FRANKLIN TEMPLETON

Franklin Templeton Balanced Income Portfolios

Separately Managed Accounts Factsheet | as of September 30, 2026

Investment overview

Franklin Templeton Balanced Income Portfolios pursue an objective of long-term growth and high current income through a combination of asset allocation and fundamental security analysis. ClearBridge Investments determines the portfolio's allocations among equities, fixed income securities and cash equivalents and also selects equity investments for the portfolios. Fixed income investments are managed on the basis of investment instructions furnished by Western Asset.

Investment objective

Seeks to:

- Provide a high level of current income by investing in high-quality, undervalued companies and select fixed income instruments.
- Achieve long-term capital growth.
- Outperform a 70/30 blend of the Russell 1000 Value Index and the Bloomberg U.S. Intermediate Treasury Bond Index.

Investment philosophy

We believe that:

- A combination of steady income and conservative capital growth may be achieved in a single portfolio.
- Blending top-down macroeconomic research with bottom-up fundamental analysis may enhance the portfolio's overall return.

Asset allocation

Unique structure

- Diversify across equity, fixed income and cash allocations.

Management team

ClearBridge Investments is a well-established global investment manager focusing on proprietary research and fundamental investing. With over 60 years of experience building portfolios for clients seeking income solutions, high active share or low volatility, long-tenured portfolio managers provide strong leadership in a centralized investment structure.

Western Asset, one of the world's leading fixed income managers, was founded in 1971. With a focus on long-term fundamental value investing that employs a top-down, bottom-up approach, the firm has nine offices around the globe and deep experience across the range of fixed income sectors. Western Asset has been recognized for its emphasis on team management and intensive proprietary research supported by robust risk management.

Western Asset team-managed approach

- Team unites groups of specialists dedicated to different market sectors
- Each group of sector specialists utilizes their expertise in bottom-up analysis of each portfolio sector

Investment management team

Peter J Vanderlee
Managing Director
Portfolio Manager
Industry since 1992

Patrick J McElroy
Managing Director
Portfolio Manager
Industry since 1999

Active share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE

Investment process

STEP 1

Define the investment universe
Consider common stocks, convertible and non-convertible preferred stocks, convertible bonds, ADRs, real estate investment trusts (REITs), U.S. Treasuries, U.S. government agency securities and, to a limited extent, ETFs.[1]

STEP 2

Evaluate stocks using proprietary discipline
Perform top-down macroeconomic research to drive sector weightings and emphasize industry themes and trends.

STEP 3

Base selection on fundamental security analysis and stress a current income and long-term value orientation

- Equity and equity-related investments may include common stocks, preferred stocks, convertible bonds, ETFs, ADRs and REITs. Focus on companies with healthy balance sheets selling at or near book value and at prices that do not accurately reflect cash flows, tangible assets, or management skills.
- Fixed income investments may include U.S. Treasuries and U.S. government agency securities. Fixed income investments have an average maturity of 10 years or less.

STEP 4

Fundamental analysis

- Re-examine when technicals/fundamentals deteriorate, full growth potential is reached, material insider buying/selling is apparent or to capitalize on temporary bond mispricing.
- Adeptly assesses market conditions and at times hold significant amounts of cash reserves as a portion of the portfolio while waiting for buying opportunities.

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.

Portfolio Information‡

As of September 30, 2026

Top Ten Holdings (%)

	Portfolio
Apple Inc	3.48
Microsoft Corp	2.53
Williams Cos Inc/The	2.17
JPMorgan Chase & Co	2.12
Union Pacific Corp	1.80
Alphabet Inc	1.65
Blackrock Inc	1.64
Emerson Electric Co	1.61
Eaton Corp PLC	1.58
Freeport-McMoRan Inc	1.54
Total	**20.10**

Sector Weightings (%)

	Portfolio
Information Technology	14.19
Financials	11.26
Industrials	10.14
Energy	9.53
Real Estate	6.88
Health Care	6.49
Consumer Staples	4.77
Communication Services	2.98
Utilities	2.71
Materials	2.28
Consumer Discretionary	0.48
Unassigned	24.04
Cash & Cash Equivalents	4.24

[1] Investments may include ETFs representing U.S. securities markets, industry and market capitalization sectors, non-U.S. country and regional markets, and other types of non-U.S. securities markets and market sectors. In addition, a client will bear a proportionate share of the separate fees and expensed incurred by any ETF in which the clients' account is invested.

‡ Source: FactSet. Portfolio characteristics are based on a model portfolio, not an actual client account. The model portfolio is a hypothetical portfolio whereby the portfolio characteristics are based on simulated trading and account activity of a client account invested in this strategy. The model portfolio assumes no withdrawals, contributions or client-imposed restrictions.

Portfolio characteristics of individual client accounts may differ from those of the model portfolio as a result of account size, client-imposed restrictions, the timing of client investments, market conditions, contributions, withdrawals and other factors.

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of September 30, 2026 – PRELIMINARY

	1 Mth	3 Mths	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	25 Yrs
Balanced Income –Pure Gross of Fees—(USD)	-3.23	-1.38	4.79	5.67	12.14	7.50	9.14	8.80	9.07	7.44	7.44
Balanced Income –Net of Fees—(USD)	-3.48	-2.11	2.50	2.60	8.89	4.38	5.97	5.65	5.91	4.32	4.32
Index Mix (70/30)—(USD)	-2.65	1.33	12.78	16.18	15.10	8.59	9.12	8.57	9.62	7.06	7.39

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Balanced Income –Pure Gross of Fees—(USD)	6.44	15.76	11.86	-8.25	20.77	8.52	23.60	-6.56	12.57	9.20
Balanced Income –Net of Fees—(USD)	3.35	12.42	8.63	-10.95	17.29	5.37	20.05	-9.31	9.31	6.03
Index Mix (70/30)—(USD)	13.09	10.81	9.45	-7.29	16.65	4.69	20.02	-5.23	9.81	12.40

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.

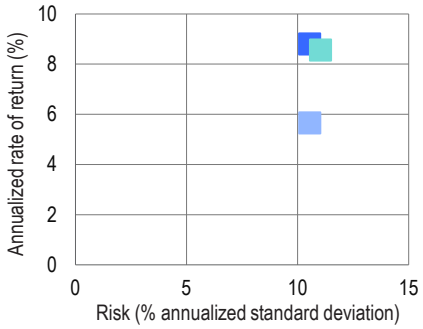
For fee schedules, contact your financial professional, or if you enter into an agreement directly with Franklin Templeton Private Portfolio Group, LLC ("FTPPG"), refer to FTPPG's Form ADV Part 2A disclosure document. Management and performance of individual accounts may vary for reasons that include 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. ClearBridge Investments, LLC 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.**

An account's actual allocations to its equity and fixed income segments will vary over time as markets change. An account will be rebalanced to its target allocation in the event that the account's allocations to its equity and fixed income segments drift 10% or more from their target allocations. An account generally will not be rebalanced unless such 10% drift threshold is reached. However, cash flows into and out of an account will be applied towards the account's more underweight segment in order to bring such account's allocations back towards their target allocations. 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.

The index mix consists 70% Russell 1000 Value, 30% Bloomberg U.S. Intermediate Treasury Bond Index.

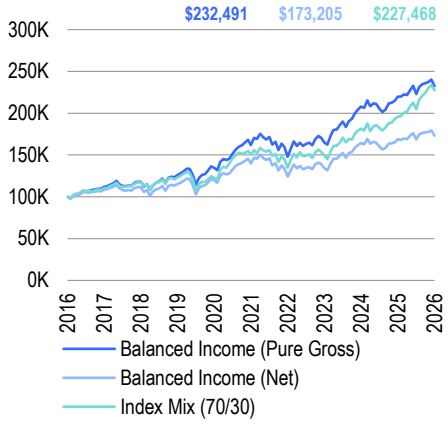
Performance Statistics [1] Preliminary (based on 10-year period ending September 30, 2026)

Risk/Return profile (%)



Balanced Income (Pure Gross)	
Annualized Return (%)	8.80
Annualized Standard Deviation (%)	10.55
Balanced Income (Net)	
Annualized Return (%)	5.65
Annualized Standard Deviation (%)	10.55
Index Mix (70/30)	
Annualized Return (%)	8.57
Annualized Standard Deviation (%)	11.03

Growth of $100,000*



[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:

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 than100 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 **Russell 1000 Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. Source: FTSE.

The **Bloomberg U.S. Intermediate Treasury Index** measures the performance of the U.S. Treasury debentures with maturities of 1-10 years. Source: Bloomberg Indices.

What are the risks?

All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **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. The **allocation** of assets among different strategies, asset classes and investments may not prove beneficial or produce the desired results.

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.

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