FRANKLIN TEMPLETON INVESTMENTS

Templeton Separately Managed Accounts

June 30, 2015

Templeton Global ADR Equity SMA

Portfolio Profile

INVESTMENT MANAGEMENT TEAM

Heather Waddell, CFA
Senior Vice President
Portfolio Manager, Research Analyst
Years with Firm: 18
Years Industry Experience: 20

Matthew R. Nagle, CFA, CPA
Senior Vice President
Portfolio Manager, Research Analyst
Years with Firm: 11
Years Industry Experience: 16

Cindy L. Sweeting, CFA
President
Templeton Investment Counsel, LLC
Director of Portfolio Management
Years with Firm: 18
Years Industry Experience: 31

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

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

INVESTMENT PHILOSOPHY

We utilize a disciplined, consistent approach based on three timeless principles of investing.

Value—we seek companies trading at large discounts to our estimates of their business value, based on future earnings, cash flow or asset value potential.

Patience—our long-term focus gives us a framework to take advantage of short-term volatility, and patience allows time for value recognition.

Bottom-Up Stock Picking—the portfolio structure reflects where our research is finding value.

WHAT SETS US APART

Team-Oriented Approach—collaborative process leverages analytical expertise of our broadly experienced research team.

Long-Term Perspective—five-year horizon takes advantage of short-term price volatility to reveal long-term investment opportunities.

Fortitude to Be Different—in-depth research gives us conviction to purchase out-of-favor securities and patience to wait for value recognition.

Disciplined, Repeatable Process—proven valuation-driven philosophy and consistently applied bottom-up stock selection process that have navigated every market cycle over seven decades.

UNIVERSE

Portfolios invest in global stocks with a market capitalization generally of $1 billion or greater at time of purchase. Industry weights are limited to approximately 20% of the total portfolio, and emerging markets typically range from 5% to 15%, with approximately 30% maximum. Accounts may invest in foreign securities only through American Depositary Receipts (ADRs).

COMPOSITE PORTFOLIO CHARACTERISTICS[1]

	Global ADR Equity SMA	MSCI AC World Index	MSCI World Index
Number of Stock Holdings	89	2,483	1,645
Median Market Cap (US$m)	39,823	8,762	11,178
Weighted Average Dividend Yield	2.43%	2.47%	2.46%
Weighted Average Price to Earnings	16.90	18.51	19.21
Weighted Average Price to Book	1.52	2.14	2.24
Weighted Average Price to Cash Flow	6.84	10.79	11.12
Weighted Average Market Cap (US$m)	74,999	80,593	88,486
Expected Annual Turnover Range	20%–25%	—	—

Not FDIC Insured | May Lose Value | No Bank Guarantee

Please refer to back page for important compliance information.

COMPOSITE PERFORMANCE SUMMARY (USD) Period Ending June 30, 2015

Total Returns (USD %)[2]

	JUNE 30, 2015					
	1-Quarter	1-Year	3-Year	5-Year	10-Year	Inception[3]
Global ADR Equity SMA Composite–"Pure" Gross	1.13	-1.88	16.26	12.69	6.50	5.15
Global ADR Equity SMA Composite–Net	0.68	-3.67	14.18	10.66	4.56	3.34
MSCI AC World Index	0.52	1.23	13.62	12.52	6.97	4.35
MSCI World Index	0.49	1.97	14.91	13.72	6.96	4.22

Historical Performance (USD %)

	YEAR ENDING DECEMBER 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Global ADR Equity SMA Composite–"Pure" Gross	9.12	24.40	9.59	-37.31	25.37	7.45	-8.62	22.06	30.01	-0.83
Global ADR Equity SMA Composite–Net	7.09	22.07	7.63	-38.53	23.02	5.49	-10.26	19.80	27.72	-2.62
MSCI AC World Index	11.37	21.53	12.18	-41.85	35.41	13.21	-6.86	16.80	23.44	4.71
MSCI World Index	10.02	20.65	9.57	-40.33	30.79	12.34	-5.02	16.54	27.37	5.50

Risk Statistics[4]

	1-YEAR		3-YEAR		5-YEAR		10-YEAR	
	Global ADR Equity SMA	MSCI AC World Index	Global ADR Equity SMA	MSCI AC World Index	Global ADR Equity SMA	MSCI AC World Index	Global ADR Equity SMA	MSCI AC World Index
Annualized Standard Deviation	9.96	8.59	10.12	8.61	15.35	13.48	16.69	16.52
Beta	1.13	—	1.10	—	1.11	—	0.98	—
R-Squared	0.94	—	0.88	—	0.95	—	0.95	—
Annualized Tracking Error	2.64	—	3.59	—	3.79	—	3.78	—
Annualized Alpha	-3.15	—	1.11	—	-0.94	—	-0.31	—
Annualized Sharpe Ratio	-0.19	0.14	1.60	1.58	0.82	0.92	0.31	0.34
Correlation	0.97	—	0.94	—	0.97	—	0.97	—
Annualized Information Ratio	-1.18	—	0.74	—	0.05	—	-0.12	—

EXPLANATORY NOTES

The information and opinions stated are as of June 30, 2015, and are based on the Templeton Global ADR Equity SMA Composite which contains ADR eligible portfolios, unless otherwise indicated, and do not represent a complete analysis of every material fact concerning any industry, security or investment. Statements of fact have been obtained from sources deemed reliable, but no representation is made as to their completeness or accuracy. The opinions expressed are not intended as individual investment advice or as a recommendation of any particular security, strategy or investment product.

1. Information is supplemental to the historical performance of the Templeton Global ADR Equity SMA Composite.

2. Returns over one year are annualized. Templeton Separately Managed Accounts claims compliance with GIPS® for the periods January 1, 2000 to the present. Any performance presented prior to that date is not in compliance. "Pure" gross does not reflect the deduction of any expenses, including trading costs, and is provided as supplemental information. Composite performance data shown is rounded to the nearest tenth.

3. Inception: 2/29/92.

4. Information is supplemental to the historical performance of the Templeton Global ADR Equity SMA Composite, comprising the portfolios of all the sponsors following that mandate, and is based on "pure" gross-of-fees. "Pure" gross does not reflect the deduction of any expenses, including trading costs, and is provided as supplemental information.

5. Percentage may not total 100% due to rounding. Composite top 10 holdings, sector breakdown, geographic weightings are rounded to the nearest tenth.

Past performance does not guarantee future results and results may differ over future time periods.

Templeton Separately Managed Accounts claims compliance with the Global Investment Performance Standards (GIPS®). Please refer to back page for important compliance information.

Information is supplemental to the historical performance.

COMPOSITE TOP 10 HOLDINGS (% of Total)[5]

	Weight	Sector	Country
Microsoft Corp.	2.20	Information Technology	United States
Nissan Motor Co. Ltd., ADR	2.18	Consumer Discretionary	Japan
Allergan PLC	2.05	Health Care	United States
Amgen Inc.	1.98	Health Care	United States
AXA SA, ADR	1.70	Financials	France
Citigroup Inc.	1.70	Financials	United States
Bayer AG, ADR	1.68	Health Care	Germany
BNP Paribas SA, ADR	1.63	Financials	France
JP Morgan Chase&Co	1.55	Financials	United States
Merck KGaA., ADR	1.52	Health Care	Germany

COMPOSITE MARKET CAP DISTRIBUTION (USD % of Total)[5]

COMPOSITE SECTOR BREAKDOWN (% of Total)[5]

	Global ADR Equity SMA	MSCI AC World Index	MSCI World Index
Financials	26.62	21.90	20.97
Health Care	18.48	12.35	13.52
Consumer Discretionary	12.81	12.71	13.15
Energy	10.46	7.38	7.26
Information Technology	8.00	13.79	13.30
Industrials	7.61	10.33	10.74
Materials	5.52	5.28	5.08
Telecommunication Services	5.14	3.71	3.29
Consumer Staples	3.21	9.49	9.65
Utilities	0.00	3.06	3.04
Cash and Equivalents	2.14	0.00	0.00

COMPOSITE GEOGRAPHIC WEIGHTINGS (% of Total)[5]

	Global ADR Equity SMA	MSCI AC World Index	MSCI World Index
Europe	47.04	23.25	25.13
North America	35.08	54.73	61.23
Asia ex-Japan	8.49	8.91	1.82
Japan	5.77	7.93	8.87
Mid-East/Africa	1.50	1.25	0.23
Latin America/Caribbean	0.00	1.51	0.00
Australia/New Zealand	0.00	2.43	2.71
Cash and Equivalents	2.14	0.00	0.00
Emerging Markets Exposure	7.01	10.62	0.00

Please refer to back page for important compliance information.

Gain from Our Perspective®

Franklin Templeton offers true diversification through the specialized expertise of three world-class investment management groups—Franklin, Templeton and Fiduciary Trust International.

Franklin. Founded in 1947, Franklin is a leader in tax-free investing and a driving force in fixed income investing around the globe. They also bring expertise in growth- and value-style U.S. equity investing.

Templeton. Founded in 1940, Templeton pioneered international investing and, today, manages portfolios for individual and institutional investors based on a global perspective.

Fiduciary Trust. Since 1931, Fiduciary Trust International has been helping individuals achieve their investment goals through an investment process that combines fundamental research and individual issue selection with macroeconomic and sector strategy.

COMPLIANCE STATEMENT

Templeton Separately Managed Accounts claims compliance with the Global Investment Performance Standards (GIPS®).

Templeton Separately Managed Accounts (the "firm") manages portfolios for high net worth individuals and institutional clients, applying a bottom-up, value oriented, long-term investment style, focusing on global and non-U.S. markets. Templeton 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 Templeton organization. At Templeton Separately Managed Accounts, brokerage, administrative, custodial and investment management fees may be 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 Templeton entities are not included in the firm definition. Templeton Separately Managed Accounts was previously known as Templeton Portfolio Advisors prior to June 30, 2012. Templeton Portfolio Advisors was previously known as the Templeton Private Client Group prior to October 1, 2004. Effective July 1, 2014, Templeton Investment Counsel, LLC, assumed responsibility for Templeton Separately Managed Accounts' global and international equity SMA accounts, including those in the Templeton International Equity SMA Composite. Templeton Investment Counsel, LLC, is a sub-adviser to Templeton Separately Managed Accounts.

The Templeton Global ADR Equity SMA Composite consists of all the fully discretionary wrap-fee portfolios which have a global (U.S. and non-U.S.) equity investment objective with a restriction that accounts may invest in foreign securities only through American Depositary Receipts (ADRs) and for which the brokerage (including trading expenses), administrative, custodial, and investment management fees are charged together as a percentage of the portfolio's assets (known as a comprehensive fee, wrap-fee or bundled fee). As the criterion for inclusion in this composite is that the portfolios have bundled fees (i.e. where commission costs are not charged separately), 100% of the accounts in the composite have bundled fees for all time periods presented. Foreign investing, especially in developing countries, has additional risks such as currency and market volatility and political or social instability. Between June 30, 2012 and December 31, 2012, the composite name was Templeton Global ADR Equity SMA Comprehensive Fee Composite. Prior to June 30, 2012, the composite name was TPA Global ADR Equity Composite–Comprehensive Fee.

All returns are presented in U.S. dollars and have been calculated using time-weighted total rates of return. 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. Gross performance returns presented are "pure" gross-of-fees returns, which are before wrap fees, including brokerage fees related to trading expenses for transactions executed through the sponsor. "Pure" gross-of-fees returns are presented as supplemental information only. Both net- and "pure" gross-of-fees returns assume the reinvestment of dividends, interest, and realized and unrealized capital gains and losses. Prior to the second quarter of 2008, monthly returns of the constituent accounts in the composite were calculated using an Internal Rate of Return (IRR) on the average. **Past performance does not guarantee future results and results may differ over future time periods.**

The primary benchmarks for this composite are the MSCI All Country World Index℠ and the MSCI World Index℠. The MSCI All Country World Index is a free float-adjusted market capitalization weighted equity index comprised of securities in MSCI's developed and emerging market country-specific indexes. The MSCI World Index is a free float-adjusted market capitalization weighted equity index comprised of securities in MSCI's developed market country-specific indexes. The benchmark is used for comparative purposes only and is provided to represent the investment environment existing during the periods shown.

All MSCI data is provided "as is." The composite described herein is not sponsored or endorsed by MSCI. In no event shall MSCI, its affiliates or any MSCI data provider have any liability of any kind in connection with the MSCI data or the composite described herein. Copying or redistributing MSCI data is strictly prohibited. An index is not managed and is unavailable for direct investment. Special risks are inherent to international investing, including those related to currency fluctuations and foreign political and economic events.

Information provided is not a recommendation to purchase, sell or hold any particular security. The securities identified do not represent an account's entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in an account's portfolio, or that securities sold will not be repurchased. In addition, it should not be assumed that any securities transactions discussed were or will prove to be profitable.

Risk Statistic Definitions:

Annualized Standard Deviation: A statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution.

Beta: Beta is a measure of volatility; it measures the systematic risk of a security or a portfolio. It describes the sensitivity of a portfolio to the market, the tendency of a portfolio or a security to move relative to the market.

R-Squared: R-Squared is the correlation squared. It is used in style analysis to determine how much information about a return series the style benchmark has been able to capture.

Annualized Tracking Error: The active risk of the portfolio that measures the dispersion of the portfolio's return minus the benchmark's annualized return.

Alpha: Alpha is a risk (beta-adjusted) return measurement. If two managers had the same return, but one had a lower beta, that manager would have a higher alpha.

Annualized Sharpe Ratio: The difference between the annual average portfolio return and the annual average risk-free return, where risk is defined as the standard deviation of portfolio returns.

Correlation: The linear relationship between two return series. Correlation shows the strength of the relationship between two return series.

Annualized Information Ratio: A measure of consistency in excess return. The annualized excess return over a benchmark divided by the annualized standard deviation of excess return.

To receive a complete list of composite descriptions and/or a presentation that adheres to the GIPS® standards for any composite, contact your Franklin Templeton separately managed account sales team at (800) 822-8464 or visit www.franklintempleton.com.

FRANKLIN TEMPLETON INVESTMENTS

One Franklin Parkway
San Mateo, CA 94403-1906
(800) 822-8464
franklintempleton.com

© 2015 Franklin Templeton Investments. All rights reserved.