

Franklin International Growth Equity ADR SMA FRANKLIN TEMPLETON

Separately Managed Accounts | Fact Sheet as of December 31, 2025

Investment overview

The Franklin International Growth Equity ADR SMA seeks capital appreciation by investing predominantly in the equity securities of mid- and large-capitalization companies outside the U.S. with long-term growth potential.

Investment philosophy

Longer-Term Investment Horizon

- Investment horizon of 3 to 5 years
- Typical holding period of 4+ years

Research-Driven Portfolio

- Concentrated portfolio with approximately 30–40 holdings
- Benchmark Indifferent

Longer-Term Investment Horizon

- Investment horizon of 3 to 5 years
- Typical holding period of 4+ years

Seek to Manage Risk by Limiting Economic Overlap among Holdings

- Select companies whose earnings streams are not highly correlated
- Has typically resulted in a diversified portfolio across MSCI Global Industry Classification Standard (GICS) sectors and industries

Global Opportunity Set

- Search without borders
- Average allocation to emerging markets has been less than 10%

Investment management team

John Remmert
Portfolio Manager
Industry since 1987

Patrick McKeegan, CFA
Portfolio Manager
Industry since 2009

Don Huber, CFA
Portfolio Manager
Industry since 1982

Investment process

STEP 1

Growth

Free cash flow analysis to assess:

- Sustainable business model
- Long-term competitive advantage
- Value-generating reinvestment record

STEP 2

Quality

Framework to assess:

- Financial transparency and accounting quality
- Corporate governance including share, board and management structure and compensation metrics
- Environmental management, social and labor practices

STEP 3

Valuation manager evaluation

Common discount cash flow/dividend model to assess:

- Relative attractiveness of company
- Valuation support under different scenarios

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 December 31, 2025

Top Ten Holdings (%)

	Portfolio
DSV A/S Un-sponsored ADR	4.83
CTS Eventim AG & Co. KGaA Un-sponsored ADR	4.40
AstraZeneca PLC Sponsored ADR	4.09
MTU Aero Engines AG Un-sponsored ADR	4.08
Alcon AG	4.02
Cochlear Limited Un-sponsored ADR	3.92
Disco Corporation Un-sponsored ADR	3.75
VAT Group AG Un-sponsored ADR	3.70
SAP SE Sponsored ADR	3.69
Experian PLC Sponsored ADR	3.68
Total	40.17

Sector Weightings (%)

	Portfolio	BM
Industrials	24.29	19.20
Information Technology	20.63	8.39
Health Care	20.27	11.37
Consumer Discretionary	12.73	9.83
Communication Services	7.63	4.33
Financials	5.75	25.31
Materials	2.90	5.56
Energy	1.09	3.14
Consumer Staples	0.00	7.39
Utilities	0.00	3.66
Real Estate	0.00	1.82
Cash & Other Net Assets	4.71	0.00

Geographic Weightings (%)

	Portfolio	BM
Switzerland	20.83	9.63
Germany	16.79	9.73
United Kingdom	10.70	14.88
Japan	10.32	22.10
Australia	6.27	6.38
Israel	5.69	1.09
Netherlands	5.52	4.98
Denmark	4.83	1.92
Canada	4.76	0.00
Cash & Cash Equivalents	4.71	0.00
Total	90.44	70.70

Market Capitalization (%)

	Portfolio
2.0-5.0 Billion	1.69
5.0-10.0 Billion	14.41
10.0-25.0 Billion	21.70
25.0-50.0 Billion	26.34
>50.0 Billion	35.86

Characteristics

	Portfolio	BM
Historical 3 Years Sales Growth	17.06%	11.13%
Price to Earnings (12-Month Forward)	29.15x	16.68x
Weighted Average Market Capitalization (Millions USD)	\$78,571	\$105,759

† Source: Franklin Templeton. Portfolio characteristics and sector weightings are based on representative accounts within the composite. Portfolio characteristics and sector weightings of individual client portfolios in the program may differ, sometimes significantly, from those shown above. Assumes no client-imposed restrictions. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the sectors listed and should not be used as a sole basis to make any investment decisions.

Performance

Annualized Rates of Return – Pure Gross and Net of Fees (%) as of December 31, 2025 – PRELIMINARY – (Inception date: 12/31/2019)

	YTD*	1 Mth*	3 Mths*	1 Year	3 Year	5 Year	Since Incept
Franklin International Growth Equity ADR SMA–Pure Gross of Fees—(USD)	11.33	0.36	-1.55	11.33	8.98	-1.78	3.41
Franklin International Growth Equity ADR SMA–Net of Fees—(USD)	8.11	0.11	-2.28	8.11	5.82	-4.65	0.39
MSCI EAFE Index–NR—(USD)	31.22	3.00	4.86	31.22	17.22	8.92	8.74

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

	2025	2024	2023	2022	2021	2020
Franklin Intl Growth Equity ADR–Pure Gross of Fees—(USD)	11.33	1.75	14.26	-30.54	1.69	33.76
Franklin Intl Growth Equity ADR–Net of Fees—(USD)	8.11	-1.22	10.95	-32.63	-1.28	29.94
MSCI EAFE Index (Net)—(USD)	31.22	3.82	18.24	-14.45	11.26	7.82

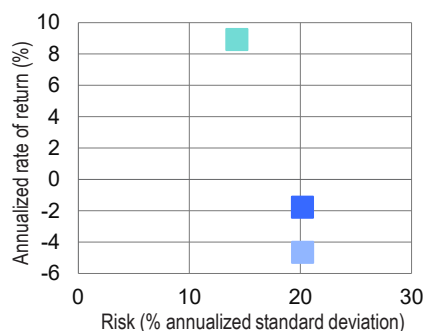
The strategy returns shown are preliminary composite returns, subject to future revision (downward or upward). Past performance is not a guarantee of future results. An investment in this strategy can lose value. Please visit www.franklintempleton.com for the latest performance figures. Investors cannot 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. Franklin Templeton 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.

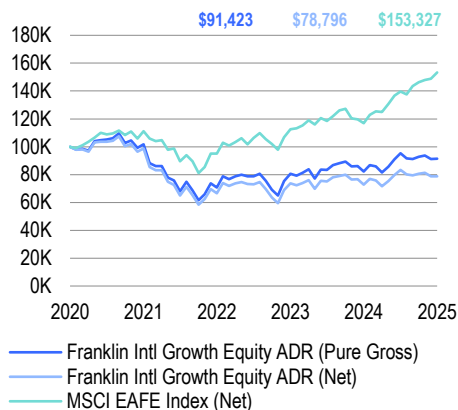
Performance Statistics¹ Preliminary (based on 5-year period ending December 31, 2025)

Risk/Return profile (%)

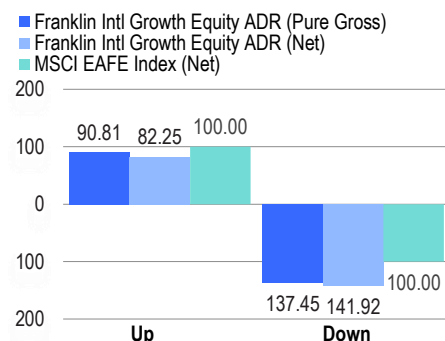


■ Franklin Intl Growth Equity ADR (Pure Gross)	
Annualized Return (%)	-1.78
Annualized Standard Deviation (%)	20.20
■ Franklin Intl Growth Equity ADR (Net)	
Annualized Return (%)	-4.65
Annualized Standard Deviation (%)	20.20
■ MSCI EAFE Index (Net)	
Annualized Return (%)	8.92
Annualized Standard Deviation (%)	14.28

Growth of \$100,000*



Up/Down market capture ratios (%)



Modern portfolio statistics

	Portfolio (Pure gross)	Portfolio (Net)	BM
Sharpe Ratio	-0.15	-0.30	0.44
Beta	1.27	1.27	N/A
Alpha (%)	-10.52	-13.16	N/A
R-Squared	0.80	0.80	N/A

	(+) Months	(-) Months
Pure Gross:	38	22
Net:	38	22

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:

Dividend yield is determined by dividing a stock's annual dividends per share by the current market price per share. Dividend yield is a financial ratio that shows how much a company pays out in dividends. **Dividend yield is calculated without the deduction of fees and expenses.**

P/E (Year 1) is the previous day's closing price of the stock divided by the consensus earnings per share (EPS) of fiscal year 1 (FY1) provided by I/B/E/S. Forecasts are inherently limited and should not be relied upon as indicators of future performance.

The **price-to-book ratio (P/B)** is a stock's price divided by the stock's per share book value. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of a common stock.

Weighted median market capitalization represents the value at which half the portfolio's market capitalization weight falls above, and half falls below.

Weighted average market capitalization represents the average value of the companies held in the portfolio. When that figure is weighted, the impact of each company's capitalization on the overall average is proportional to the total market value of its shares.

Market capitalization measures the number of outstanding common shares of a given corporation multiplied by the latest price per share.

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 than 100 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 portfolio and its benchmark. R-squared at 1.00 implies perfect linear relationship and zero implies no relationship exists.

The **MSCI EAFE Index** is a free float-adjusted market capitalization-weighted index designed to measure developed market equity performance, excluding the U.S. and Canada. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

What are the risks?

All investments involve risks, including possible loss of principal. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Equity securities** are subject to price fluctuation and possible loss of principal. **Distributions** are not guaranteed and are subject to change. **Active management** does not ensure gains or protect against market declines. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The manager may consider **environmental, social and governance (ESG)** criteria in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated.

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