

# Franklin LibertyQ U.S. Mid Cap Equity ETF (FLQM)



Multi-Factor | Fact Sheet as of June 30, 2022

## Investment Overview

The fund seeks to provide investment results that closely correspond, before fees and expenses, to the performance of its corresponding underlying index, LibertyQ U.S. Mid Cap Equity Index. The underlying LibertyQ U.S. Mid Cap Equity Index generally includes U.S. mid capitalization companies that have favorable exposure to four investment style factors: quality, value, momentum and low volatility.

## Total Returns (%)

	Cumulative				Average Annual			Inception	
	3-Mth	6-Mth	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
NAV Returns	-13.18	-19.09	-19.09	-10.65	9.05	10.21	—	9.91	4/26/2017
Market Price Return	-13.57	-19.47	-19.47	-10.98	8.95	9.91	—	9.86	4/26/2017
Investment Universe	-16.85	-21.57	-21.57	-17.30	6.59	7.97	—	7.94	—
Underlying Index	-13.14	-19.02	-19.02	-10.43	9.32	10.51	—	10.21	—

## Calendar Year Total Returns (%)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
NAV Returns	28.51	15.50	28.15	-3.57	—	—	—	—	—	—
Market Price Return	28.77	15.50	28.54	-4.21	—	—	—	—	—	—
Investment Universe	22.58	17.10	30.54	-9.06	—	—	—	—	—	—
Underlying Index	28.94	15.73	28.56	-3.30	—	—	—	—	—	—

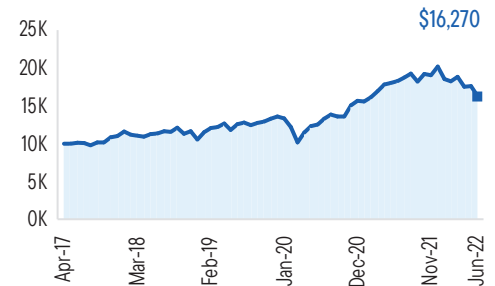
**Performance data represents past performance, which does not guarantee future results.** Current performance may differ from figures shown. The fund's investment return and principal value will change with market conditions, and you may have a gain or a loss when you sell your shares. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

Net Asset Value (NAV) returns are based on the NAV of the ETF; Market Price returns are based upon the official closing price of the ETF's shares. Returns are average annualized total returns, except for those periods of less than one year, which are cumulative. Market Price returns are calculated using the closing price as of 1 p.m. Pacific time on each trading day (when NAV is normally determined for most funds), and do not represent the returns you would receive if you traded shares at other times. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading April 28, 2017, the NAV of the Fund is used as a proxy for the Market Price to calculate market returns.

## Growth of \$10,000

Inception through June 30, 2022

Market Price Returns, assuming dividends reinvested



The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment on Market Price and assumes reinvestment of dividends and capital gains. Fund expense, including management fees and other expenses were deducted.

## Fund Overview

Fund Inception Date	04/26/2017
Total Expense Ratio (%)	0.30
ETF Category	Smart Beta
Frequency of Index	
Restructuring	Semiannually
Asset Class	Equity
Listed Exchange	Cboe
Cboe Ticker	FLQM
CUSIP	354 73P 884
ISIN	US35473P8840
Shares Outstanding	1,500,000
Underlying Index	LibertyQ U.S. Mid Cap Equity Index
Investment Universe	Russell Midcap Index

## 30-Day SEC Yield (%)

30-Day SEC Yields (%)	1.57
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## Fund Characteristics

	Fund	Investment Universe
Total Net Assets	\$58.29 Million	
Average Market Cap (Millions)	\$19,291	\$19,431
Price to Book	3.18x	2.77x
Price to Earnings (12-Month Trailing)	13.26x	15.29x
Number of Holdings	207	828

## Risk Statistics (3-Year vs. Russell Midcap Index)

	Fund	Investment Universe
Standard Deviation (%)	19.22	21.36
Beta	0.88	—

## Top Equity Issuers (% of Total)

	Fund
AUTOZONE INC	1.14
TRACTOR SUPPLY CO	1.13
RESMED INC	1.12
CHURCH & DWIGHT CO INC	1.12
HERSHEY CO/THE	1.11
WATERS CORP	1.11
OLD DOMINION FREIGHT LINE INC	1.08
O'REILLY AUTOMOTIVE INC	1.08
AMERICAN WATER WORKS CO INC	1.07
CADENCE DESIGN SYSTEMS INC	1.07

## Sector Allocation (% of Total)

	Investment	
	Fund	Universe
Information Technology	18.53	16.43
Industrials	17.72	14.59
Consumer Discretionary	16.11	11.17
Health Care	9.79	10.80
Financials	9.32	13.56
Consumer Staples	8.19	3.77
Materials	6.36	6.25
Real Estate	3.95	8.62
Other	9.87	14.80
Cash & Cash Equivalents	0.16	0.00

## Portfolio Management

	Years with Firm	Years of Experience
Dina Ting, CFA	6	26
Hailey Harris	4	12

## What should I know before investing?

All investments involve risks, including possible loss of principal. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Historically, mid-size company securities have been more volatile in price than larger company securities, especially over the short term. Mid-size companies may be more susceptible to particular economic events or competitive factors than are larger, more broadly diversified companies. There can be no assurance that the fund's multi-factor stock selection process will enhance performance. Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. Performance of the fund may vary significantly from the performance of an index, as a result of transactions costs, expenses and other factors. These and other risks are discussed in the fund's prospectus.

## Glossary

**Standard Deviation** measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Beta** A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. The **30-day SEC yield** calculated pursuant to the standard SEC formula, is based on a fund's investments over an annualized trailing 30-day period and not on the distributions paid by the fund, which may differ. **Price to Book** 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 Earnings (12-Month Trailing)** is 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.

## Important Information

**Canada:** This content is intended only for Canadian institutional investors that qualify as "permitted clients" as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. U.S. securities laws generally limit a non-U.S. fund's purchase of a U.S. registered mutual fund or ETF (a "U.S. Fund") to no more than 3% of the U.S. Fund's voting stock. You should consult your legal counsel prior to investing in a U.S. Fund.

The LibertyQ U.S. Mid Cap Index methodology utilizes a custom factor weighting (50% Quality, 30% Value, 10% Momentum, 10% Low Volatility) and custom factor definitions. The methodology targets the top 25% of securities from the parent index with the highest combined factor score. **Quality** is measured by return on equity, gross profit over asset, 5 year gross margin sustainability (ex. Financials and REITs), Cash ROA and 5 year ROA sustainability (Financials and REITs). **Value** is measured by EBITDA to Enterprise Value Ratio (ex. REITs and Financials), 12-month forward price-to-earnings (ex. REITs and Financials), dividend yield (ex. REITs and Financials), 1/3 relative z-score of dividend yield and 2/3 relative z-scores of the price-to-book (REITs and Financials only). **Momentum** is measured by 6-month risk-adjusted price momentum and 12-month risk-adjusted price momentum. **Low Volatility** is measured by the historical beta of at least 104 weeks.

**ETFs trade like stocks, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns.**

ETF shares may be bought or sold throughout the day at their market price, not their Net Asset Value (NAV), on the exchange on which they are listed. Shares of ETFs are tradable on secondary markets and may trade either at a premium or a discount to their NAV on the secondary market.

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**Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at [www.franklintempleton.com](http://www.franklintempleton.com). Please read it carefully.**