



# FRANKLIN TEMPLETON INVESTMENTS

## Franklin Global Growth Fund

December 31, 2018

### Product Profile

#### Product Details<sup>1,2,3</sup>

Fund Assets	\$101,171,266.82
Fund Inception Date	02/28/2008
Number of Issuers	35
Base Currency	CAD
Morningstar Category™	Global Equity
Distribution Frequency	Annually

#### Risk Classification<sup>4</sup>

Low	Low to Medium	<b>Medium</b>	Medium to High	High
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#### Fund Description

The Fund seeks long-term capital appreciation by investing primarily in equity securities of growth companies, with any market size capitalization, that are located throughout the world.

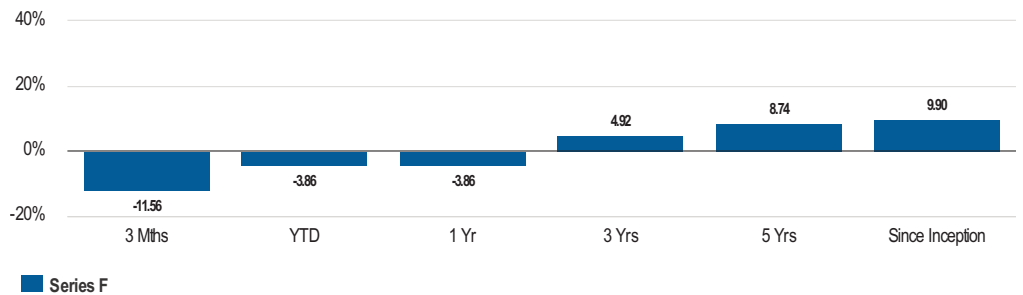
#### Performance Data<sup>5</sup>

##### Average Annual Total Returns<sup>6</sup> (%)

	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	Since Inception (06/24/2011)
Series F	-11.56	-3.86	-3.86	4.92	8.74	9.90

##### Management Expense Ratio (as of 06/30/2018 incl. HST)—1.46%

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](http://www.franklintempleton.ca) for the most recent month-end performance.



#### Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013	2012
Series F	-3.86	24.28	-3.33	16.63	12.85	25.57	19.06

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. "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.

3. All holdings are subject to change. Holdings of the same issuers have been combined.

4. 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.

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

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

Portfolio Characteristics<sup>7</sup>

	Portfolio	MSCI World (Net Dividends) Index
Market Capitalization (Millions in CAD)	72,834	165,994
Return on Equity	16.29%	17.44%
Price to Earnings Growth Ratio	1.74x	1.35x
Historical 3-Year EPS Growth	19.63%	13.02%

## Portfolio Diversification

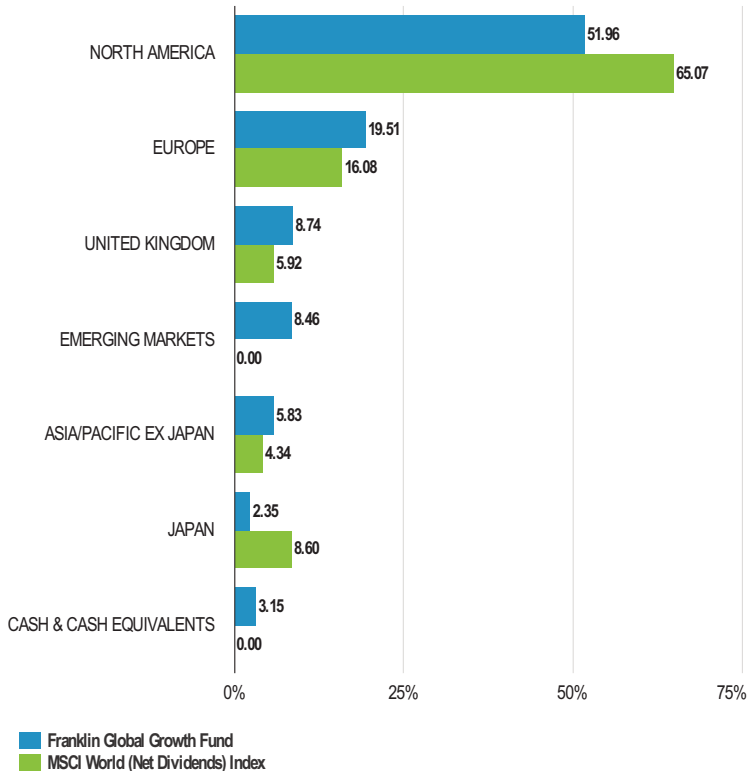
Top Ten Holdings<sup>8</sup>

Percent of Total

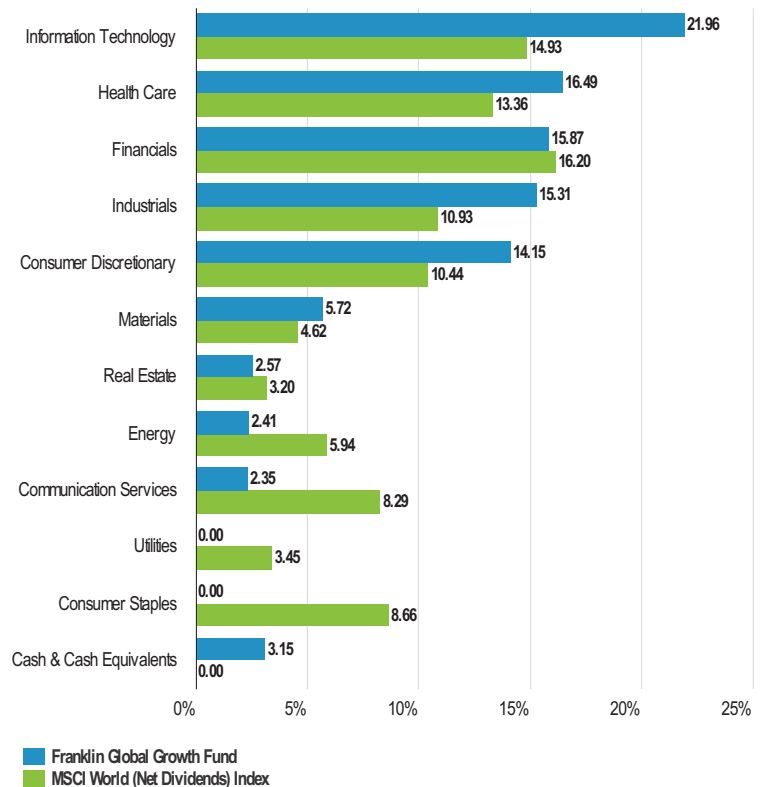
Top Holdings	Sector	Country	%
SALESFORCE.COM INC	Software & Services	United States	3.70
VISA INC	Software & Services	United States	3.56
JUST EAT PLC	Retailing	United Kingdom	3.53
CSL LTD	Pharmaceuticals, Biotechnology & Life Sciences	Australia	3.52
TAL EDUCATION GROUP	Consumer Services	China	3.42
TYLER TECHNOLOGIES INC	Software & Services	United States	3.26
LAZARD LTD	Diversified Financials	United States	3.24
DSV A/S	Transportation	Denmark	3.12
REGENERON PHARMACEUTICALS INC	Pharmaceuticals, Biotechnology & Life Sciences	United States	2.97
INFINEON TECHNOLOGIES AG	Semiconductors & Semiconductor Equipment	Germany	2.97

Geographic Weightings vs. MSCI World (Net Dividends) Index<sup>9</sup>

Percent of Total

Sector Weightings vs. MSCI World (Net Dividends) Index<sup>10</sup>

Percent of Total



7,8. 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.

9,10. 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.

Largest Sector Contributors vs. MSCI World (Net Dividends) Index<sup>11</sup>

	(%)
Consumer Discretionary	0.87
Financials	0.66
Information Technology	0.07

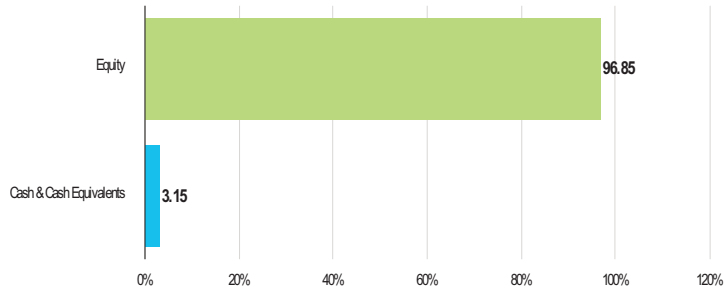
Contributors/detractors data shown is for the period from 10/01/2018 to 12/31/2018.

Largest Sector Detractors vs. MSCI World (Net Dividends) Index<sup>12</sup>

	(%)
Health Care	-1.05
Energy	-0.78
Materials	-0.75
Consumer Staples	-0.58
Communication Services	-0.52

Asset Allocation<sup>13</sup>

Percent of Total



## Supplemental Performance Statistics

Supplemental Risk Statistics<sup>14,15</sup>

	3 Yrs	5 Yrs	Since Inception
Standard Deviation (%)	12.69	11.90	11.82
Tracking Error (%)	5.13	4.76	4.90
Information Ratio	-0.18	-0.25	-0.46
Beta	1.19	1.07	1.09
Sharpe Ratio	0.32	0.67	0.75

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## Investment Philosophy

## Research-Driven Portfolio

- Concentrated portfolio with approximately 35–40 holdings
- Benchmark Indifferent

## Longer-Term Investment Horizon

- Investment Horizon of 3 to 5 years
- Typical holding period of 4+ years

## Seek to Manage Risk by Limiting Economic Overlap among Holdings

- Select companies whose earnings streams are not highly correlated
- Has typically resulted in a diversified portfolio across MSCI Global Industry Classification Standard (GICS) sectors and industries

## Global Opportunity Set

- Search without borders
- Average allocation to emerging markets has been less than 10%

11, 12. **Past performance is not an indicator or a guarantee of future performance.** Information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. Source: FactSet. Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com). Total Effect represents the excess return by sector as compared to the index. Performance attribution is calculated in the base currency of the fund.

13. 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.

14. Beta, Information Ratio and Tracking Error information are measured against the MSCI World (Net Dividends) Index.

15. Information Ratio is a way to evaluate a manager's ability to outperform a benchmark in relation to the risk that manager is assuming, with risk defined as deviation from the benchmark. This measure is calculated by dividing the portfolio's excess return (portfolio return less the benchmark return) by the tracking error (derived by taking the standard deviation of the monthly differences between the portfolio return and the benchmark return over time).

## Investment Process

## STOCK SELECTION DISCIPLINE

## Growth

**Free cash flow analysis to assess:**

- Sustainable business model
- Long-term competitive advantage
- Value-generating reinvestment record

## Quality

**Framework to assess:**

- Financial transparency and accounting quality
- Corporate governance including share, board and management structure and compensation metrics
- Environmental management, social and labor practices

## Valuation

**Common discount cash flow/dividend model to assess:**

- Relative attractiveness of company
- Valuation support under different scenarios

## Investment Team

Portfolio Manager	Years with Firm	Years Experience
Don Huber, CFA, Senior Vice President	16	37
John Remmert, Senior Vice President	16	32

## Glossary

**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%.

**Historical 3-Year EPS Growth:** A measure of the growth of earnings per share over a trailing 3 year period. For a portfolio, the value represents a weighted average of the stocks it holds.

**Historical 3 Yr Sales Growth:** The rate at which sales have increased for the fund's underlying holdings over the last three years.

**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.

**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.

**Net Margin:** The ratio of net profits to revenues for a company or business segment that shows how much of each dollar earned by the company is translated into profits.

**Operating Margin:** A measurement of what proportion of a company's revenue is left over after paying for variable costs of production such as wages, raw materials, etc.

**Price to Earnings Growth Ratio:** A ratio used to determine a stock's value while taking into account earnings growth. For a portfolio, the value represents a weighted average of the stocks it holds.

**Return on Equity:** A measure of a corporation's profitability that reveals how much profit a company generates with the money shareholders have invested. For a portfolio, the value represents a weighted average of the stocks it holds.

**Sharpe Ratio:** To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.

**Standard Deviation:** A measure of the degree to which returns vary from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that performance will fluctuate from the average return.

**Tracking Error:** Measure of the deviation of the return of a product compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment is managed, the smaller the tracking error.

Fund Codes<sup>16</sup>

	Series		Corporate Class	
	CAD	USD	CAD	USD
Series A Front	TML3501	TML3511	TML955	TML957
Series A DSC	TML3503	TML3513	TML956	TML957
Series A Low Load	TML 3502	TML3512	TML790	TML791
Series F	TML3504	TML3514	TML959	TML960
Series F ADM	TML5000	TML5025	TML5141	TML5164
Series O	TML3126	TML3293	TML963	TML964
Series PA Front	TML5334	TML5337	TML5325	TML5328
Series PA DSC	TML5336	TML5339	TML5327	TML5330
Series PA Low Load	TML5335	TML5338	TML5326	TML5329
Series PF	TML3912	TML3913		
Series PF ADM	TML5068	TML5096	—	—
Series PT Front	TML5340	—	TML5331	—
Series PT DSC	TML5342	—	TML5333	—
Series PT Low Load	TML5341	—	TML5332	—
Series T Front	TML3505	TML3508	TLM3508	—
Series T DSC	TML3507	TML3510	TLM3510	—
Series T Low Load	TML3506	TML3509	TLM3509	—

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.

16. "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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*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. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.*

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INVESTMENTS**

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