which includes trading expenses as well as investment management, administrative and custodial fees. The model wrap fee used represents the highest anticipated wrap fee applicable to the strategy. Actual fees and account minimums may vary.

Terms and definitions:

Tokenomics: The topic of understanding the supply, demand and economics characteristics of digital assets.

Web1: Known as the first stage of the Internet, characterized by simple static web pages that consisted only of text and did not offer interactivity.

Web2: This phase refers to the version of the Internet that most use today, a second generation of the web that enables collaboration and the sharing of information. It is dominated by centralized companies that provide services in exchange for data.

Web3: This new iteration of the Internet is decentralized and uses blockchain technology to build peer-to-peer networks, relying on network participants to validate data and in turn, gain benefits from their participation.

Dividend yield is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends. **Dividend Yield is calculated without the deduction of fees and expenses.**

P/E (Year 1) is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **price-to-book ratio (P/B)** is a stock's price divided by the stock's per share book value. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

Weighted median market capitalization represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

Weighted average market capitalization represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

Market capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

Standard deviation measures the risk or volatility of an investment's return over a particular time period; the greater the number, the greater the risk.

The **up-capture ratio** measures the manager's overall performance to the benchmark's overall performance, considering only quarters that are positive in the benchmark. An up-capture ratio of more than 100 indicates a manager who outperforms the relative benchmark in the benchmark's positive quarters.

The **down-capture ratio** is the ratio of the manager's overall performance to the benchmark's overall performance, considering only quarters that are negative in the benchmark. A down-capture ratio of less than 100 indicates a manager who outperforms the relative benchmark in the benchmark's negative quarters and protects more of a portfolio's value during down markets.

Alpha is a measure of performance vs. a benchmark on a risk-adjusted basis. A positive alpha of 1.0 means the portfolio has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. Alpha is a measure of the difference between actual returns and expected performance measuring sensitivity to index movements.

Beta measures the sensitivity of an investment to the movement of its benchmark. A beta higher than 1.0 indicates the investment has been more volatile than the benchmark and a beta of less than 1.0 indicates that the investment has been less volatile than the benchmark.

Sharpe ratio is a risk-adjusted measure, calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better a portfolio's historical risk-adjusted performance.

R-squared measures the strength of the linear relationship between a fund and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **S&P Cryptocurrency MegaCap Index** measures the performance of the digital assets Bitcoin and Ethereum. Source: © S&P Dow Jones Indices LLC. All rights reserved.

What are the risks?

All investments involve risks, including possible loss of principal. Digital assets are subject to risks relating to immature and rapidly developing technology, security vulnerabilities of this technology, credit risk of digital asset exchanges, regulatory uncertainty, high volatility in their value/price, unclear acceptance by users and global marketplaces, and manipulation or fraud. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. **Active management** does not ensure gains or protect against market declines. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the performance and result in greater fluctuation in value.

Important Information

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Separately Managed Accounts (SMAs) are investment services provided by Franklin Templeton Private Portfolio Group, LLC (FTPPG), a federally registered investment advisor. Client portfolios are managed based on investment instructions or advice provided by affiliated subadvisors of Franklin Templeton. Management is implemented by FTPPG, the designated subadvisor or, in the case of certain programs, the program sponsor or its designee.

These materials are being provided for illustrative and informational purposes only. The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information has not been verified and may be different from the information included in documents and materials created by the sponsor firm in whose investment program a client participates. Some sponsor firms may require that these materials be preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon request. For additional information, documents and/or materials, please speak to your Financial Professional or contact your sponsor firm.

Franklin Templeton (FT) is not undertaking to provide impartial advice. Nothing herein is intended to provide fiduciary advice. FT has a financial interest.

FRANKLIN ADVISERS, INC. ("FAV") IS A MEMBER OF NFA AND IS SUBJECT TO NFA'S REGULATORY OVERSIGHT AND EXAMINATIONS. FAV HAS ENGAGED OR MAY ENGAGE IN UNDERLYING OR SPOT VIRTUAL CURRENCY TRANSACTIONS IN A MANAGED ACCOUNT PROGRAM. ALTHOUGH NFA HAS JURISDICTION OVER FAV AND ITS MANAGED ACCOUNT PROGRAM, YOU SHOULD BE AWARE THAT NFA DOES NOT HAVE REGULATORY OVERSIGHT AUTHORITY FOR UNDERLYING OR SPOT MARKET VIRTUAL CURRENCY PRODUCTS OR TRANSACTIONS OR VIRTUAL CURRENCY EXCHANGES, CUSTODIANS OR MARKETS. YOU SHOULD ALSO BE AWARE THAT GIVEN CERTAIN MATERIAL CHARACTERISTICS OF THESE PRODUCTS, INCLUDING LACK OF A CENTRALIZED PRICING SOURCE AND THE OPAQUE NATURE OF THE VIRTUAL CURRENCY MARKET, THERE CURRENTLY IS NO SOUND OR ACCEPTABLE PRACTICE FOR NFA TO ADEQUATELY VERIFY THE OWNERSHIP AND CONTROL OF A VIRTUAL CURRENCY OR THE VALUATION ATTRIBUTED TO A VIRTUAL CURRENCY BY FAV.

© Franklin Templeton.

FRANKLIN TEMPLETON