



Insight. Precision. Flexibility.

Franklin US Core Plus Index



It is not possible to invest directly in an index

Not FDIC Insured | May Lose Value | No Bank Guarantee

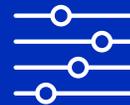
What is the Franklin US Core Plus Index?

A multi-asset index that takes a diversified, well-balanced approach to investing.

With a primary focus on growth, the index combines the stock selection expertise of Franklin Templeton fund managers with the statistical precision of our factor-driven scoring system. To provide balance, the index also employs fixed income to help mitigate risk and navigate market volatility.



Index designed to pursue three powerful benefits:



Dynamic design

In pursuit of optimal performance through changing markets, the index combines the power of rigorous research, the precision of statistical analysis and the flexibility to shift between asset classes.



Defensive positioning

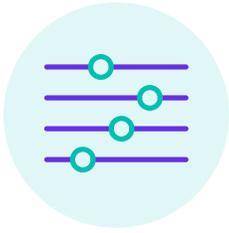
To minimize potential loss in times of market volatility, the index supplements its growth-focused equity component with an allocation to US Treasuries—a traditional “safe haven” asset—or to cash during periods of extreme volatility.



Optimized performance

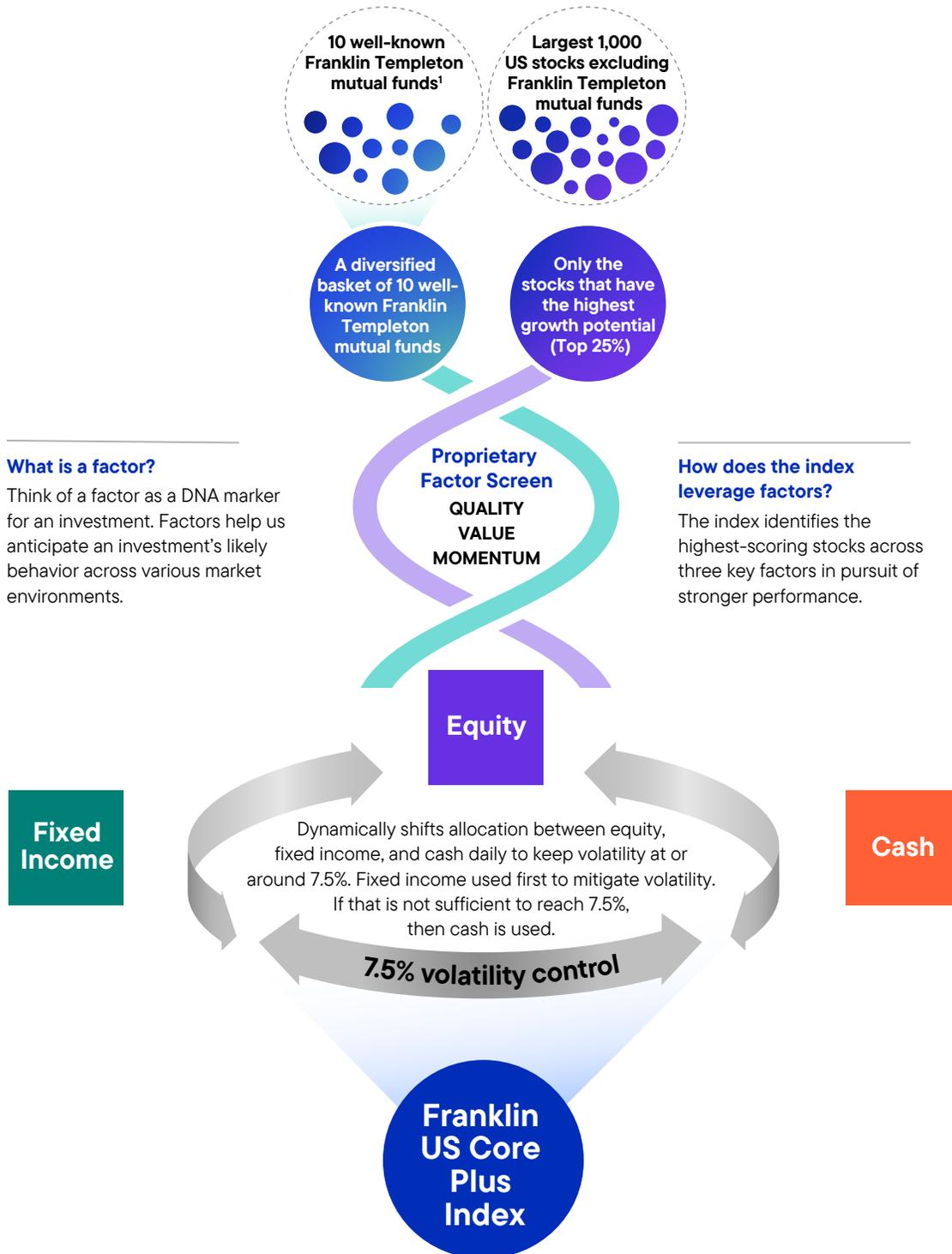
As shown by its history of consistent returns and strong performance profile versus traditional indices,¹ the index can provide the necessary balance of growth and stability for better outcomes on the road to financial independence.

1. 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 of 2/15/2024.



Dynamic design

The foundation of the index is a growth-focused equity engine powered by a combination of research-driven stock selection and a factor-driven scoring process. With the goal of managing risk, the index adds fixed income to navigate market volatility—and even cash as an extra layer of defense during extreme market conditions.



1. Franklin Income Fund, Franklin Managed Income Fund, Franklin Equity Income Fund, Franklin Small Cap Growth Fund, Franklin Growth Fund, Franklin Growth Opportunities Fund, Franklin Small Mid Cap Growth Fund, Franklin Rising Dividends Fund, Franklin Focused Growth Fund and Franklin DynaTech Fund. Funds scanned are subject to change. For illustrative purposes only. There is no guarantee that any strategies utilizing the index will be effective or successful.



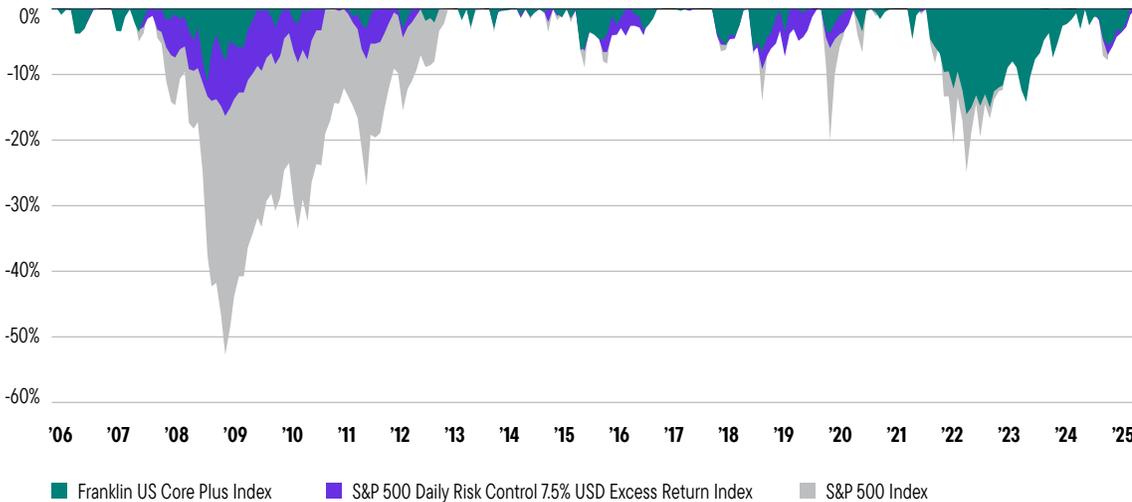
Defensive positioning

After a loss, it takes a greater gain to fully recover, so it's crucial to minimize losses. That's why the Franklin US Core Plus Index complements its primary focus on equity-driven growth with fixed income to help minimize potential loss in times of market volatility. In times of extreme volatility, the index can even allocate cash to preserve capital. The result is a record of better performance over the long term.

Strong risk mitigation

Twenty-Year Hypothetical and Live Drawdown Analysis: Franklin US Core Plus Index vs. Comparison Indices²

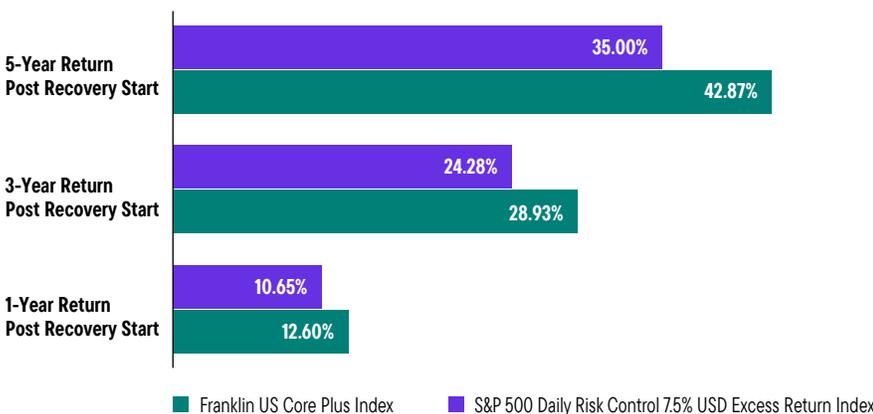
January 1, 2006 to December 31, 2025



Over the last 20 years, the Franklin US Core Plus Index has a maximum downside of -16.03% which is **much more attractive** than the -52.56% maximum downside of the S&P 500 PR Index.²

Stronger recoveries

Average Cumulative Hypothetical and Live Performance vs. Comparison Index Following Major Market Events³



Major Market Events

- Global Financial Crisis
- 2011 Drawdown
- 2015-16 Oil Drawdown
- Late 2018 Fed Tightening
- COVID Drawdown⁴

By preserving capital during major market events, the Franklin US Core Plus Index is **better positioned to outperform more traditional indices** during the subsequent recovery periods.

2. Sources: Bloomberg, S&P Global, 3/2024.

3. Average cumulative performance across all five time periods and starts on the last day of the period (bolded). Global Financial Crisis: 10/31/07-**11/21/08**; 2011 Drawdown: 7/7/11-**10/4/11**; 2015-16 Oil Drawdown: 7/20/15-**2/9/16**; Late 2018 Fed Tightening: 8/29/18-**12/26/18**; COVID Drawdown: 2/19/20-**3/24/20**.

4. Cumulative returns post-COVID since 3/24/2020. Will achieve five year returns 3/31/25.

As of December 31, 2025.

Source: Bloomberg. The Franklin US Core Plus Index is an excess return index. **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 of 2/15/2024.** Back-tested performance, which is subject to inherent limitations because it reflects application of an index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns. The performance data does not reflect the deduction of any fees/charges and assumes reinvestment of interest or dividends. **Hypothetical and past performance information is not indicative or a guarantee of future results.**



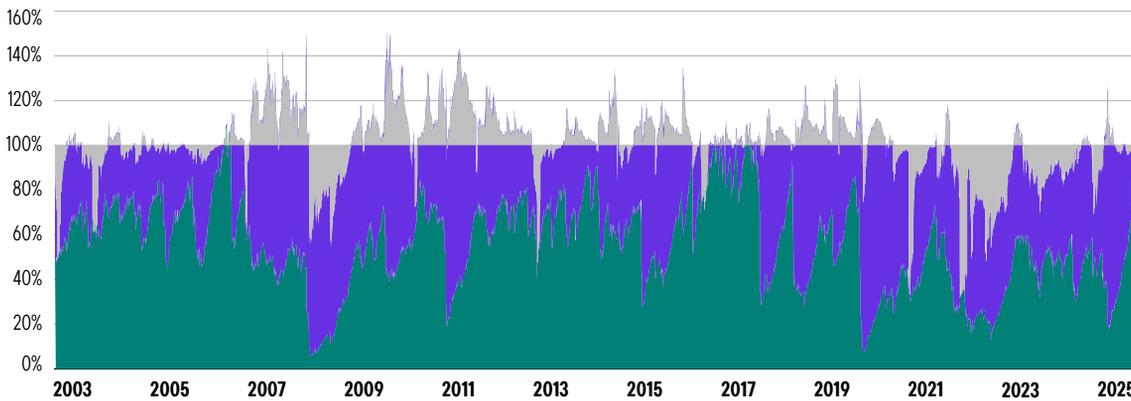
Optimized performance

Lower risk can often come at the expense of returns. But the Franklin US Core Plus Index aims to achieve both—maximizing gains while minimizing volatility. As shown by its history of consistent returns and strong performance profile versus traditional indices, the index can provide the necessary balance of growth and stability for better outcomes on the road to financial independence.

The flexibility to dynamically shift across asset classes

Daily Hypothetical and Live Allocations for the Franklin US Core Plus Index

July 7, 2003 to December 31, 2025



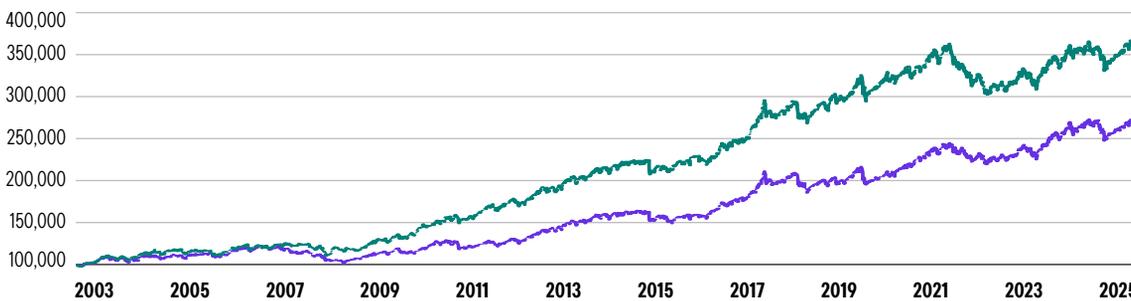
Asset Class	Historical Average Weight	Historical Max Weight
Equity	56.12%	110.33%
Fixed Income	44.03%	108.75%
Cash	-0.15%	69.00%

The index has the **flexibility to shift** between equities, fixed income—and even cash—to help **optimize performance** over a variety of market conditions.

Advanced design positions the index for long-term growth

Hypothetical and Live Cumulative Performance of Franklin US Core Plus Index vs. S&P 500 Daily Risk Control 7.5% USD Excess Return Index

July 7, 2003 to December 31, 2025



	Annualized Return	Annualized Risk	Risk/Return
Franklin US Core Plus Index	5.91%	7.60%	0.78%
S&P 500 Daily Risk Control 7.5% USD Excess Return Index	4.54%	7.46%	0.61%

The Franklin US Core Plus Index has an **impressive performance track** S&P 500 Daily Risk Control 7.5% USD Excess Return Index, since the inception of its hypothetical backtest.

As of December 31, 2025.

Source: Bloomberg. The Franklin US Core Plus Index is an excess return index. **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 of 2/15/2024.** Back-tested performance, which is subject to inherent limitations because it reflects application of an index methodology and selection of index constituents in hindsight. Weights 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. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns. The performance data does not reflect the deduction of any fees/charges and assumes reinvestment of interest or dividends. **Hypothetical and past performance information is not indicative or a guarantee of future results.**



For more information about the Franklin US Core Plus Index:

 (800) DIAL BEN/342-5236
 www.franklinuscoreplusindex.com

Comparison indices: The **S&P 500 Index** is widely regarded as the best single gauge of large-cap US equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization. The **S&P 500 Risk Control™** series relies on S&P 500® methodology and overlays mathematical algorithms to maintain specific volatility targets. Index exposure is dynamically rebalanced based on observed S&P 500 historic volatility to maintain 5%, 10%, 12%, 15% and 18% volatility targets.

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. Individuals seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Index information: The Franklin US Core Plus Index is owned by Franklin Templeton. References below to “Index” apply to Franklin US Core Plus Index and references below to “Licensor” apply to Franklin Templeton and its affiliates. The Index 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 the Index, the results to be obtained from use of the Index or the suitability of the Index for the purpose to which it is being put forth and bear no liability for the Index or for any security or product based on or making use of the Index.

Licensor has licensed the Index to be used as a component of certain index linked annuity products (the “Products”). The Index may be calculated by a third-party or contain third-party data, each third-party provider and Licensor are collectively “Licensor Parties.” The Products are not sponsored, operated, endorsed, sold or promoted by Licensor Parties. The Index, the proprietary data therein, and related trademarks, are intellectual property licensed from Licensor, and may not be copied, used, or distributed without Licensor’s prior written approval. The Products have not been passed on as to their legality or suitability, and are not regulated, issued, endorsed, sold, guaranteed, or promoted by Licensor Parties. Licensor Parties make no express or implied warranties, and hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to the Index or any data included therein. Without limiting any of the foregoing, in no event shall Licensor Parties have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

“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.

The Franklin US Core Plus Index is an excess return index. An excess return index deducts the value of cash daily, which is reflected in the index value. The Index uses the United States Effective Federal Funds Rate as its basis for the daily cash value.

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 February 15, 2024. Levels for the Index prior to February 15, 2024 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 the Index 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 the Index. Neither Franklin nor Solactive provide assurance or guarantee that the products linked to the Index 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 the Index 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.

Investment risks: Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds adjust to a rise in interest rates, the performance of the Index may decline. During times of extreme market volatility, the Index will not be able to eliminate market losses or capture all market gains.