

# Franklin Quality Dividend Index

Ticker: **LMQDTR5**

Factsheet as of December 31, 2025

## Index Overview

The Franklin Quality Dividend Index uses a systematic, rules-based approach to dynamically combine the growth potential of higher quality dividend-paying stocks with cash. It is designed to pursue steady growth across different market environments.

### Index designed to pursue three powerful benefits:

**Dividend Strength:** Total return potential of high dividend-paying stocks.

**Steady Growth:** Potential for steady returns across market environments by combining complementary equity styles.

**Simple Construction:** Transparency through a simple, intuitive process.

## Average Annual Total Returns (%)

|                                 | 1-Yr | 3-Yr | 5-Yr | 10-Yr | Inception | Inception Date |
|---------------------------------|------|------|------|-------|-----------|----------------|
| Franklin Quality Dividend Index | 4.16 | 5.10 | 4.46 | 4.75  | 4.62      | 12/31/1997     |

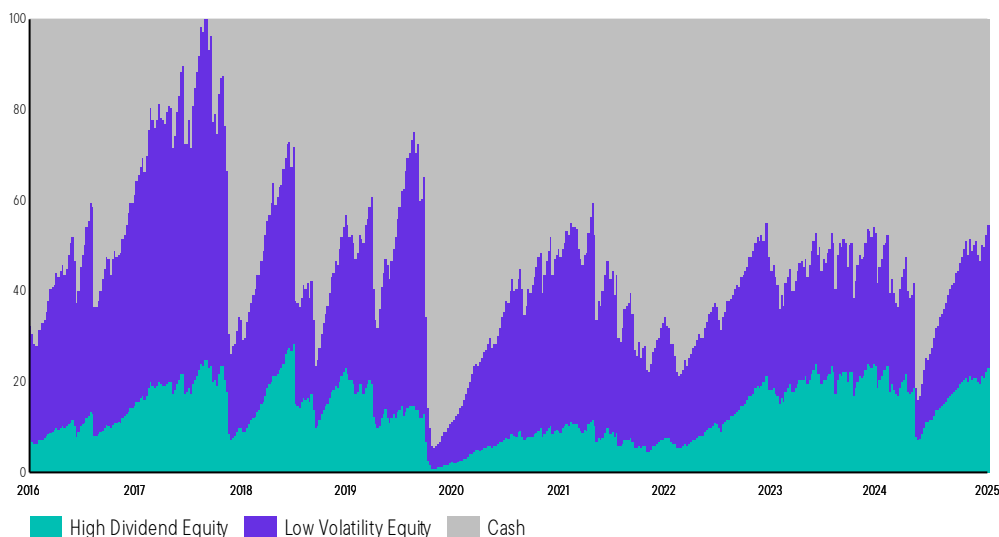
## Cumulative Total Returns (%)

|                                 | 3-Mth | YTD  | 2025 | 2024 | 2023 | 2022  | 2021 | 2020 | 2019 | 2018  | 2017  | 2016 |
|---------------------------------|-------|------|------|------|------|-------|------|------|------|-------|-------|------|
| Franklin Quality Dividend Index | -0.17 | 4.16 | 4.16 | 8.98 | 2.28 | -1.09 | 8.32 | 0.55 | 9.66 | -1.06 | 12.47 | 4.21 |

**Performance data quoted represents hypothetical and past performance, which does not guarantee future results.** Current performance may differ from figures shown. Hypothetical back-test for illustrative purposes only. The Franklin Quality Dividend Index performance and weights data are based on back-tested data prior to the actual launch of the index. The Franklin Quality Dividend Index back-test inception is December 31, 1997. **All information for the index and any growth prior to its launch date is back-tested, based on the methodology that was in effect on the launch date of December 20, 2019.**

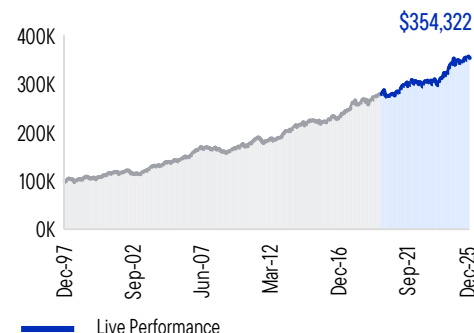
The performance of the Index may include certain embedded transaction costs but does not include fees or costs of any financial instrument referencing the Index. This "embedded index cost" will reduce any change in index value over the index term that would otherwise have been used in the calculation of index interest and it funds certain operational and licensing costs for the index. It is not a fee paid by you or received by American General Life Insurance Company. **Please see disclosures on page 2.**

## Constituent Allocations (% of Total)



Index weights for last 10 years. All information for the Index prior to its launch date is back-tested, based on the methodology that was in effect on the launch date on December 20, 2019. Weightings are based on total index, are subject to change at any time, and are provided for informational purposes only. Not to be construed as a recommendation to purchase or sell any security.

## Hypothetical Growth of \$100,000



**Data quoted represents hypothetical and past performance, which does not guarantee future results.** Index performance includes hypothetical returns prior to launch date. All hypothetical performance results are presented for illustrative purposes only. **Please see disclosures on page 2.**

## Index Information

|                       |            |
|-----------------------|------------|
| Ticker                | LMQDTR5    |
| Volatility Target     | 5%         |
| Back-Test Inception   | 12/31/1997 |
| Live Inception        | 12/20/2019 |
| Use of Leverage       | No         |
| Index Currency        | US Dollar  |
| Rebalance Frequency   | Monthly    |
| Calculation Frequency | End of Day |

## Constituent Allocation Weights (% of Total)

|                       | Index |
|-----------------------|-------|
| Cash                  | 45.36 |
| Low Volatility Equity | 31.44 |
| High Dividend Equity  | 23.19 |

## Design Team

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.

## Index Risks

Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. During times of extreme market volatility, FQD will not be able to eliminate market losses or capture all market gains.

## Important Information

**It is not possible to invest directly in an index.** There is no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. There is no guarantee that any strategies utilizing the Index will be effective or successful. Multi-asset indices and diversification do not promise any level of performance, success, or guarantee against loss of principal. This does not serve as an offer to sell or a solicitation of an offer to buy any product or security or the use or suitability of the Index. This information should not be relied upon as investment advice, research, or a recommendation by Franklin regarding (i) any products tied to the Index, (ii) the use or suitability of the Index, or (iii) any security in particular.

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.

## Index Information

The Franklin Quality Dividend Index<sup>SM</sup> ("FQD") has been developed and is owned solely by Franklin Templeton ("Franklin"). Neither Blackrock (the sponsor of iShares ETFs) nor Invesco is affiliated with Franklin. FQD and any security or product based on or making use of FQD are not sponsored, endorsed, or promoted by Blackrock or Invesco, and neither company bears any responsibility or liability for or with respect to FQD or any security or product based on or making use of FQD.

Franklin Quality Dividend Index (FQD) is available within select index annuities issued by American General Life Insurance (AGL). Please see product brochure for more information.

FQD is calculated on behalf of Franklin by Solactive (Germany-based index provider operating globally since 2007) or its affiliate, agent or partner. Solactive, Franklin and their respective affiliates do not make any claim, prediction, warranty or representation as to the accuracy and completeness of FQD, the results to be obtained from use of FQD or the suitability of FQD for the purpose to which it is being put forth by AGL, and bear no liability for FQD or for any security or product based on or making use of FQD.

FQD embeds an annual index cost in the calculations of the change in index value over the index term. This "embedded index cost" will reduce any change in index value over the index term that would otherwise have been used in the calculation of index interest, and it funds certain operational and licensing costs for FQD. It is not a fee paid by you or received by AGL.

"Volatility Control" Indices are designed to shift allocations, based on signals in the market, to help keep volatility at or near the stated target. When market volatility is relatively low the index will likely maintain exposure to riskier assets, such as equities. When volatility increases, the index is likely to reallocate so that it is weighted toward low-risk assets, such as cash.

FQD is a total return index. A total return index tracks the capital appreciation of index constituents as well as any associated cash distributions, such as dividends or interest.

There are risks relating to the Index discussed herein. Please request a copy of the applicable Index rulebook for additional information and disclosure.

Index-linked annuities are insurance contracts issued by an insurance company. Index-linked annuities are not invested in the Index itself, but rather interest is credited based on the performance of the Index and the rules prescribed in the insurer's Index crediting strategy. Index-linked annuities are not issued by Franklin.

## Hypothetical and Live Performance

Any data for the period prior to index inception consists of pre-inception data calculated by retroactively applying the Index methodology. Simulated returns and pre-inception data are hypothetical and included for illustrative purposes only. Performance is based on hypothetical returns prior to index inception and actual returns thereafter.

The Index was created on December 20, 2019. Levels for the Index prior to December 20, 2019 represent hypothetical data determined by retroactive application of a back-tested model, itself designed with the benefit of hindsight. Actual performance will vary, perhaps materially, from the performance set forth herein.

The performance of the Index may include certain embedded transaction costs but does not include fees or costs of any financial instrument referencing the Index.

Hypothetical performance results may have other inherent risks. No representation is being made that any account will or is likely to achieve profit or loss. The relevant market and economic conditions that prevailed will not necessarily reoccur. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be accounted for. All hypothetical results are presented for illustrative purposes only. **Hypothetical and past performance is no guarantee of future performance.**

Back-testing and other statistical analysis material that is provided in connection with FQD use simulated analysis and hypothetical circumstances to estimate how it may have performed prior to its actual existence.

The results obtained from "back-testing" information should not be considered indicative of the actual results that might be obtained from an investment or participation in a financial instrument or transaction referencing FQD. Neither Franklin nor Solactive provide assurance or guarantee that the products linked to FQD will operate or would have operated in the past in a manner consistent with these materials. The hypothetical historical levels have inherent limitations. Alternative simulations, techniques, modeling or assumptions might produce significantly different results and prove to be more appropriate. Actual results will vary, perhaps materially, from the simulated returns presented in this document.

The hypothetical performance information presented herein does not reflect the results of actual trading and calculation of FQD levels and performance do not reflect the fees and expenses that an investor would pay. These fees and expenses would cause the actual and back-tested performance of the Index to be lower.

**Sources: Bloomberg and Morningstar, underlying data provider Solactive AG.** 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](http://www.franklintempletondatasources.com).

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