









FRANKLIN
TEMPLETON

FRANKLIN GLOBAL REAL ASSETS FUND II

Finding Stable Income & Enhanced Diversification Through Real Assets

Available for accredited retail investors, **Franklin Global Real Assets Fund II** is a globally diversified portfolio of real assets covering both the **private and public real asset investments**. This fund provides exposure to areas of the economy that were previously the preserve of institutional investors, including **commercial real estate, infrastructure, agricultural and timber**.

Real Estate		Infrastructure		Real Resources	
Commercial	Social Infrastructure	Transportation	Energy	Agriculture	Timber
					

Why Real Assets?

The Franklin Global Real Assets Fund II is a strategy that is designed for investors who are seeking new ways to **generate stable, long-term income**. With a **low correlation to traditional asset classes**, real assets are positioned to participate in wider economic growth, while also offering good **downside protection** in times of economic uncertainty.



Additional portfolio diversification

Real assets have historically relatively **low correlations** to traditional asset classes



Better income generation

Historically **steady income streams** from long-term leases and contracts of underlying assets



Reduced portfolio volatility

Real assets can help **reduce overall portfolio volatility**

Attributes of Real Assets:



Additional portfolio diversification:

Real assets have historically **low correlations** to traditional asset classes:

Real Asset Correlation to other Asset Classes

10-Years to December 31, 2020, in CAD

Low positive correlation (<0.4)

Negative correlation (<0.0)

Asset Class	Global Listed Real Estate	US Private Real Estate	Euro Private Real Estate	Asia Private Real Estate	Global Listed Infrastructure	Index name
Global Listed Real Estate	1.00					FTSE EPRA Nareit Real Estate Developed
U.S. Private Real Estate	-0.10	1.00				INREV GREFI US Open End
Euro Private Real Estate	-0.26	0.49	1.00			INREV GREFI Europe Open-end
Asia Private Real Estate	0.39	0.15	0.20	1.00		INREV GREFI Asia Pacific Open-end
Global Listed Infrastructure	0.84	-0.33	-0.27	0.37	1.00	S&P Global Infrastructure - GRTR Index
Canadian Equity	0.58	-0.66	-0.48	0.08	0.78	S&P/TSX Composite TR
Canadian Bond	0.24	0.07	-0.23	0.25	0.25	FTSE Canada Universe Bond
US Equity	0.69	-0.19	-0.24	0.18	0.68	S&P 500 TR
US Bond	-0.13	0.88	0.36	0.13	-0.34	BBgBarc US Agg Bond TR
Global Equity	0.71	-0.31	-0.16	0.29	0.76	MSCI ACWI NR CAD
Global Bond	-0.11	0.76	0.53	0.29	-0.25	BBgBarc Multiverse TR

Source: Franklin Templeton and Morningstar. See www.franklintempletondatasources.com for additional data provider information. For illustrative and discussion purposes only.

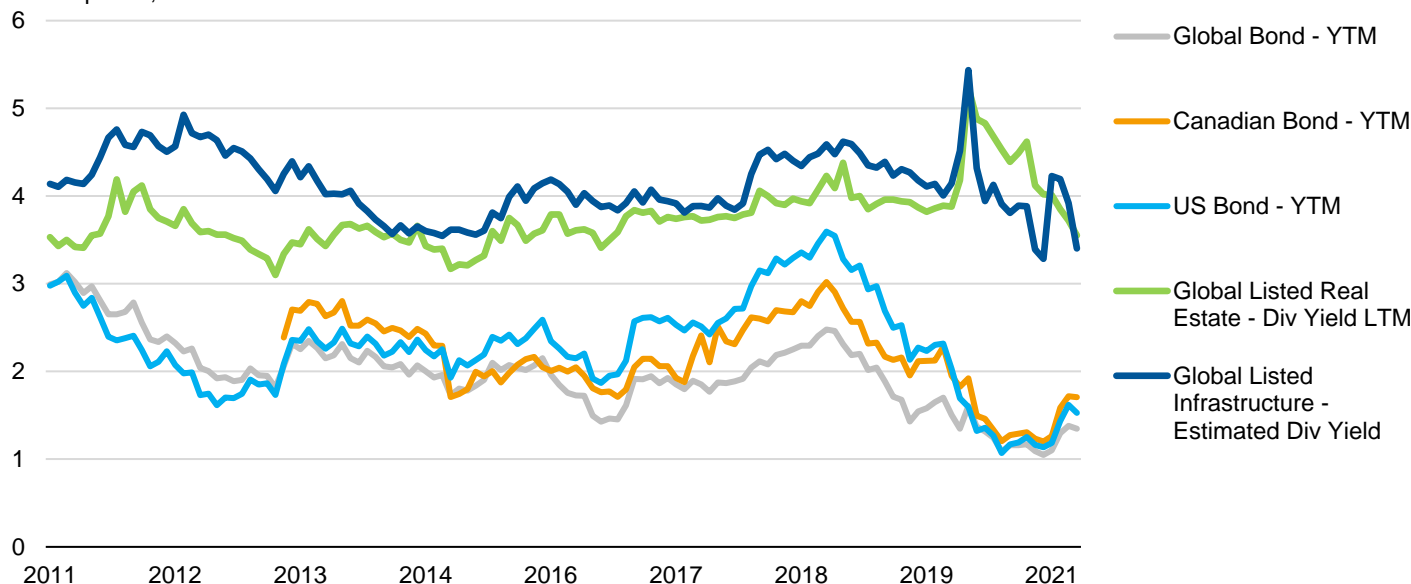


Better income generation:

Historically **steady income streams** from long-term leases and contracts of underlying assets

Real Estate and Infrastructure vs Bond Yields (%)

As of April 30, 2021



Source: Bloomberg, FactSet and Franklin Templeton. See www.franklintempletondatasources.com for additional data provider information. For illustrative and discussion purposes only.

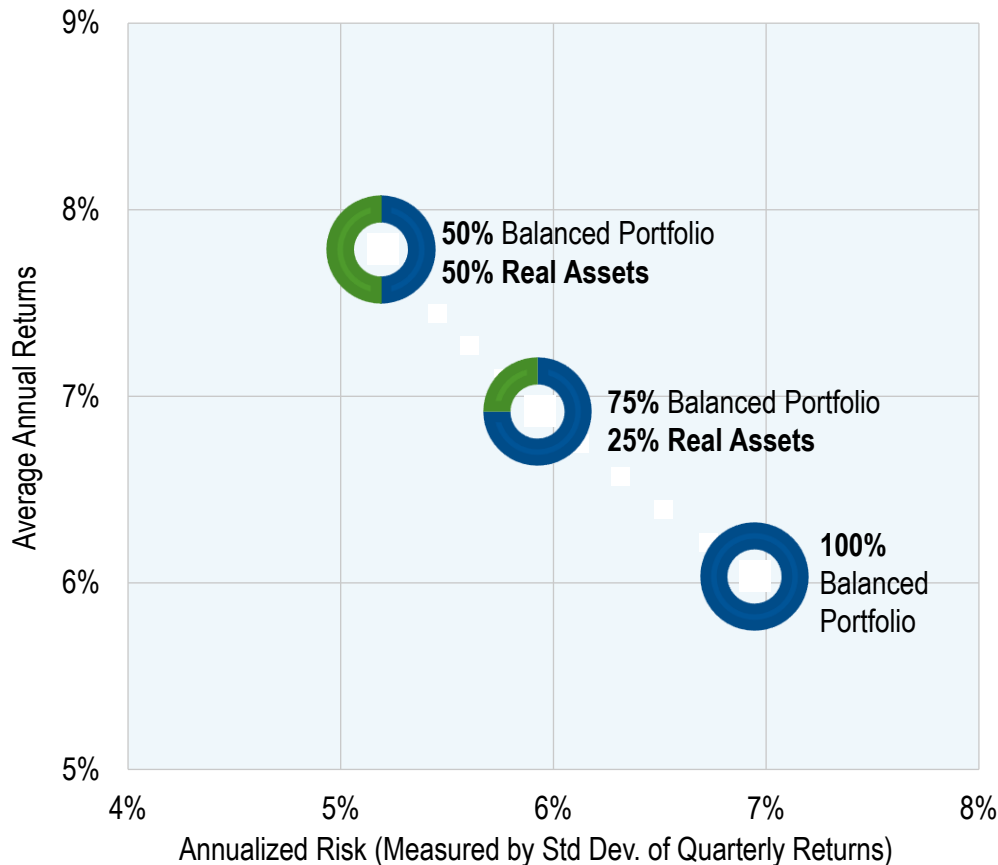
Attributes of Real Assets (cont.):

**Reduced portfolio volatility:**

Real assets can help **reduce overall portfolio volatility**

Real Assets May Enhance a Balanced Portfolio of Equity and Fixed Income Investments

For the 10-Year Period Ended December 31, 2020



Source: Franklin Templeton and Morningstar. See www.franklintempletondatasources.com for additional data provider information. For illustrative and discussion purposes only.

Calculation methodology:

Balanced Portfolio risk and return characteristics are approximated using Morningstar Canada: Global Neutral Balanced Category averages.

In the absence of an appropriate global real asset benchmark, **Real Assets** risk and return characteristics are approximated by the following blend of indices:

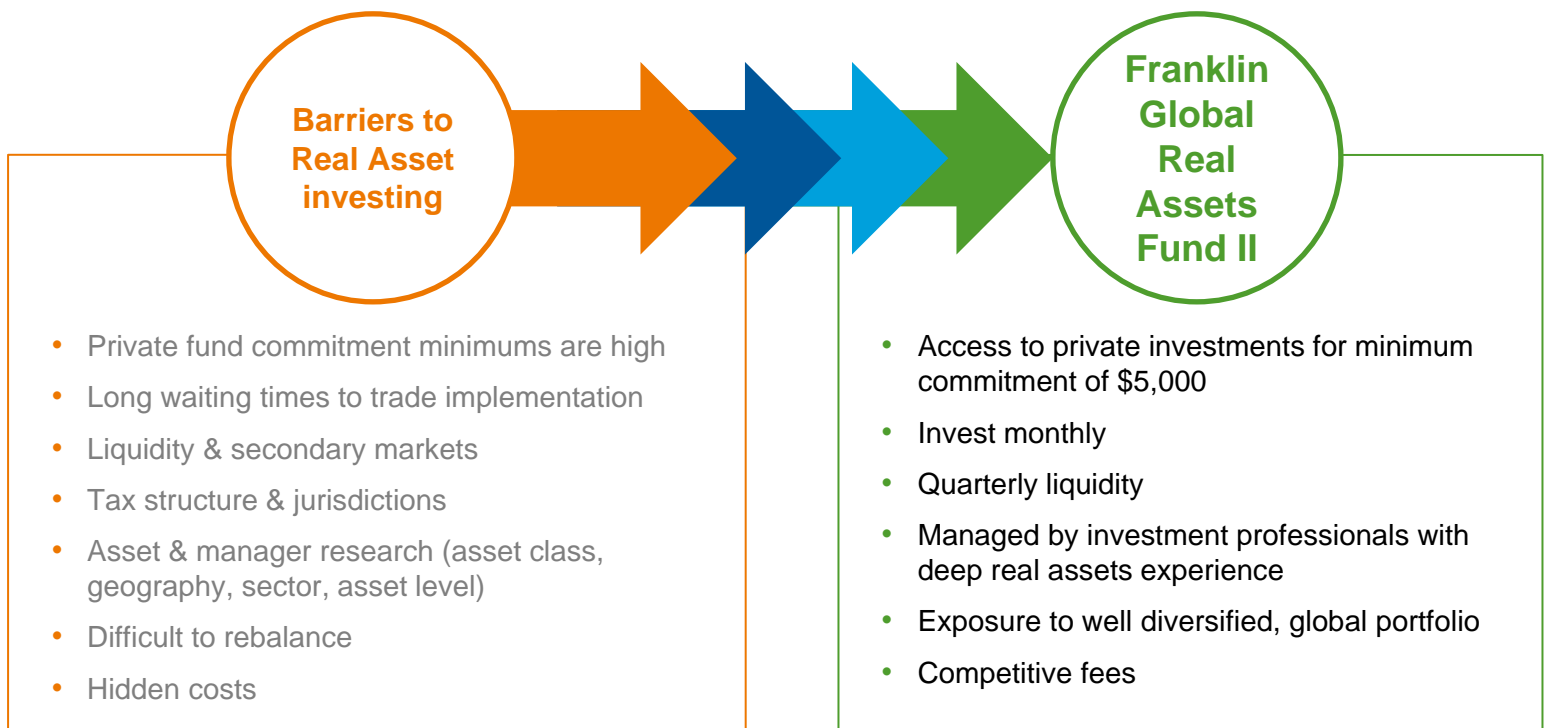
INREV GREFI Asia Pacific Open-end	20.0%
INREV GREFI Europe Open-end	20.0%
INREV GREFI US Open End	20.0%
FTSE Epra/ Nareit Developed Index	17.5%
S&P Global Infrastructure - GRTR Index	17.5%
FTSE Canada 91 Day TBill Index	5.0%

All calculations are based on quarterly returns in Canadian dollars and assume distributions are reinvested. Rebalanced quarterly.

Removing Barriers to Investing in Real Assets

Other than buying residential property, real assets can be difficult for retail investors to access. Traditionally, there have been significant barriers to entry for real assets in terms of minimum investments, complex tax structures and liquidity. Buying into a commercial development or a new energy infrastructure project is simply out of reach for most people. Until now.

Franklin Global Real Assets Fund II **removes many of the barriers** associated with real assets: with a **\$5,000 minimum investment, quarterly liquidity** and a competitive management fee:



Managed by a Team of Experts

Franklin Real Asset Advisors is a distinguished multinational team that has been investing in global real assets **since 1984**. The portfolio managers use a **time-tested investment process** characterized by **strong research and selection capabilities** that includes top-down analysis, bottom-up due diligence and risk-mitigation.

In addition, their expertise is backed up by the strength and stability of Franklin Templeton's global platform, providing reporting, compliance, and back-office capabilities with significant economies of scale.

Seize the opportunity and invest in a diversified portfolio of institutional-quality global real assets. For more information visit franklintempleton.ca

Important Information

Available in series A, F and O. Series O fees are negotiable.

Fees	Series A	Series F
Management Fee	1.25%	1.25%
Fund Admin Fee	0.15%	0.15%
Distribution Fee	1.00%	0.00%
Total (excl tax)	2.40%	1.40%

This document does not constitute an offering of any security, product, service or fund, including interests in Franklin Global Real Assets Fund II (the "Fund") which can only be made to qualified investors by the Fund's confidential offering memorandum (the "Offering Memorandum"), nor does it constitute any type of investment, legal or tax advice. This communication is for informational purposes only and may not be relied upon by you in evaluating the merits of investing in the Fund. It is qualified in its entirety by the Offering Memorandum and no offering of interests in the Fund may be made by any literature, advertising, communication or document in whatever form other than the Offering Memorandum, which supersedes and may qualify, and differ from, the information and opinions contained herein. The Offering Memorandum contains important information regarding the Fund's investment objectives, strategies, restrictions, risks, fees, redemption limitations, liquidity and other matters of interest. There are no assurances that the stated investment objectives of the Fund will be met. Units of the Fund are only sold to purchasers that qualify as "accredited investors" in reliance on prospectus exemptions in each of the provinces and territories of Canada.

All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. The risks associated with a private equity real asset strategy include, but are not limited to various risks inherent in the ownership of real assets, such as fluctuations in lease occupancy rates and operating expenses, variations in rental schedules, which in turn may be adversely affected by general and local economic conditions, the supply and demand for real estate properties, zoning laws, rent control laws, real property taxes, the availability and costs of financing, environmental laws, and uninsured losses (generally from catastrophic events such as earthquakes, floods and wars). In addition, bond prices are affected by interest rate changes. High-yield, lower-rated (junk) bonds generally have greater price swings and higher default risks. Foreign investing, especially in developing countries, has additional risks such as currency and market volatility and political or social instability.

An investment in the Fund involves a high degree of risk, may be considered speculative and is suitable only for accredited investors who can afford to risk the loss of all or substantially all of such investment. The Fund will hold illiquid investments and performance may be volatile. The information contained in this document is not a complete description or analysis of every risk or material fact regarding the relevant markets or the Fund.

The global real asset market has historically been significantly and adversely impacted by economic recession.

The success of underlying private real asset funds in general is subject to risks related to (i) the quality of the management of the underlying private real asset funds and of the projects in which the private real asset funds invest, (ii) the ability of the management of the underlying private real asset funds to successfully select investment opportunities, (iii) general market and economic conditions and (iv) the ability of the underlying real asset funds to profitably make and liquidate their investments.

Acquisitions of interests in underlying private real asset funds entail the risk that such investments will fail to perform in accordance with expectations, including operating and leasing expectations. Redevelopment and new project developments are subject to numerous risks, including construction delays, cost overruns or force majeure events that may increase project costs, new project commencement risks, such as receipt of zoning, occupancy and other required approvals and permits and development costs associated with projects that are not pursued to completion.

Performance will also be dependent on the ability of an underlying private real asset fund to access both debt and equity capital at rates and on terms that are acceptable. In addition, even if the underlying private real asset funds are able to access debt capital initially, increased volatility in asset pricing increases the risk of margin calls, where applicable, or that the underlying private real asset funds will be unable to maintain compliance with their various debt covenants, increasing the risk of default or the need to keep high reserve capacity, when available, which can adversely impact returns.

Infrastructure securities will be subject to certain risks including risks associated with the general economic climate, geographic or market concentration, the ability of the operating partners to manage the underlying funds, government regulations, and fluctuations in interest rates. In addition, changes in global economic conditions, as well as conditions of international financial markets, may adversely affect infrastructure securities. In particular, because of the long lead-time between the inception of an infrastructure project and its completion, a well-conceived project may, as a result of changes in investor sentiment, the financial markets, economic, political or other conditions prior to its completion, become an economically unattractive investment.

The information presented is not a recommendation or solicitation to buy or sell any securities.

Past performance is not an indicator or a guarantee of future performance. There are no assurances that the investment objectives of the Fund will be met.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

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Important Information (Cont.)

This document includes forward-looking statements related to, among other things, the future financial performance and objectives of the Strategy. These forward-looking statements are typically identified by terminology such as “may,” “will,” “should,” “expect,” “anticipates,” “plans,” “intends,” “believes,” “estimates,” “projects,” “predicts,” “seeks,” “potential,” “continue,” “designed to,” “aim of” or other similar terminology. Forward-looking statements are inherently unreliable, and prospective investors should not rely on them. The forward-looking statements are based on Franklin Real Asset Advisors' or FTILLCs current expectations, assumptions, estimates and projections about future events. Actual results are subject to numerous risks and uncertainties that could cause actual results to differ materially from those expressed in a forward-looking statement. Franklin Real Asset Advisors or FTILLC have no obligation to update or otherwise revise any forward-looking statement after the date of this presentation or to reflect the occurrence of unanticipated events.

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