Fund Objective & Strategy
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.

Investment Objective & Strategy
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
24 Years, California, United States
Calvin Ho
14 Years, California, United States

Fund Codes
<table>
<thead>
<tr>
<th>Fund</th>
<th>Corp Class</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A Front</td>
<td>TML704</td>
<td>TML803</td>
</tr>
<tr>
<td>Series A Low Load</td>
<td>TML734</td>
<td>TML903</td>
</tr>
<tr>
<td>Series F</td>
<td>TML674</td>
<td>TML684</td>
</tr>
<tr>
<td>Series F DSC</td>
<td>TML257</td>
<td>TML258</td>
</tr>
<tr>
<td>Series F ADM</td>
<td>TML5020</td>
<td>TML5043</td>
</tr>
<tr>
<td>Series I (Closed to new investors)</td>
<td>TML254</td>
<td>TML256</td>
</tr>
<tr>
<td>Series O</td>
<td>TML259</td>
<td>TML260</td>
</tr>
<tr>
<td>Series PA Front</td>
<td>TML608</td>
<td>TML611</td>
</tr>
<tr>
<td>Series PA DSC</td>
<td>TML5610</td>
<td>TML5613</td>
</tr>
<tr>
<td>Series PA Low Load</td>
<td>TML609</td>
<td>TML612</td>
</tr>
<tr>
<td>Series PF</td>
<td>TML3727</td>
<td>TML3728</td>
</tr>
<tr>
<td>Series PF ADM</td>
<td>TML5091</td>
<td>TML5114</td>
</tr>
</tbody>
</table>

Risk Classification
- Low
- Low to Medium
- Medium
- Medium to High
- High

Fund Facts
- Price per Unit (Series A): $8.42
- Yield to Maturity: 6.00%
- Average Weighted Maturity: 2.1 Years
- Average Duration: -0.9 Years
- Duration to Worst: -0.8 Years
- Portfolio Turnover Rate: 9.57% (12/31/2018)
- MER (12/31/2018 incl. HST): A: 1.65% F: 1.09%
- Management Fee: A: 1.25% F: 0.75%
- Yield to Worst: 6.00%
- Distributions: Interest income paid monthly

Composition of Fund
- Top Country Weightings (% Market Value)
  - Mexico: 9.54
  - Brazil: 9.40
  - South Korea: 9.34
  - India: 9.22
  - United States: 8.82
  - Indonesia: 8.56
  - Argentina: 3.88
  - Philippines: 2.50
  - Others: 3.47
- Cash & Cash Equivalents: 35.28

Bond Ratings (% Market Value)
- AAA: 9.07
- AA: 9.34
- A: 9.54
- BBB: 21.73

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.

Beginning in October 2016, investors switching between Corporate Class funds may trigger a capital gain or loss at the time of the switch due to certain changes in the federal government’s 2016 budget proposal.

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.

Ratings with 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 includes equivalents, which may be rated.

Franklin Bissett Investment Management is part of Franklin Templeton Investments Canada. Fiduciary Trust Company of Canada is a wholly owned subsidiary of Franklin Templeton Investments Canada.

Franklin Templeton Multi-Asset Solutions* (FTMAS) is a global team dedicated to global portfolio-based solutions. In Canada, FTMAS uses Templeton Investment Counsel LLC as a sub-adviser. FTMAS is a division of Fiduciary Trust Company of Canada, a wholly owned subsidiary of Franklin Templeton Investments 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 YTMs 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 YTWs of all the bonds in the portfolio. This measure is gross of fees and excludes yield on cash.