



**FRANKLIN
TEMPLETON**

Franklin Quotential® Diversified Equity Portfolio

Asset Allocation
Multi-Asset
March 31, 2021

Product Profile

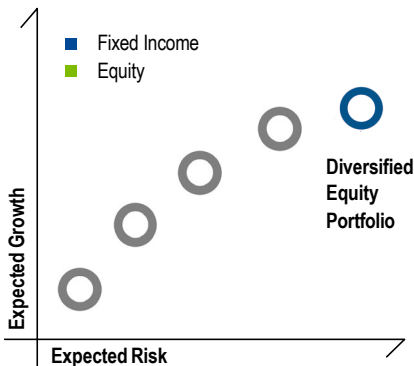
Product Details

Total Net Assets ¹	\$353,774,451
Inception Date	06/09/2003
Positions (excluding cash)	15
Minimum Investment	\$500
NAV	\$16.47
MER	F: 1.51%
Custom Benchmark ²	Quotential Diversified Equity Benchmark
Morningstar Category™	Global Equity

Risk Classification²

Low	Low to Medium	Medium	Medium to High	High
-----	---------------	--------	----------------	------

FRANKLIN QUOTENTIAL PROGRAM



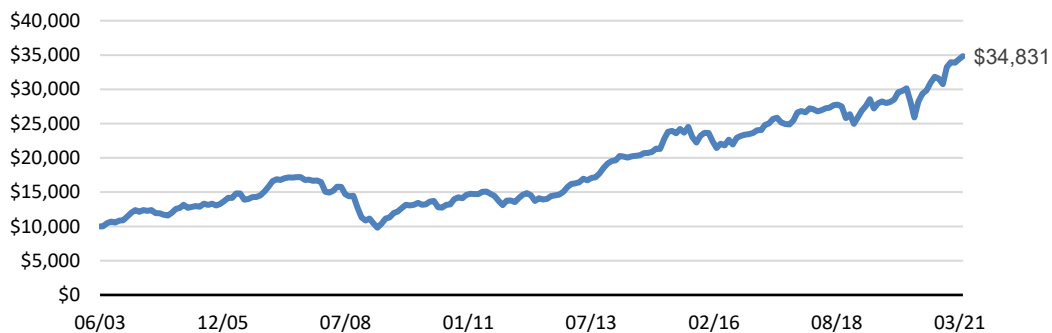
Fund Description

Quotential Diversified Equity Portfolio will have an optimal asset mix of 85–100% equities and 0–15% fixed income. 90–100% of the Portfolio may be invested in foreign securities. The portfolio advisor may review and adjust the optimal asset mix, in its sole discretion, depending on economic conditions and relative value of income and equity securities.

Performance Data

Growth of \$10,000

June 09, 2003 to March 31, 2021



The growth of \$10,000 begins at the date of the Portfolio's inception. Figures include reinvestment of income, capital gains, return of capital and dividends.

Average Annual Total Returns (%)

	3 Mths*	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/12/2005)
Series F	2.61	2.61	34.49	9.14	9.56	8.99	7.27

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Series F	14.05	19.20	-6.31	10.92	1.71	10.90	8.91	29.96	11.09	-7.27

1. Inclusive of trust and corporate class versions where applicable.

2. Custom Franklin Quotential Diversified Equity Benchmark is currently composed of the MSCI AC World TR Index (NR) (100%). Net Returns (NR) include income net of maximum foreign withholding tax when dividends are paid. For custom benchmark history refer to the last page.

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 the 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 securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

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

* Cumulative Returns.

Supplemental Performance Statistics

Supplemental Risk Statistics

	3 Years	5 Years	10 Years	Since Inception
Standard Deviation (%)	12.39	10.51	10.21	11.14
Tracking Error (%)	1.61	1.74	2.05	2.81
Information Ratio	-1.18	-1.46	-1.34	-0.40
Beta	0.98	0.96	0.97	0.97
Sharpe Ratio	0.64	0.82	0.79	0.51

The indicated rates of return are the historical annual compounded total returns including changes in share or 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. Please call Franklin Templeton Client Services at 1.800.387.0830 or visit www.franklintempleton.ca for the most recent month-end performance.

Portfolio Manager Insight

Performance Review

- The US Federal Reserve and the Bank of Canada kept interest rates unchanged throughout the first quarter of 2021 and committed to maintaining asset purchases whilst allowing inflation to run above target levels. Dovish monetary policy, combined with ongoing fiscal stimulus and an economic recovery from the effects of COVID-19, served to push rates higher. Sovereign yield curves in both countries steepened sharply, as investors became concerned about rising inflation expectations and central bank buying held down shorter-term rates.
- The cyclical nature of the economic recovery helped energy, financial and industrials stocks to lead gains in the US, whilst growth stocks and bond proxies such as utilities suffered. Canadian stocks also made robust gains, outperforming US equities, as the market was boosted by rising oil prices, which traded at their highest levels since April 2019 amidst output restraint and firming demand.
- For the quarter, the fund's Series F shares returned 2.61%, and its benchmark, the Custom Franklin Quotential Diversified Equity Benchmark, returned 3.16%.

QUARTERLY KEY PERFORMANCE DRIVERS

CONTRIBUTED	Emerging market (EM) equity selection boosted relative results, particularly Templeton Emerging Markets Fund, which benefitted from stock selection in the communication services and health care sectors.
	Regional equity allocation benefitted performance, including an underweight to EMs and an overweight to the US, influenced by a slowdown in China.
	International equity selection boosted results, particularly Franklin International Core Equity Fund which benefitted from selection amongst industrials and consumer discretionary stocks.
DETRACTED	US equity selection detracted, particularly Franklin US Opportunities Fund, which suffered from selection within the information technology (IT) and industrials sectors, although this was offset by Franklin US Core Equity Fund which benefitted from selection in IT and consumer discretionary stocks.
	Franklin Global Growth Fund also held back relative results due to stock selection in the consumer discretionary and industrials sectors.
	Cash holdings proved a drag during a "risk-on" period for markets.

Outlook & Strategy

- We will retain a "risk-on" posture into the second quarter, due to market expectations for sustained global growth amidst the receding threat of COVID-19. A cyclical rebound is now well established, and we expect fiscal stimulus to continue to support economic activity, outweighing any near-term concerns around the rate of recovery.
- As a result, we remain bullish on equities in comparison to bonds, despite elevated valuations, as corporate earnings improve. The extraordinary stimulus measures employed in the US lead us to remain optimistic on US stocks whilst we prefer the cyclical Japanese market to Europe, given political constraints on further stimulus in the region. We remain neutral on EM equities, given the Chinese government's intention to rebalance its economy at the expense of growth, which may include the withdrawal of fiscal stimulus.

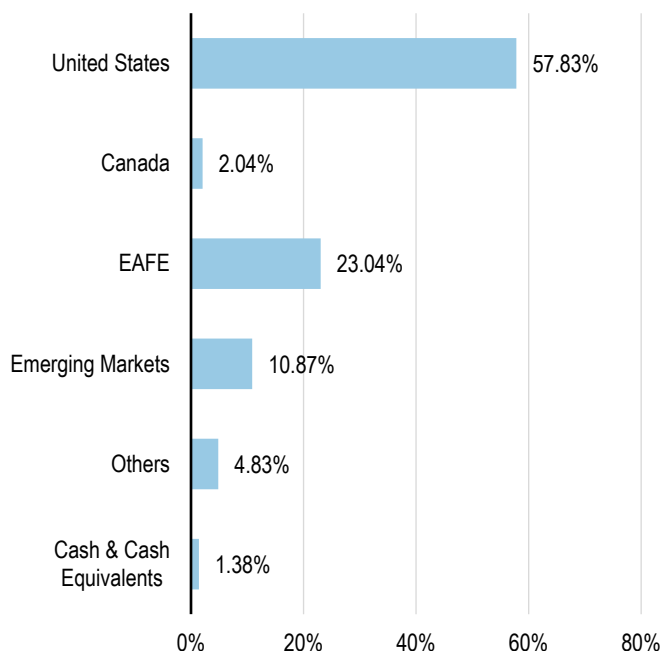
Portfolio Characteristics

	Portfolio
Dividend Yield (%)*	1.65
Yield to Maturity (%)*	0.37
Internal Yield (%)*	1.65
Average Duration (Yr)	—
Average Coupon (%)	—
*Weighted Average	

Portfolio Diversification

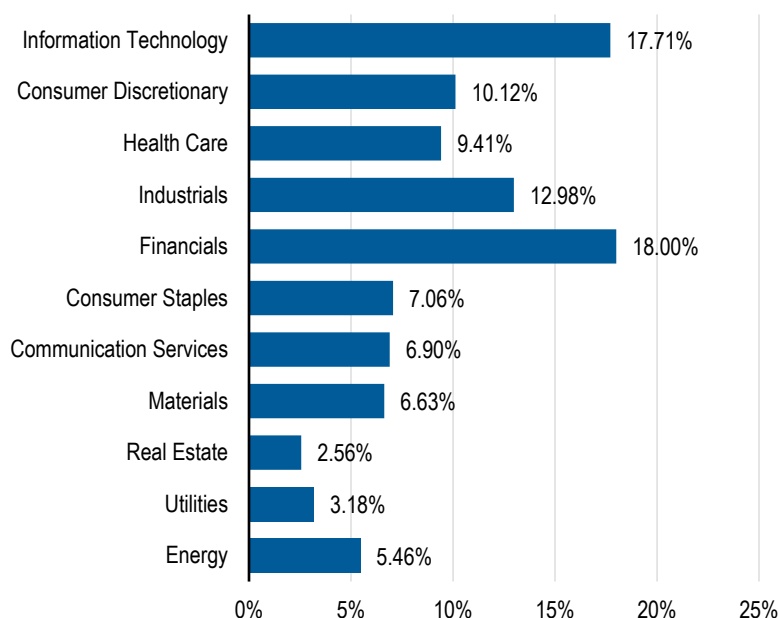
Geographic Allocation

Market Value—Percent of Total



Sector Allocation - Equity

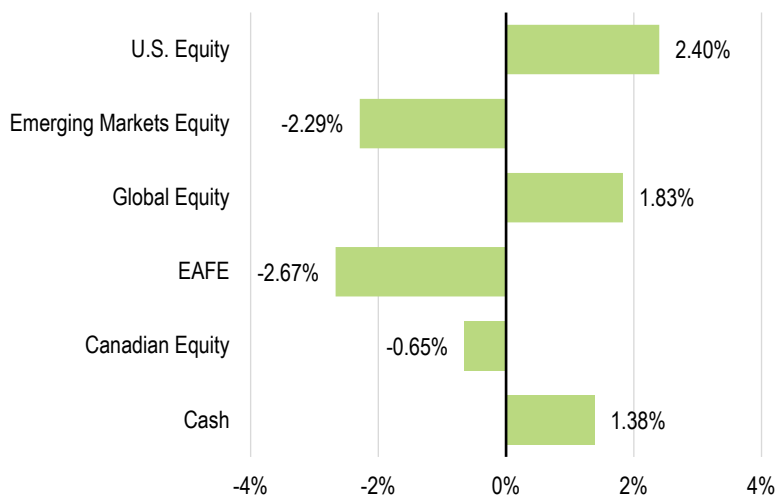
Market Value—Percent of Equity



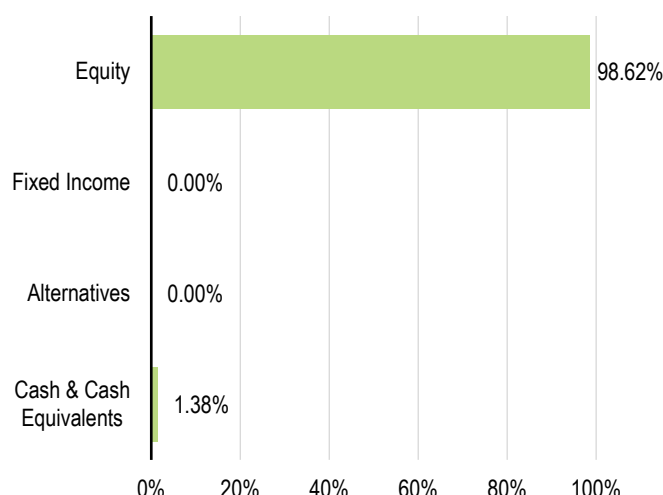
Totals may not add to 100% due to rounding. Asset Class—Portfolio pie chart includes ETFs. All other pie charts “look through” the funds to the underlying security and do not include ETFs. Source: FactSet. Important data provider notices and terms available at www.franklintempletondatasources.com. High Yield: Includes ratings of BB, B, CCC, CC, C, D. Other assets: Non-security holdings include cash, cash equivalents and net receivables. Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations (“NRSRO”), such as Standard & Poor’s, DBRS, 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.

Overweight/Underweight²

Total as % of Total

**Asset Allocation**

Market Value—Percent of Total

**ACTIVE MANAGEMENT AT THE FUND LEVEL**

The table below shows tactical adjustments made to the Portfolio over recent quarters.

	Mar-21	Dec-20	Sept-20	Jun-20
Canadian Equity Funds (%)	2.04	1.99	2.00	1.51
Franklin Canadian Core Equity Fund	2.04	1.99	2.00	1.51
U.S. Equity Funds (%)	57.83	57.17	57.04	56.37
Franklin FTSE U.S. Index ETF	15.87	15.69	14.16	12.65
Franklin LibertyQT U.S. Equity Index ETF	3.60	7.45	7.19	7.19
Franklin U.S. Core Equity Fund	14.39	14.29	16.11	16.63
Franklin U.S. Opportunities Fund	8.32	8.57	9.23	9.84
Franklin U.S. Rising Dividends Fund	11.39	11.17	10.35	10.06
SPDR Portfolio S&P 500 Value ETF	4.27	—	—	—
EAFE (%)	23.04	23.14	23.52	23.66
Franklin FTSE Europe ex. U.K. Index ETF	2.90	3.78	3.95	4.05
Franklin FTSE Japan Index ETF	3.98	—	—	—
Franklin International Core Equity Fund	8.60	8.75	9.89	9.98
iShares Core MSCI EAFE ETF	7.57	10.62	9.68	9.62
Global Equity Funds (%)	4.83	4.99	5.09	5.09
Franklin Global Growth Fund	4.83	4.99	5.09	5.09
Emerging Markets Equity Funds (%)	10.87	11.25	11.59	12.65
Franklin Emerging Market Core Equity Fund	3.09	3.21	4.05	4.32
iShares Core MSCI Emerging Markets ETF	3.23	3.32	3.72	4.46
Templeton Emerging Markets Fund	4.55	4.72	3.83	3.88
Cash & Other Net Assets (%)	1.38	1.46	0.76	0.72

Totals may not add to 100% due to rounding. Asset Allocation—chart includes ETFs. All other charts “look through” the funds to the underlying security and do not include ETFs.

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Michael Greenberg, CFA, CAIA	15	18
Ian M. Riach, CFA	21	35

Glossary

Average Coupon: The par-weighted average of the coupon rates of bonds.

Average Duration: The market-weighted average of the duration of bonds. Duration of each bond is the estimated percentage change in the bond's price for a 1% change in the bond's yield.

Beta: A measure of the magnitude of a portfolio's past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.

Dividend Yield: The market-weighted average yield on securities within the portfolio; should not be used as an indication of the income received from this portfolio.**

Information Ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark.

Internal Yield: The market-weighted average of the portfolio's Yield to Maturity and Dividend Yield.**

Sharpe Ratio: a measure that indicates the average return minus the risk-free return divided by the standard deviation of return on an investment.

Standard Deviation: a quantity calculated to indicate the extent of deviation for a group as a whole.

Yield to Maturity: The market-weighted average of the yields to maturity of bonds.**

**Gross of fees and tax withholding.

Fund Codes

UNIT TRUST SERIES	CDN\$	US\$*	UNIT TRUST SERIES, cont'd	CDN\$	US\$*
Series A Front End	255	324	Series PA Front End	5433	5436
Series A DSC	823	824	Series PA DSC	5435	5438
Series A Low Load	821	822	Series PA Low Load	5434	5437
Series T Front End	3050	3295	Series PT Front End	5439	5442
Series T DSC	3052	3297	Series PT DSC	5441	5444
Series T Low Load	3051	3299	Series PT Low Load	5440	5443
Series F	844	855	Series PF	3875	3876
Series F ADM [†]	5007	5031	Series PF ADM [†]	5075	5102
Series I**	856	857	Series PFT	3899	—
			Series PFT ADM [†]	5124	—
			Series O	858	859
			Series OT	3070	—

* As of February 1, 2017, all U.S.-dollar denominated series, with the exception of Series T-USD, are closed to new investors.

** Series I and V closed to new investors as of November 22, 2016.

† "ADM" refers to the Investment Advisory Services Fee purchase option for series F, FT, PF, PF (Hedged) and PFT. Please see the simplified prospectus for further details.

Important Legal Information

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

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.

Important data provider notices and terms available at: www.franklintempletondatasources.com

Indexes are unmanaged and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges. The information presented herein is considered reliable at the present time; however, we do not represent that it is accurate or complete, or that it should be relied upon as such. The information presented herein is not a recommendation or solicitation to buy or sell securities.

Franklin Templeton Investment Solutions (FTIS) is a global team dedicated to global portfolio-based solutions. FTIS is a business name used by Fiduciary Trust Company of Canada.

Franklin Quotential Diversified Equity Historical Benchmark:

The benchmark was changed to reflect a reduction in the home bias of the Fund. Effective January 1, 2020, the global equity component allocated to the MSCI AC World Index benchmark changed from gross returns to net returns, to better represent the experience of Canadian investors. Net Returns (NR) includes income net of maximum foreign withholding tax when dividends are paid.

For the period December 31, 2016 to December 31, 2018, the blended benchmark of the fund was composed of the MSCI AC World TR Index (NR) (85%) and S&P/TSX Composite TR Index (15%).

For the period January 2, 2009, to December 31, 2016, the benchmark of the fund was the MSCI AC World TR Index (NR).

For the period June 28, 2004, to January 1, 2009, the Fund used a blended index composed of the MSCI World TR Index (NR) (57.5%), MSCI EAFE TR Index (12.5%), MSCI Emerging Markets TR Index (4%), MSCI Europe TR Index (3%), TOPIX (3%) and Dow Jones Global Titans TR Index (20%).



Franklin Templeton Canada
200 King Street West, Suite 1500
Toronto, Ontario M5H 3T4
Tel: 800.897.7280
Fax: 416.364.6643
franklintempleton.ca

© 2021 Franklin Templeton. All rights reserved.
Franklin Quotential is a registered trademark owned by Franklin Templeton Canada.
Franklin Templeton Canada is a business name used by Franklin Templeton Investments Corp.