



FRANKLIN TEMPLETON INVESTMENTS

Franklin Bissett Canadian Dividend Fund

December 31, 2018

Product Profile

Product Details¹

Fund Assets	\$480,014,103.10
Fund Inception Date	12/22/2003
Base Currency	CAD
Morningstar Category™	Canadian Dividend & Income Equity
Distribution Frequency	Monthly

Risk Classification²

Low	Low to Medium	Medium	Medium to High	High
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Fund Description

The fund seeks long-term capital appreciation by investing primarily in dividend-paying or income-producing Canadian securities, including common shares, income trust units and preferred shares. Portfolio managers look for quality companies at reasonable prices that have a proven ability to deliver a consistent and growing level of dividends over time.

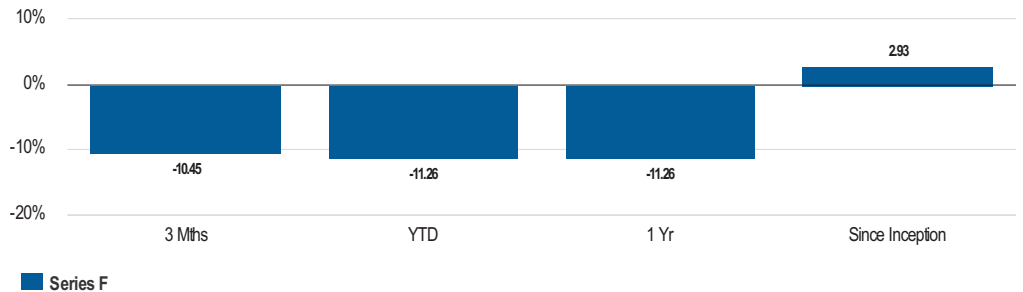
Performance Data^{3,4}

Average Annual Total Returns⁵ (%)

	3 Mths	YTD	1 Yr	Since Inception (04/25/2016)
Series F	-10.45	-11.26	-11.26	2.93

Management Expense Ratio (as of 06/30/2018 incl. HST)—1.22%

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.



Calendar Year Returns (%)

	2018	2017
Series F	-11.26	5.35

1. 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.

2. Each fund is assigned an investment risk rating in one of the following categories: low, low to medium, medium, medium to high or high risk. The risk ratings were determined using a methodology that assesses a fund's historical volatility risk as measured by the standard deviation of fund performance. However, just as a fund's historical performance may not be indicative of its future returns, a fund's historical volatility may not be indicative of its future volatility. In addition, other types of risk may exist that can affect a fund's returns. Please read the prospectus for more information on fund risk ratings.

3. Effective April 22, 2016, Franklin Bissett Canadian High Dividend Fund merged into Franklin Bissett Canadian Dividend Fund. Accordingly, past performance data for the period prior to April 22, 2016, would not be comparative. As a result of the merger, the fund's since inception performance calculations use the start date of April 25, 2016.

4. The fund offers other series subject to different fees and expenses, which will affect their performance.

5. Periods shorter than one year are shown as cumulative total returns.

Portfolio Manager Insight⁶

Performance Review

QUARTERLY KEY PERFORMANCE DRIVERS

	Stocks	Sectors
Helped	Metro Inc.	Communication Services (Overweight)
	Rogers Communications Inc. Class B	Utilities (Overweight)
	Fortis Inc.	Consumer Staples (Stock Selection)
Hurt	ARC Resources Ltd.	Materials (Stock Selection, Underweight)
	Horizon North Logistics Inc.	Energy (Stock Selection)
	—	Industrials (Stock Selection)

- The Fund experienced negative security selection + interaction and positive sector allocation in the fourth quarter. Security selection + interaction was most notably impacted by individual holdings Utilities, Materials and Energy sectors.

Outlook & Strategy

- As was the case going into this most recent correction, we believe now is an important time to be increasingly discerning.
- With our long-term perspective and discerning approach, we will capitalize on equity market dislocations as they present themselves and continue to build on our absolute, relative and risk-adjusted return objectives.

Portfolio Characteristics^{7,8}

	Portfolio	S&P/TSX Composite Index
Market Capitalization (Millions in CAD)	41,123	43,972
Dividend Yield	5.10%	3.36%

Portfolio Diversification

Top Ten Holdings⁹

Percent of Total

Top Holdings	Sector	%
ROYAL BANK OF CANADA	Banks	6.23
CANADIAN IMPERIAL BANK OF COMMERCE	Banks	5.19
CANADIAN NATIONAL RAILWAY CO	Transportation	4.91
TORONTO-DOMINION BANK	Banks	4.67
ENBRIDGE INC	Energy	4.24
BANK OF NOVA SCOTIA	Banks	4.03
ROGERS COMMUNICATIONS INC	Telecommunication Services	3.92
BANK OF MONTREAL	Banks	3.87
CANADIAN UTILITIES LTD	Utilities	3.35
TELUS CORP	Telecommunication Services	3.29

6. The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

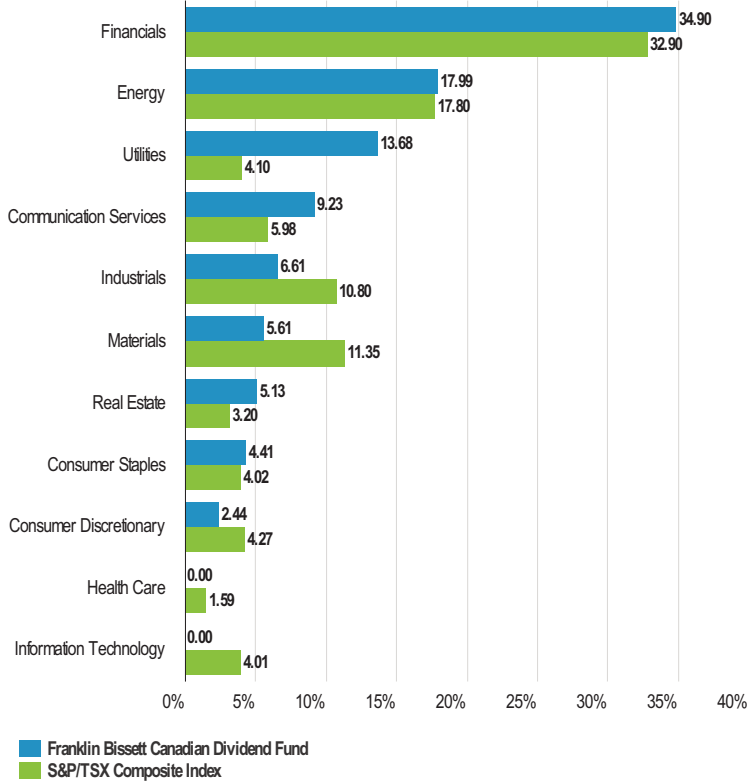
7. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. This methodology may cause small differences between the portfolio's reported characteristics and the portfolio's actual characteristics. In practice, Franklin Templeton's portfolio managers invest in the class or type of security which they believe is most appropriate at the time of purchase. The market capitalisation figures for both the portfolio and the benchmark are at the security level, not aggregated up to the main issuer. Source: Factset. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted. The Estimated 3-5 Year EPS Growth uses simple weighted average means. There can be no assurance that the Estimated 3-5 Year EPS Growth will be realized. Information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change.

8. The dividend yield quoted here is the yield on securities within the portfolio and should not be used as an indication of the income received from this portfolio.

9. Holdings of the same issuers have been combined. Top ten holdings information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. The information provided is not a recommendation to purchase, sell, or hold any particular security. The securities identified do not represent the fund's entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in the fund, or that securities sold will not be repurchased. The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included.

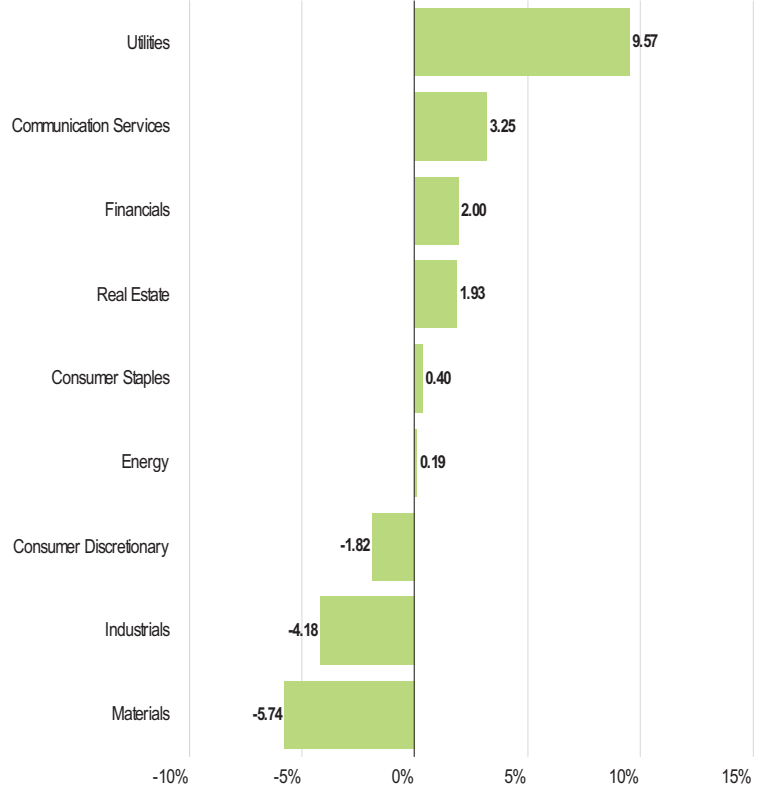
Sector Weightings vs. S&P/TSX Composite Index¹⁰

Equity Percent of Equity



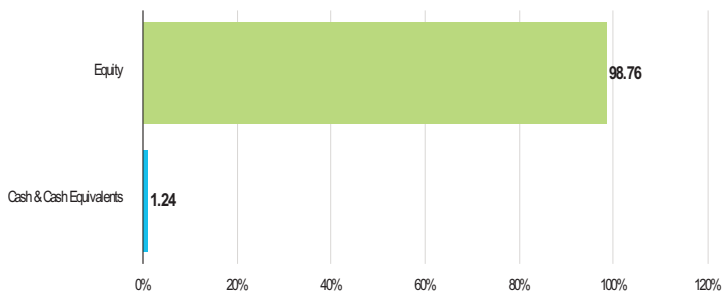
Sector Overweight/Underweight¹¹

Equity Percent of Equity



Asset Allocation¹²

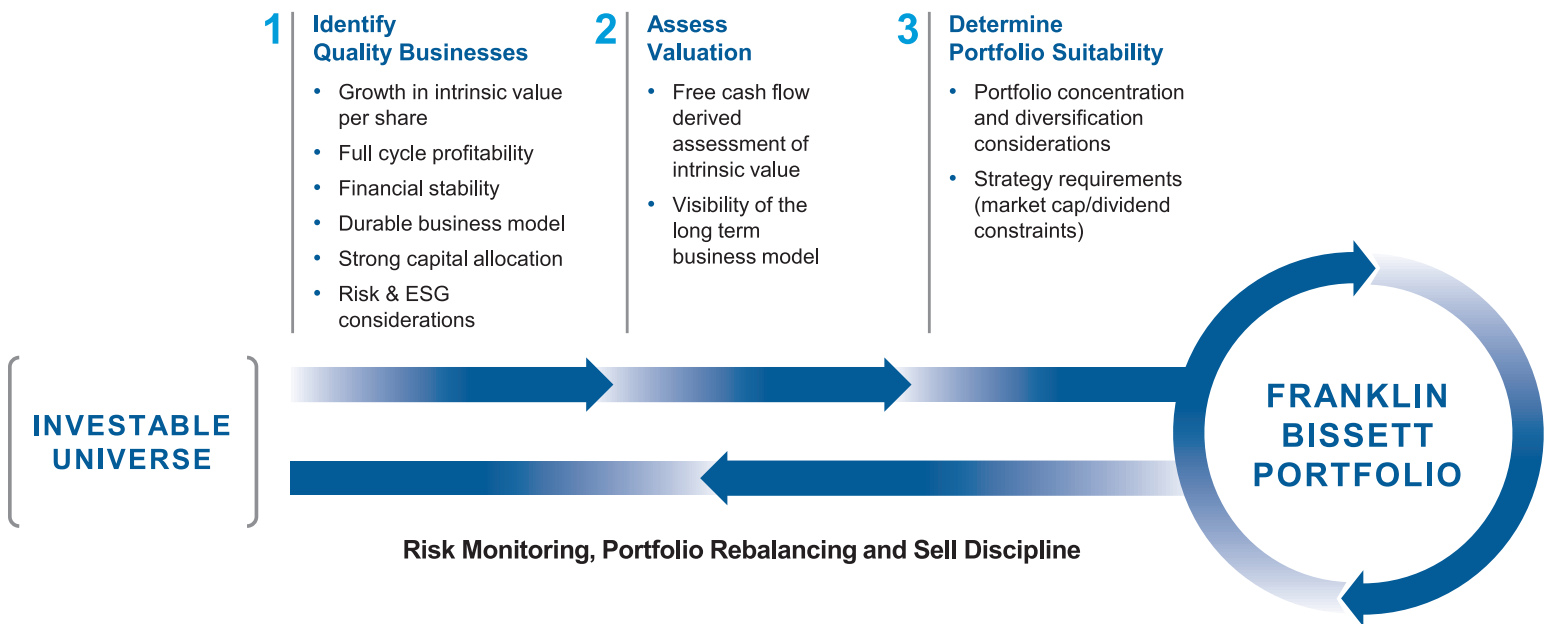
Percent of Total



Investment Philosophy and Process

1. Equity markets can be inefficient, particularly in the short term; price does not necessarily reflect intrinsic value
2. Sustained profitability and effective capital allocation drive intrinsic value growth
3. Achieving our performance objectives requires a high-conviction investment approach

10,11,12. Information is historical and may not reflect current or future portfolio characteristics. Percentage may not equal 100% due to rounding. All holdings are subject to change.



The above chart is for illustrative and discussion purposes only. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions.

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Les Stelmach, CFA, Senior Vice President, Portfolio Manager	13	20
Ryan Crowther, CFA, Vice President, Portfolio Manager	10	17

Glossary

Dividend Yield: The annual dividend received on an equity security as a percentage of the price. For a portfolio, the value represents a weighted average of the stocks it holds. It should not be used as an indication of the income received from this portfolio.

Market Capitalization: A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share. Market capitalization is expressed in millions of CAD.

Fund Codes¹³

	Series		Corporate Class	
	CAD	USD	CAD	USD
Series A Front	TML1017	—	TML3476	—
Series A DSC	TML1018	—	TML3478	—
Series A Low Load	TML1019	—	TML3477	—
Series F	TML1020	—	TML3479	—
Series F ADM	TML3989	—	TML5154	—
Series FT	—	—	TML3483	—
Series FT ADM	—	—	TML5214	—
Series I	TML3870	—	TML3480	—
Series O	TML1021	—	TML3481	—
Series OT	—	—	TML3482	—
Series PA Front	TML5268	—	TML5262	—
Series PA DSC	TML5270	—	TML5264	—
Series PA Low Load	TML5269	—	TML5263	—
Series PF	TML3886	—	TML3809	—
Series PF ADM	TML5057	—	TML5193	—
Series PT Front	—	—	TML5265	—
Series PT DSC	—	—	TML5267	—
Series PT Low Load	—	—	TML5266	—
Series T Front	—	—	TML3484	—
Series T DSC	—	—	TML3486	—
Series T Low Load	—	—	TML3485	—

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

Beginning in January 2017, investors switching between Corporate Class funds will trigger a capital gain or loss at the time of the switch due to certain changes in the income tax laws made by the federal government in 2016.

13. "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.

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