

Fund Overview

Total Net Assets (04/30/2021)	\$208,999,383
Inception Date	Series A: 06/19/2013 Series F: 06/19/2013
Number of Holdings	
Morningstar Category™	Global Neutral Balanced
Benchmark	Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg Barclays High Yield Very Liquid Index + 25% Bloomberg Barclays US Aggregate Index

Investment Objective & Strategy

Maximize income while maintaining prospects for long-term capital appreciation by investing primarily in a diversified portfolio of dividend-paying stocks, bonds and convertible securities issued in the U.S.

Fund Management

Edward D. Perks	28 Years, California, United States
Brendan Circle	10 Years, California, United States
Todd Brighton	20 Years, California, United States

Risk Classification

Low	Low to Medium	Medium	Medium to High	High
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Asset Allocation (% Market Value)¹

03/31/2021	
Equity	59.34
Fixed Income	28.22
Convertibles/Equity-Linked Notes	10.78
Cash & Cash Equivalents	1.66

Fund Codes

	CDN\$	US\$	Hedged
Series A Front	TML3640	TML3651	TML5809
Series A DSC	TML3642	TML3653	TML5811
Series A Low Load	TML3641	TML3652	TML5810
Series F	TML3643	TML3654	TML5812
Series F ADM	TML5014	TML5037	TML5813
Series FT	TML3647		TML5814
Series FT ADM	TML5050		TML5815
Series I (Closed to new investors)	TML3644	TML3655	
Series O	TML3645	TML3656	TML5816
Series OT	TML3646		TML5817
Series PA Front	TML5517	TML5520	TML5818
Series PA DSC	TML5519	TML5522	TML5820
Series PA Low Load	TML5518	TML5521	TML5819
Series PF	TML3904	TML3905	TML5821
Series PF ADM	TML5082	TML5108	TML5822
Series PFT	TML3906		
Series PFT ADM	TML5127		
Series PT Front	TML5523	TML5526	TML5823
Series PT DSC	TML5525	TML5528	TML5825
Series PT Low Load	TML5524	TML5527	TML5824
Series T Front	TML3648	TML3659	TML5826
Series T DSC	TML3650	TML3661	TML5828
Series T Low Load	TML3649	TML3660	TML5827

¹ Market value figures reflect the trading value of the investments, may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

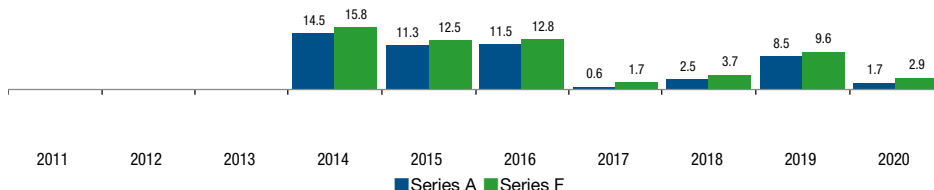
² Please see detailed definitions on the last page.

³ The fund may also pay capital gains in December if required.

⁴ Sources: S&P and Moody's. Cash and equivalents are excluded from this breakdown.

REASONS TO INVEST IN THIS FUND:

- **Flexible and opportunistic investment approach.** The fund sets no formal targets with respect to its equity and fixed income allocation and looks opportunistically across the capital structure to focus on investment opportunities that offer the most compelling risk-reward profiles.
- **A strategic approach to income.** The fund is structured to generate income while maintaining the prospect for long-term capital gain by investing strategically in dividend-paying stocks, bonds and convertible securities.
- **Experienced management team.** Having joined Franklin Templeton in 1992, Ed Perks, CFA, has been the lead portfolio manager of the strategy since 2004.

Performance
Calendar Year Returns in Canadian Dollars (%) 04/30/2021

Compounded Returns in Canadian Dollars (%) 04/30/2021

	YTD	1 Mo	3 Mo	6 Mo	1 Year	3 Years	5 Years	10 years	Since Inc [^]
Series A	3.94	-0.48	4.46	9.52	9.76	5.48	6.74	n/a	7.78
Series F [†]	4.31	-0.39	4.74	10.12	11.00	6.65	7.92	n/a	8.98

[^] Series inception date

[†] Series F is available to investors participating in programs that do not require Franklin Templeton to incur distribution costs in the form of trailing commissions to dealers. As a consequence, the management fee on Series F is lower than on Series A.

Top Holdings (% of Total)¹

03/31/2021		
Community Health Systems, Inc.		5.06
JPMorgan Chase & Co.		2.70
CVS Health Corporation		2.52
Bank of America Corp.		2.50
Chevron Corporation		2.41
Exxon Mobil Corporation		2.36
Southern Company		2.34
Dominion Energy, Inc.		2.29
Raytheon Technologies Corporation		2.12
Procter & Gamble Company		2.05

Fund Facts

Price per Unit (Series A)	\$13.96
Yield to Maturity ²	3.49%
Average Weighted Maturity ²	3.2 Years
Average Duration	2.9 Years
Duration to Worst	2.8 Years
Portfolio Turnover Rate (12/31/2020)	41.61%
MER (12/31/2020 incl. HST)	A: 2.23% F: 1.10%
Management Fee	A: 1.85% F: 0.85%
Yield to Worst ²	2.84%
Distributions	Income paid monthly ³

Composition of Fund
Top Country Weightings (% Equity Market Value)¹

03/31/2021		
United States		90.60
United Kingdom		4.27
Canada		1.63
Australia		1.58
France		1.20
Germany		0.72

Bond Ratings (% Fixed Income Market Value)^{1,4}

03/31/2021			
AAA	2.38	B	10.90
A	1.09	CCC	1.66
BBB	6.46	D	0.37
BB	5.35		

Series A Distribution History

Date	Price	Distr.	Date	Price	Distr.
05/29/2020	\$13.32	\$0.03	11/19/2020	\$13.55	\$0.22
06/30/2020	\$13.12	\$0.03	12/22/2020	\$13.52	\$0.02
07/31/2020	\$13.26	\$0.03	01/29/2021	\$13.43	\$0.02
08/31/2020	\$13.19	\$0.03	02/26/2021	\$13.74	\$0.02
09/30/2020	\$13.21	\$0.03	03/31/2021	\$14.05	\$0.02
10/30/2020	\$13.05	\$0.03	04/30/2021	\$13.96	\$0.02

Top Sector Weightings (Equity as a % of Total Market Value)¹

03/31/2021	
Utilities	11.50
Financials	10.54
Health Care	10.51
Information Technology	9.06
Industrials	7.92
Energy	7.04
Consumer Staples	6.56
Communication Services	3.15
Materials	2.63
Consumer Discretionary	0.79
Real Estate	0.41

Top Sector Weightings (Fixed Income as a % of Total Fund)

03/31/2021	
Corporate	25.33
Government/Agency	2.38
Cash & Cash Equivalents	1.66
Other	0.51

Disclaimers

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or fund facts document before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The portfolio manager for a Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top 10 holdings list. Series T distributions are automatically reinvested unless otherwise requested. Series T may also pay a distribution that must be reinvested in December, consisting of income and capital gains. Please indicate your preference to receive cash flow immediately on the application form. Fund AUM reported may include fund-on-fund holdings, and assets are therefore reflected in both the top fund and underlying fund AUM. The 'Supranational' geographic designation refers to international financial institutions whereby member states transcend national boundaries and issue debt securities on behalf of the group as a whole.

Ratings without cash, Market Value or Notional Exposure: Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations ('NRSRO'), such as Standard & Poor's, Moody's and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from all three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. The NR category consists of ratable securities that have not been rated by an NRSRO. The N/A category consists of nonratable securities (e.g., equities). Cash and equivalents are excluded from this breakdown.

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Franklin Templeton Investment Solutions* (FTIS) is a global team dedicated to global portfolio-based solutions. In Canada, FTIS uses Templeton Investment Counsel LLC as a sub-adviser. FTIS is a division of Fiduciary Trust Company of Canada, a wholly owned subsidiary of Franklin Templeton Canada.

Glossary

Dividend Yield of a stock is the total amount of dividend per share paid over the previous 12 months, divided by its current price. The dividend yield of a mutual fund is the market-weighted average of the dividend yields of all the stocks in the portfolio. This measure is gross of fees.

Weighted Yield (Internal Yield) is a blended measure used for balanced funds, the internal yield is the market-weighted average of the Yield to Maturity of the fund's fixed income component and the Dividend Yield of the fund's equity component. This measure is gross of fees.

Yield to Maturity (YTM) is a long-term yield expressed as an annual rate. A bond's YTM is the rate of return anticipated if one assumes the bond is held until its maturity date and all the coupons paid by the bond are reinvested at the same rate of return as the coupons. The calculation takes into account the current market price, par value, coupon interest rate and time to maturity. The YTM of a bond fund is the market-weighted average of the YTM's of all the bonds in the portfolio.

Yield to Worst (YTW) of a bond is the yield to maturity if the worst possible bond repayment takes place. If market yields are higher than the coupon, the YTW would assume no prepayment. If market yields are below the coupon, the YTW would assume prepayment. The YTW of a fund is the market-weighted average of the YTW's of all the bonds in the portfolio. This measure is gross of fees and excludes yield on cash.



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