

## Product Profile

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

Fund Assets	\$248,789,346.43
Fund Inception Date	02/17/2003
Number of Issuers	34
Base Currency	CAD
Morningstar Category™	Global Equity
Distribution Frequency	Annually

### Risk Classification<sup>3</sup>

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

This Fund seeks long-term capital appreciation by investing primarily in the equity and debt securities of issuers around the world.

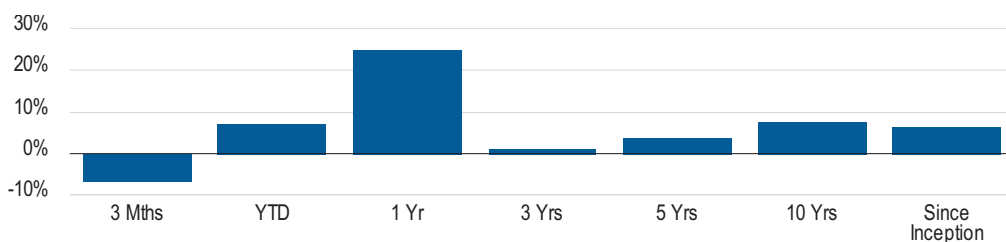
### Performance Data<sup>4</sup>

#### Average Annual Total Returns<sup>5</sup> (%)

	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (02/17/2003)
Series F-Hedged	-6.75	7.28	25.20	1.31	3.96	7.94	6.64

**Management Expense Ratio** (as of 06/30/2020 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.*



● Series F-Hedged

### Portfolio Manager Insight<sup>6</sup>

#### Performance Review

#### QUARTERLY KEY PERFORMANCE DRIVERS

	Stocks	Sectors	Countries
<b>HELPED</b>	NVIDIA Corporation	—	Israel
	Oracle Corporation	—	—
	ResMed	—	—
<b>HURT</b>	Farfetch Limited Class A	Consumer Discretionary	United States
	Alibaba Group Holding Ltd. Sponsored ADR	Health Care	China
	Illumina, Inc.	Industrials	United Kingdom

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

3. 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.

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.

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.

- Over the quarter, U.S. medical technology companies Masimo and ResMed both benefited from strong product demand and good results over the period. Oracle also positively contributed however this position was exited as management transferred to Martin Currie Inc.
- On the downside, shares of UK online luxury retailer Farfetch fell on concerns over the luxury sector based on China's Common Prosperity initiatives. Elsewhere, Chinese internet platform Alibaba detracted from returns given the broad sell-off of Chinese technology stocks due to continued regulatory uncertainty. Illumina was also negative over the period.
- Post the transfer to Martin Currie Inc, at a sector level consumer discretionary, health care and communication services detracted. Ireland and Sweden were our best-performing countries, whereas China the biggest negative for results.

### Outlook & Strategy

- Despite the recent pullback in equity markets, our optimistic outlook remains unchanged. We continue to see a favourable backdrop as a result of ongoing loose monetary policies, a low interest rate environment, continued significant and rising fiscal support. We also see evidence of the rapid recovery as economic activity normalizes.
- While we are aware of the potential bull/bear debate focusing on accelerating inflation, and the risk of rising rates that this entails, we believe that we are still facing a supportive backdrop for equity markets globally.
- The pace of recovery is proving stronger than we predicted at the end of last year, which is supportive for economies and markets, with leading indicators continuing to be well oriented. Corporate profits growth is coming in stronger than initially predicted, feeding into strongly positive earnings momentum.
- We believe that the supportive earnings momentum could continue for the time being, albeit at a less sustained pace as we start getting into less easy base effects than the low points we have been going through in the past several months.
- Europe stands out as the region with the most supportive earnings momentum going forward.

### Portfolio Characteristics<sup>7</sup>

	Portfolio	MSCI World Value Index-NR
Price to Earnings (12-Month Trailing)	40.51x	15.61x
Price to Book	7.96x	1.98x
Price to Cash Flow	30.55x	10.40x
Weighted Average Market Capitalization (Millions in CAD)	308,129	155,627

### Portfolio Diversification<sup>8</sup>

#### Top Ten Holdings<sup>9</sup>

Percent of Total

Top Holdings	Sector	Country	%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Semiconductors & Semiconductor Equipment	Taiwan	5.25
KINGSPAN GROUP PLC	Capital Goods	Ireland	4.78
MICROSOFT CORP	Software & Services	United States	4.55
WUXI BIOLOGICS CAYMAN INC	Pharmaceuticals, Biotechnology & Life Sciences	China	4.39
NVIDIA CORP	Semiconductors & Semiconductor Equipment	United States	4.35
RESMED INC	Health Care Equipment & Services	United States	4.29
MASIMO CORP	Health Care Equipment & Services	United States	4.18
ATLAS COPCO AB	Capital Goods	Sweden	4.05
LINDE PLC	Materials	United Kingdom	3.70
HEXAGON AB	Technology Hardware & Equipment	Sweden	3.68

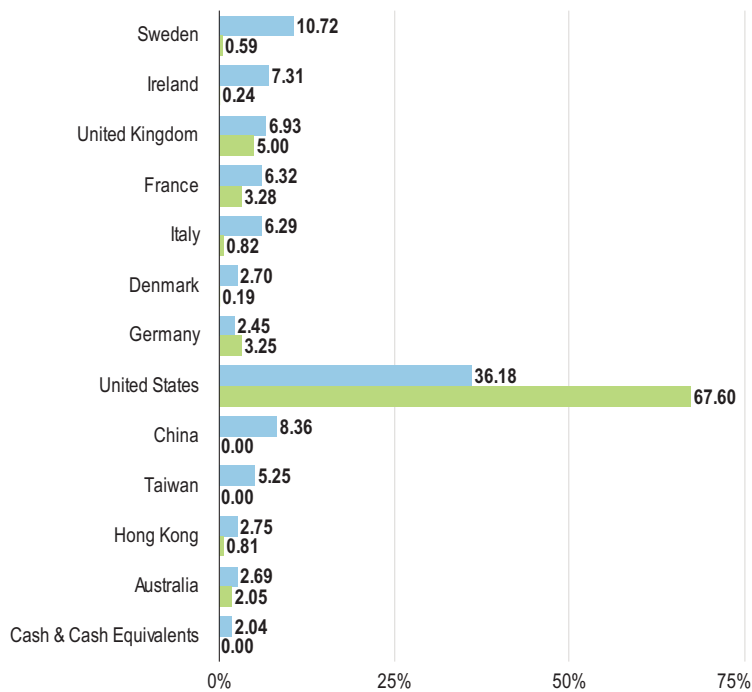
7. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. 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. All holdings are subject to change.

8. Please note that the definition of cash in this document may not match the definition of "cash and cash equivalents" listed in the fund facts or management reports of fund performance for the fund, which includes bonds that have a remaining term to maturity of 365 days or less that are issued by certain governments, supranational agencies or financial institutions and have a "designated rating" (as defined in Canadian securities law). As such, the cash amounts listed may differ.

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 reserves the right to withhold release of information with respect to holdings that would otherwise be included.

**Geographic Weightings vs. MSCI All Country World Index-NR<sup>10</sup>**

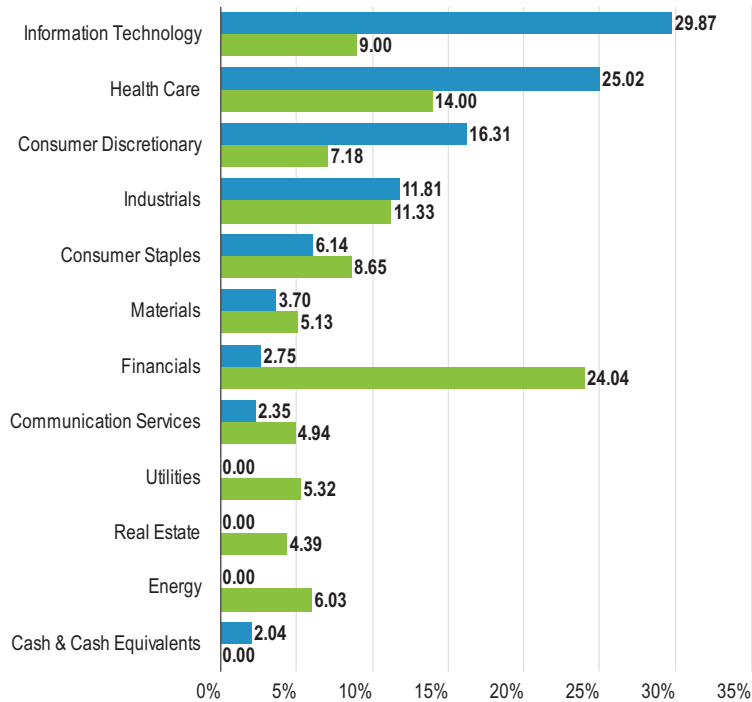
Percent of Total



● Franklin Martin Currie Sustainable Global Equity Fund  
 ● MSCI World Value Index-NR

**Sector Weightings vs. MSCI All Country World Index-NR<sup>11</sup>**

Percent of Total



● Franklin Martin Currie Sustainable Global Equity Fund  
 ● MSCI World Value Index-NR

**Supplemental Performance Statistics****Supplemental Risk Statistics<sup>12,13</sup>**

	3 Yrs	5 Yrs	10 Yrs	Since Inception
<b>Standard Deviation (%)</b>	20.22	16.21	13.47	11.75
<b>Tracking Error (%)</b>	7.50	7.21	6.62	6.97
<b>Information Ratio</b>	-0.62	-0.53	-0.56	-0.08
<b>Beta</b>	1.32	1.21	1.08	0.82
<b>Sharpe Ratio</b>	0.01	0.19	0.52	0.44

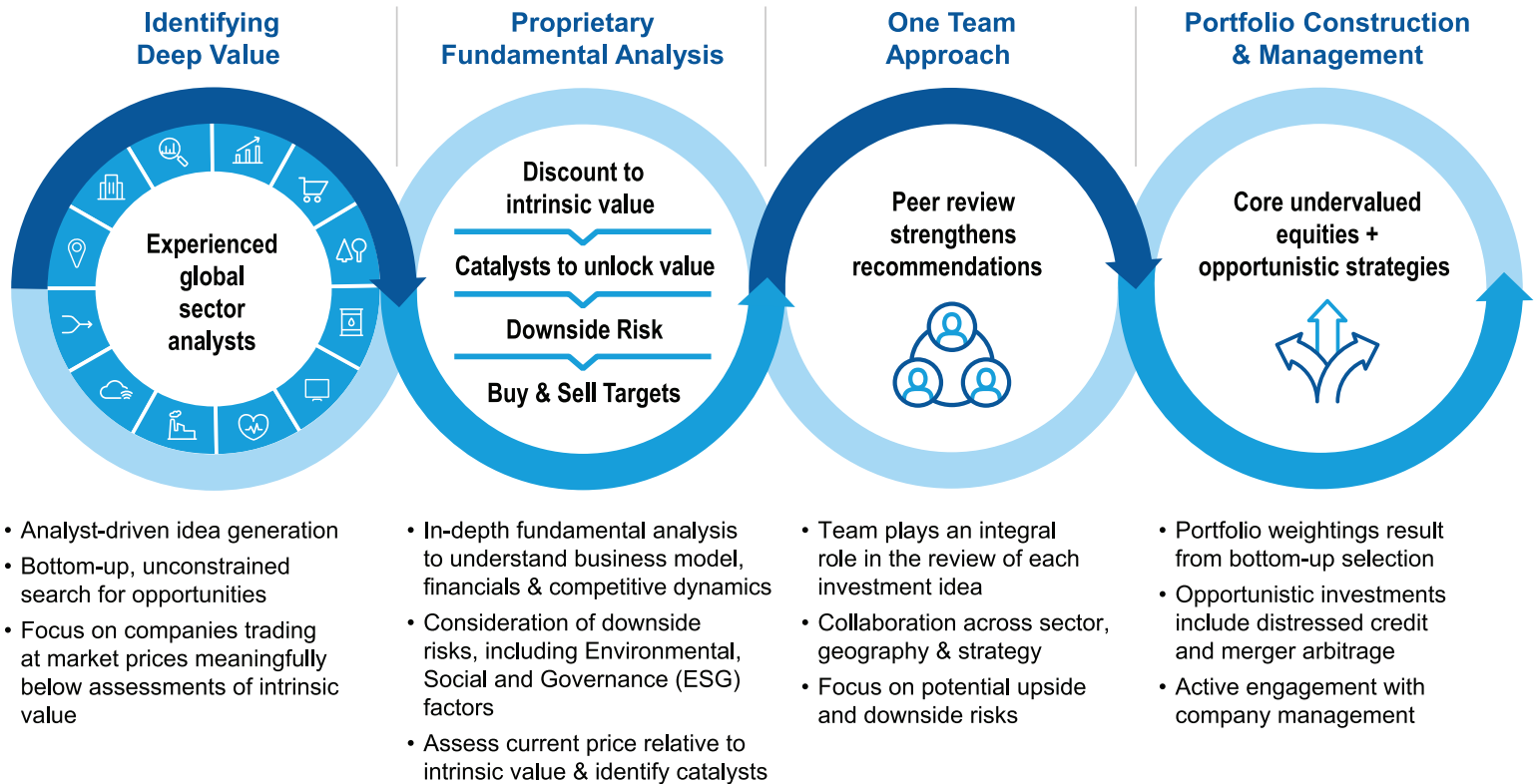
The indicated rates of return are the historical annual compounded total returns including changes in share or unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have 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.

10,11. Percentage may not equal 100% due to rounding. All holdings are subject to change.

12. Beta, Information Ratio and Tracking Error information are measured against the MSCI All Country World Index-NR.

13. 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



## INTEGRATED RISK MANAGEMENT

## Investment Team

Portfolio Manager	Years with Firm	Years Experience
Zehrid Osmani	3	24
Yulia Hofstede	1	13

## 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%.

**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.

**Price to Book Value:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds.

**Price to Cash Flow:** Supplements price/earnings ratio as a measure of relative value for a stock. For a portfolio, the value represents a weighted average of the stocks it holds.

**Price to Earnings (12-mo Forward):** A measure of the price to earnings ratio for a stock using the forecasted earnings for the next 12 months. 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>14</sup>**

	Hedged		Series	
	CAD	USD	CAD	USD
Series A Front	TML180	TML181	TML6154	TML6157
Series A DSC	TML182	TML183	TML6156	TML6159
Series A Low Load	TML184	TML185	TML6155	TML6158
Series F	TML225	TML261	TML6160	TML6161
Series F ADM	TML5004	TML5028	TML6162	TML6163
Series I	TML3255	TML3363	—	—
Series O	TML106	TML145	TML6166	TML6167
Series FT	TML3897	—	TML6164	—
Series FT ADM	TML5121	—	TML6165	—
Series T Front	TML3059	—	TML6168	TML3256
Series T DSC	TML3061	—	TML6170	TML3258
Series T Low Load	TML3060	—	TML6169	TML3257

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

14. "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**

Effective July 19, 2021, Martin Currie Inc. ("Martin Currie") replaced Franklin Mutual Advisers, LLC as the sub-advisor to Franklin Martin Currie Global Equity Fund (formerly Franklin Mutual Global Discovery Fund).

Effective July 19, 2021 Franklin Mutual Global Discovery Fund has been renamed Franklin Martin Currie Global Equity Fund. The investment objective of the fund remains the same. Certain investment strategies have changed. Please refer to Amendment No.1 to the Simplified Prospectus for the fund, dated June 24, 2021, for further details.

Effective July 19, 2021 the fund's primary benchmark changed from MSCI World Value Index – NR to MSCI All Country World Index – NR.

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

*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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