



Franklin Rising Dividends SMA

Franklin Separately Managed Accounts

Blend
Equity
September 30, 2020

Product Profile

Product Details¹

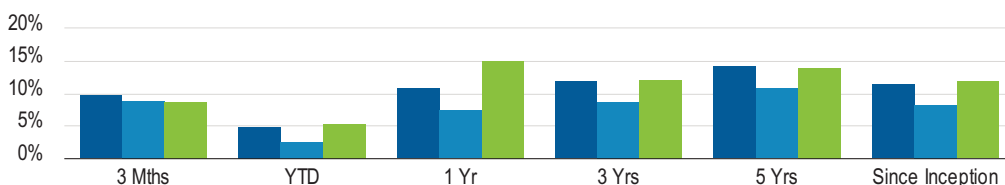
Inception Date	06/30/2015
Benchmark	S&P 500 Index

For more information, please contact your Franklin Templeton separately managed account sales team at (800) 822-8464.

Performance Data^{2,3}

Average Annual Total Returns (USD %)

	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	Since Inception (06/30/2015)
Franklin Rising Dividends SMA Composite - GROSS	9.81	4.99	10.85	12.08	14.24	11.58
Franklin Rising Dividends SMA Composite - NET	9.02	2.68	7.64	8.84	10.94	8.35
S&P 500 Index	8.93	5.57	15.15	12.28	14.14	11.99



- Franklin Rising Dividends SMA Composite - GROSS
- Franklin Rising Dividends SMA Composite - NET
- S&P 500 Index

Calendar Year Returns (USD %)

	2019	2018	2017	2016
Franklin Rising Dividends SMA Composite - GROSS	31.43	-4.62	21.32	15.04
Franklin Rising Dividends SMA Composite - NET	27.68	-7.42	17.84	11.72
S&P 500 Index	31.49	-4.38	21.83	11.96

Past performance is not an indicator or a guarantee of future performance.

Portfolio Characteristics^{4,5}

	Portfolio	S&P 500 Index
Price to Earnings (12-Month Trailing)	30.73x	25.72x
Price to Book	4.63x	3.76x
Price to Cash Flow	17.94x	13.46x
Market Capitalization (Millions in USD)	242,676	452,972
Number of Holdings	51	505

1. A composite is an aggregation of one or more portfolios into a single group that represents a particular investment objective or strategy. The composite return is the asset-weighted average of the performance results of all the fully discretionary portfolios in the composite. The composite return information provided herein includes the returns of Franklin Separately Managed Accounts, high-net-worth individual and institutional client portfolios and with respect to periods prior to the inception of Franklin Separately Managed Accounts, reflects the performance of such other portfolios. **Past performance is not an indicator or a guarantee of future performance.**

2. Total returns are presented inclusive of transaction costs and assume reinvestment of any dividends, interest income, capital gains, or other earnings. Net-of-fees returns have been reduced by the total "wrap fee" which includes brokerage fees (including trading expenses), administrative, custodial and investment management fees. This results in a net-of-fees return for which transaction costs are deducted twice. Returns over one year are annualized.

3,5. Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

4. Source: FactSet. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Portfolio Diversification

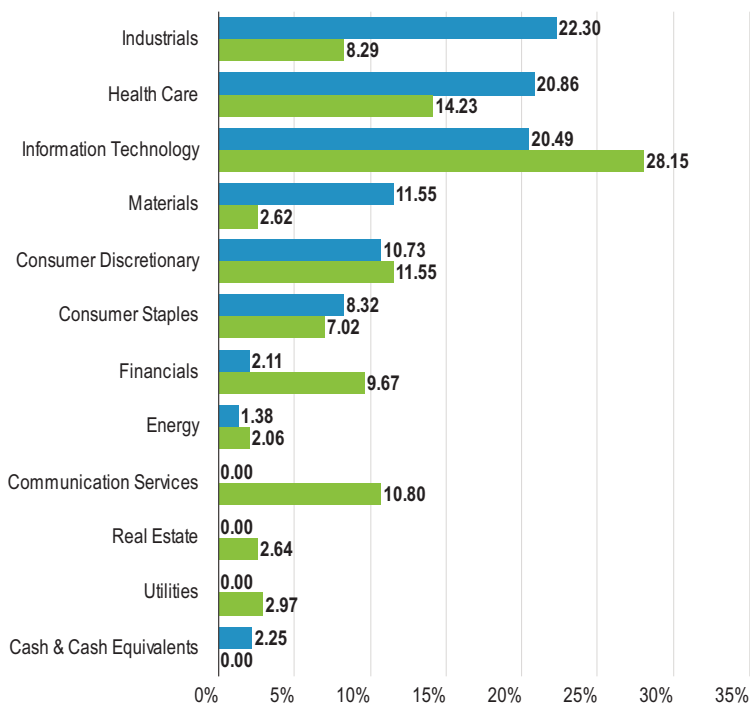
Top Ten Holdings⁶

Percent of Total

Top Holdings	Sector	%
MICROSOFT CORP	Software & Services	8.42
ROPER TECHNOLOGIES INC	Capital Goods	4.90
AIR PRODUCTS & CHEMICALS INC	Materials	4.03
ACCENTURE PLC	Software & Services	3.82
LINDE PLC	Materials	3.76
STRYKER CORP	Health Care Equipment & Services	3.64
WEST PHARMACEUTICAL SERVICES INC	Health Care Equipment & Services	3.26
TEXAS INSTRUMENTS INC	Semiconductors & Semiconductor Equipment	3.22
MEDTRONIC PLC	Health Care Equipment & Services	2.81
ANALOG DEVICES INC	Semiconductors & Semiconductor Equipment	2.77

Sector Weightings vs. S&P 500 Index^{7,8}

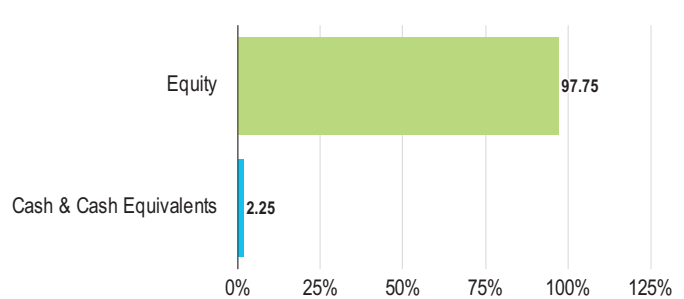
Percent of Total



● Franklin Rising Dividends SMA Composite
 ● S&P 500 Index

Asset Allocation⁹

Percent of Total



6. Holdings of the same issuers have been combined. Top ten holdings information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. The information provided is not a recommendation to purchase, sell, or hold any particular security. The portfolio manager reserves the right to withhold release of information with respect to holdings that would otherwise be included.

7,9. Percentage may not equal 100% due to rounding. All holdings are subject to change.

8. Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

Performance Statistics

Risk Statistics^{10,11}

	3 Yrs	5 Yrs	Since Inception
Standard Deviation (%)	17.24	14.48	14.60
Tracking Error (%)	3.65	3.51	3.52
Information Ratio	-0.05	0.03	-0.12
Beta	0.96	0.95	0.96
Sharpe Ratio	0.61	0.91	0.72

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Investment Philosophy

We believe that companies with consistently rising dividends should, over time, also realize stock price appreciation commensurate with dividend growth over the long term.

The Franklin Rising Dividends SMA strategy seeks long-term capital appreciation by investing primarily in companies of any size that have paid consistently rising dividends. We do not necessarily focus on companies whose securities pay a high dividend rate, but rather on companies that consistently increase their dividends. Preservation of capital, while not a goal, is also an important consideration.

Investment Process

Under normal market conditions, the portfolio invests at least 65% of its assets in companies that have paid consistently rising dividends. The portfolio invests predominantly in equity securities of companies that meet three of four of the following criteria:

- Consistently increased dividends in at least 8 out of the last 10 years, and have not decreased dividends during that time;
- Increased dividends substantially (at least 100%) over the last 10 years;
- Reinvested earnings, paying out less than 65% of current earnings in dividends (except for utility companies);
- Either long-term debt that is no more than 50% of total capitalization (except for utility companies) or senior debt that has been rated investment grade by at least one of the major bond rating organizations.

After initial investment screens are run, the Franklin Rising Dividends investment team then employs bottom-up, fundamental analysis to construct a more focused portfolio of companies that we believe offer strong rising dividends prospects going forward.

The portfolio may invest the rest of its assets in equity securities of companies that pay dividends but do not meet all of these criteria. The Portfolio may invest in companies of any size, across the entire market spectrum.

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Nicholas Getaz, CFA	9	20
Matt Quinlan	14	25
Amritha Kasturirangan, CFA	10	19
Nayan M Sheth, CFA	6	19

Glossary

Beta: A measure of the magnitude of a portfolio's past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.

Information Ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark.

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. Market capitalization is expressed in millions of USD.

Price to Book Value: 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 Cash Flow: Supplements price/earnings ratio as a measure of relative value for a stock. For a portfolio, the value represents a weighted average of the stocks it holds.

10. Beta, Information Ratio and Tracking Error information are measured against the S&P 500 Index.

11. Risk statistics are calculated using gross-of-fees performance. Returns over one year are annualized.

Price to Earnings (12-mo Trailing): 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.

Sharpe Ratio: To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.

Standard Deviation: A measure of the degree to which returns vary from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that performance will fluctuate from the average return.

Tracking Error: Measure of the deviation of the return of a product compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment is managed, the smaller the tracking error.

Important Legal Information

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Franklin Separately Managed Accounts (the “firm”) manages domestic equity and fixed income portfolios for high net worth individuals and institutional clients, applying a bottom-up, research-oriented process that utilizes proprietary screening models and top-down risk controls in managing its portfolios. Franklin Separately Managed Accounts is a division of Franklin Templeton Portfolio Advisors, Inc. (“FTPA”), a subsidiary of Franklin Resources, Inc. (“FRI”) and is a unit of the broader Franklin organization. At Franklin Separately Managed Accounts, brokerage, administrative, custodial and investment management fees are charged together as a percentage of the portfolios’ assets (comprehensive fee or “wrap-fee”) or may in some instances be charged separately (unbundled fee). Retail and Institutional separate accounts managed by affiliated Franklin entities are not included in the firm definition.

Franklin Rising Dividends SMA Composite consists of all SMA portfolios managed on a fully discretionary basis with an investment objective that seeks long-term capital appreciation by investing at least 65% of its net assets in companies that have paid consistently rising dividends. The composite name was Franklin Rising Dividend SMA Composite prior to March 31, 2017.

All investments involve risks, including the loss of principal. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Stocks and other equities representing an ownership interest in a corporation have historically outperformed other asset classes over the long term but tend to fluctuate more dramatically over the shorter term. Small or relatively new companies can be particularly sensitive to changing conditions due to factors such as relatively small revenues, limited product lines, and small market share. Smaller-company stocks have historically exhibited greater price volatility than larger-company stocks, particularly over the short term. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments. Investments in emerging markets involve heightened risks related to the same factors and are less liquid. Investors should review their investment objectives, risk tolerance and liquidity needs before choosing a manager. Securities markets can fluctuate significantly in response to industry, financial or economic developments, and unexpected events, such as the spread of deadly disease or disasters, can cause investor fear and panic, which can adversely affect companies, sectors and the market in general. There is no guarantee that investment strategies will work under all market conditions and investors should evaluate their ability to invest for the long term, especially during periods of market downturns.

The composite performance results are presented in U.S. Dollars and have been calculated using time-weighted total rates of return. Gross and net total returns are net of actual transaction costs. Net-of-fees returns have been reduced by the total “wrap fee” which includes brokerage fees (including trading expenses), administrative, custodial and investment management fees. This results in a net return for which transaction costs are deducted twice. Dividends, interest income and capital gains are net of any applicable withholding taxes. Account portfolios are valued daily at fair market value on a trade date basis, and market values include accrued income for fixed income securities and accrued dividends for equity securities based on ex-dividend date and are adjusted for all cash flows. All returns assume the reinvestment of dividends, interest, and realized and unrealized capital gains and losses. Returns for periods of less than one year are not annualized. Periods greater than one year are shown as average annual total returns. Performance data is shown rounded to the nearest hundredth. **Past performance is not an indicator or a guarantee of future performance.**

The primary benchmark for this composite is the S&P 500 Index. The S&P 500 Index is a free float-adjusted market capitalization weighted equity index comprised of securities of large cap U.S. companies.

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