

Fund Inception Date	March 1, 1983
Total Net Assets (CAD\$)	\$2.67B

Co-Lead Managers

Garey J. Aitken, CFA, MBA

Chief Investment Officer
Developed Markets Equity-Franklin Local Asset Management
Franklin Bissett Investment Management
Industry Experience: 29 Years | Calgary, AB

Tim Caulfield, CFA

Vice President, Director of Equity Research
Franklin Bissett Investment Management
Industry Experience: 21 Years | Calgary, AB

Investment Approach—GARP

Franklin Bissett's bottom-up "Growth at a Reasonable Price" (GARP) investment style is predicated on investing in high quality businesses with strong long-term growth profiles, and whose equity is priced at a discount to Franklin Bissett's assessment of the equity's intrinsic value.

Stock Selection:

- Review the entire Canadian investable universe of mid and large cap equities.
- 100% Canadian.
- Neutral large/mid cap allocation of 75%/25%.
- Business attributes: proven track record, durable business model, full-cycle growth, high profitability over a full economic/industry cycle, proven management team and financial strength.
- Of businesses with the requisite fundamentals, only those that Franklin Bissett believes trade at large discounts to intrinsic value will be selected.

Portfolio Construction:

- Bottom-up (40–50 holdings)
- Fully invested (cash typically between 1–5%)
- Diversified (minimum 10 of 11 sectors)
- Focus on long-term fundamentals and cash flows of the businesses
- Low turnover (15–25% average annual)

Sell Discipline:

- Fundamentals deteriorate
- Unsustainable valuations
- More attractive alternative

Contact Information:

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Top 10 Holdings (%)

Brookfield Asset Management	6.17
Royal Bank of Canada	5.78
Toronto-Dominion Bank	5.51
Canadian National Railway	4.95
Bank of Nova Scotia	4.12
Alimentation Couche-Tard	3.89
Fortis	3.53
Loblaw Companies	3.40
Open Text	3.37
Bank of Montreal	3.29

Asset Allocation (%)

	Portfolio
Equity	98.39
Cash	1.61

Geographic Breakdown (%)

	Portfolio
Canada	97.72
Chile	0.68
Cash	1.61

Portfolio Characteristics (%)

	Portfolio	S&P/TSX Composite Index
Trailing Return on Equity	9.20	8.75
5-Year Historical EPS Growth	5.87	7.96
Debt-to-Equity Ratio	36.30	34.49
Trailing P/E Multiple	11.61x	10.77x
Yield ¹	2.72	2.57
Large Cap Equity (>\$9.56B)	88.13	83.07
Mid Cap Equity (<\$9.56B)	11.45	11.96
Market Cap	\$60.79B	\$67.39B

1. In general terms, yield is the annual income paid by a security expressed as a percentage of its market price. Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio.

Risk Characteristics (4-Year Rolling Period)

	Portfolio	S&P/TSX Composite Index
Standard Deviation ²	13.37	14.96
Sharpe Ratio	0.54	0.62
Tracking Error	4.10	—
Information Ratio	-0.47	—

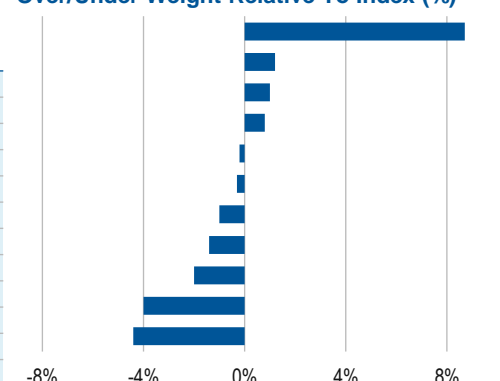
Based on monthly return data.

2. Standard Deviation: A measure of the degree to which a fund's return varies from its previous returns or from the average of all similar funds. The larger the standard deviation, the greater the likelihood (and risk) that a security's performance will fluctuate from the average return.

Sector Weightings (%)

	Portfolio	S&P/TSX Composite Index	Difference
Consumer Staples	12.41	3.72	870
Utilities	5.82	4.62	120
Communication Services	5.87	4.88	100
Energy	13.88	13.06	80
Real Estate	2.94	3.10	-20
Industrials	11.11	11.46	-30
Health Care	—	1.02	-100
Consumer Discretionary	2.24	3.60	-140
Financials	29.84	31.86	-200
Information Technology	7.46	11.47	-400
Materials	6.78	11.22	-440
Cash	1.64	—	160

Over/Under Weight Relative To Index (%)



Performance (%)

Compound Annualized Returns	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception (11/24/2000)
Franklin Bissett Canadian Equity Fund	26.22	10.63	9.32	8.13	10.65	8.78
S&P/TSX Composite TRI	28.02	13.12	11.07	9.64	8.84	6.68
Value Add	60	-50	-20	-20	290	340
Beta	0.92	0.84	0.86	0.87	0.86	0.82

Calendar Year Returns	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Franklin Bissett Canadian Equity Fund	-0.62	21.66	-9.27	6.78	23.86	-7.00	11.93	23.45	16.79	-4.51
S&P/TSX Composite TRI	5.60	22.88	-8.89	9.10	21.08	-8.32	10.55	12.99	7.19	-8.71

Source: Franklin Templeton as of September 30, 2021. Performance numbers apply to Series O units of the fund.

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