

Fund Overview

Total Net Assets (10/31/2021)	\$344,534,808
Inception Date	Series A: 07/15/1988 Series F: 06/18/2001
Number of Holdings	44
Morningstar Category™	Global Fixed Income
Benchmark	JP Morgan Global Government Bond Index

Fund Description

High current income with capital appreciation by investing primarily in fixed income securities and preferred shares issued around the world. The fund may not invest more than 25% of the total value of the invested assets (excluding cash) in a particular industry.

Fund Management

Michael Hasenstab	26 Years, California, United States
Calvin Ho	16 Years, California, United States

Risk Classification

Low	Low to Medium	Medium	Medium to High	High
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Fund Codes

	CDN\$	US\$	Hedged
Series A Front	TML704	TML803	TML6079
Series A DSC	TML734	TML903	TML6081
Series A Low Load	TML674	TML684	TML6080
Series F	TML257	TML258	TML6082
Series F ADM	TML5020	TML5043	TML6083
Series I (Closed to new investors)	TML254	TML256	
Series O	TML259	TML260	TML6084
Series PA Front	TML5608	TML5611	TML6085
Series PA DSC	TML5610	TML5613	TML6087
Series PA Low Load	TML5609	TML5612	TML6086
Series PF	TML3727	TML3728	TML6088
Series PF ADM	TML5091	TML5114	TML6089

¹ Figures shown for Yield to Maturity, Weighted Average Maturity, Duration, Duration to Worst and Yield to Worst reflect certain derivatives held in the portfolio (or their underlying reference assets).

² Please see detailed definitions on the last page.

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

⁴ Distributions are not guaranteed and the proportion of income and return of capital will fluctuate depending on Fund returns. Unlike fixed-income securities, there is no obligation to distribute any fixed amount, and reductions in, or suspensions of, distributions may occur that would reduce yield. Distributions are not an indication of performance, rate of return, or yield. Mutual fund distributions are not guaranteed and are set and may change at the discretion of Franklin Templeton Investments Corp.

⁵ Please note that the definition of cash in this document may not match the definition of "cash and cash equivalents" listed in the fund facts or management reports of fund performance for the fund, which includes bonds that have a remaining term to maturity of 365 days or less that are issued by certain governments, supranational agencies or financial institutions and have a "designated rating" (as defined in Canadian securities law). As such, the cash amounts listed may differ.

⁶ Notional exposure figures are intended to estimate the portfolio's exposure, including any hedged or increased exposure through certain derivatives held in the portfolio (or their underlying reference assets). Market value figures reflect the trading value of the investments. Notional and market value figures may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

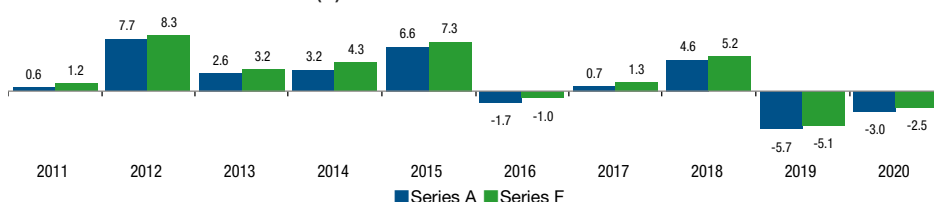
⁷ Sources: S&P and Moody's. Ratings apply to bond holdings only. Cash includes equivalents, which may be rated.

REASONS TO INVEST IN THIS FUND:

- **Diversification.** Ideal for investors seeking an unconstrained worldview independent from the benchmark, allowing the fund to invest in bonds from any country, in any currency, and with the goal of finding the best values for the portfolio.
- **Multiple perspectives.** Global and local experts gather customized knowledge to the fund by providing extensive country analysis and multiple perspectives and lenses.
- **Experienced management.** Dr. Michael Hasenstab has managed the fund since 2005 and is backed by a large and experienced team of Global Macro analysts located around the world.

Performance

Calendar Year Returns in Canadian Dollars (%) 10/31/2021



Compounded Returns in Canadian Dollars (%) 10/31/2021

	YTD	1 Mo	3 Mo	6 Mo	1 Year	3 Years	5 Years	10 years	Since Inc [†]
Series A	-9.05	-2.72	-3.04	-3.21	-9.41	-4.44	-3.11	0.32	4.11
Series F [‡]	-8.63	-2.68	-2.90	-2.93	-8.90	-3.91	-2.55	0.95	3.78

[†] 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.

Fund Facts¹

Price per Unit (Series A)	\$6.90
Yield to Maturity ²	4.03%
Average Weighted Maturity ²	1.7 Years
Average Duration	1.4 Years
Duration to Worst	1.4 Years
Portfolio Turnover Rate (06/30/2021)	9.73%
MER (06/30/2021 incl. HST)	A: 1.64% F: 1.09%
Management Fee	A: 1.25% F: 0.75%
Yield to Worst ²	4.03%
Distributions	Interest income paid monthly ^{3,4}

Composition of Fund

Top Country Weightings (% Market Value)^{5,6}

Country	Weighting (%)
09/30/2021	
South Korea	9.87
India	9.70
Indonesia	9.58
Japan	8.29
Brazil	7.95
Mexico	5.41
Norway	4.35
Colombia	4.24
Others	13.44
Cash & Cash Equivalents	27.18

Bond Ratings (% of Fixed Income)^{6,7}

Rating	Percentage (%)	Category	Percentage (%)
AAA	11.08	B	2.70
AA	9.87	CCC	3.16
A	9.64	Not Applicable	-0.51
BBB	28.93	Cash & Cash Equivalents	27.18
BB	7.95		

Series A Distribution History

Date	Price	Distr.	Date	Price	Distr.
02/28/2019	\$8.40	\$0.02	08/30/2019	\$7.87	\$0.02
03/29/2019	\$8.36	\$0.02	09/30/2019	\$7.82	\$0.02
04/30/2019	\$8.42	\$0.02	10/31/2019	\$7.84	\$0.02
05/31/2019	\$8.33	\$0.02	01/31/2020	\$7.86	\$0.02
06/28/2019	\$8.18	\$0.07	02/28/2020	\$7.88	\$0.02
07/31/2019	\$8.21	\$0.02	03/31/2020	\$7.77	\$0.01

Duration Exposure (% Notional Value)⁶

Duration	Percentage (%)
0 to 1 Year	53.73
1 to 2 Years	8.16
2 to 3 Years	22.16
3 to 5 Years	14.46
5 to 7 Years	1.49

Effective January 31, 2018, the monthly distribution paid by Templeton Global Bond Fund will be \$0.016 per unit of Series A. However, the monthly rate may be topped up on a quarterly basis, to the extent there is sufficient taxable income in the fund. Distributions paid by other series will be pro-rated to the fund's Series A distribution amount. To calculate US-dollar-denominated distribution amounts, apply the exchange rate between the Canadian dollar and the US dollar as of each distribution date. Actual distribution amounts may differ. Distributions are not guaranteed and the proportion of income and return of capital will fluctuate depending on fund returns. Unlike fixed income securities, there is no obligation to distribute any fixed amount, and reductions in yield or suspensions that would reduce yield may occur.

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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