FRANKLIN TEMPLETON

As of September 30, 2026

Franklin U.S. Core Equity Fund

ETF Series – FCRU

Smarter core. Better outcomes.

An equity fund designed as an off-the-shelf building block, enabling advisors to create stronger, more balanced and fee-conscious equity portfolios. The fund invests primarily in a diversified portfolio of US equity securities designed to serve as a core portfolio of their equity allocation. It is supported by an exceptional investment process that blends proven fundamentals with a unique, conviction-driven approach to deliver consistent core outcomes across market cycles.

Why Consider this Fund?

Purposefully engineered

Precision **alpha generation** that deviates from the benchmark in ways that have historically rewarded investors, with careful management of tracking error.

Low-cost building block

Cost-efficient foundational **building block** that anchors any portfolio with US equity exposure—whether standing alone as a core or integrated into a larger multi-asset portfolio.

Systematic process combining quantitative and alpha signals

Our process combines disciplined factor design with proprietary conviction signals, tuned to **outperforming drivers** and engineered for **diversification** through holistic portfolio construction.

Our Core Differentiator. The Conviction Factor.

Integrating time-tested factors with a **unique conviction layer** from Franklin Templeton's investment teams, this approach combines the benefits of fundamental and quantitative investing in one low-fee product.

Systematic alpha factors
Derived from **data-driven analysis** of market behaviour, fundamentals and pricing anomalies

Conviction alpha factor
Extracted from **fundamental managers'** research-intensive stock selection

Quality	Value	Sentiment	Alternative	Conviction
Stocks with high profitability and consistent earnings	Stocks that are undervalued	Stocks with favourable momentum including price and earnings	Considers stock attributes not represented by traditional factors ***(e.g., short interest)***	Focuses on stocks backed by managers with demonstrated skill

Targeted exposure ranges based on **contribution to risk**

Quality	Value	Sentiment	Alternative	Conviction
30–35%	10–15%	10–15%	15–20%	20–30%

Our process is dynamic and subject to change.

Performance

As of September 30, 2026

Past performance does not predict future returns.

Total Returns (%)	Inception Date	3 Mths	1 Yr*	3 Yrs*	5 Yrs*	Since Inception
Franklin U.S. Core Equity Fund— Series O²—CAD	**5/6/2019**	**3.33**	**18.32**	**26.21**	**16.81**	**17.14**
S&P 500 Index–NR	—	2.57	17.94	24.32	15.97	15.96
Canada Fund US Equity Category	—	0.75	13.58	19.92	12.00	12.52

Portfolio Characteristics

As of September 30, 2026

Fund Overview

Investment Strategy	Multi-Cap
Benchmark	S&P 500 Index-NR
Risk Classification	Medium
Distribution Frequency	Annually

Portfolio Characteristics

(5-Yr)	Fund	Benchmark
Upside Capture Ratio	**99.43%**	**100.00%**
Downside Capture Ratio	93.06%	100.00%
Information Ratio	0.35%	0.00%
Sharpe Ratio	1.08%	0.99%
Tracking Error	2.39%	0.00%
Standard Deviation	12.66%	12.92%

Sector Allocation[1]

Sector	Subsector	S&P 500 Index	Fund vs. Index
Information Technology	39.25	39.71	-0.46
Communication Services	11.07	9.95	1.13
Financials	10.58	11.40	-0.83
Health Care	9.78	9.26	0.52
Industrials	8.16	8.05	0.11
Consumer Discretionary	8.09	8.60	-0.51
Consumer Staples	4.01	4.37	-0.36
Energy	3.27	3.40	-0.13
Utilities	2.41	1.88	0.53
Materials	1.75	1.70	0.05
Real Estate	1.46	1.70	-0.24
Cash & Cash Equivalents	0.17	0.00	0.17

Top 20 Holdings

	Subsector	S&P 500 Index	Fund vs. Index
NVIDIA CORP	9.10	8.38	0.72
APPLE INC	7.98	7.37	0.61
MICROSOFT CORP	5.65	5.78	-0.13
AMAZON.COM INC	4.73	3.71	1.02
META PLATFORMS INC	3.32	2.43	0.89
ALPHABET INC	2.95	2.46	0.49
GOOGLE LLC	2.49	3.06	-0.57
ELI LILLY & CO	2.07	1.40	0.67
BROADCOM INC	1.81	2.53	-0.73
LAM RESEARCH CORP	1.70	0.62	1.08
MASTERCARD INC	1.64	0.68	0.96
CHEVRON CORP	1.57	0.61	0.96
PALANTIR TECHNOLOGIES INC	1.48	0.65	0.82
UNITEDHEALTH GROUP INC	1.47	0.50	0.97
GENERAL ELECTRIC CO	1.40	0.49	0.91
ARISTA NETWORKS INC	1.35	0.32	1.03
CATERPILLAR INC	1.35	0.57	0.78
ADVANCED MICRO DEVICES INC	1.34	1.51	-0.17
MICRON TECHNOLOGY INC	1.34	1.82	-0.49
QUALCOMM INC	1.27	0.30	0.98
Total	**56.01**	**45.20**	**10.81**

*Returns for periods longer that one year are annualized.

Past performance does not guarantee future results. Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. For current month-end performance, please visit www.franklintempleton.ca.

All data is subject to change.

1. The industry or sub-sector percentages may not total 100% and may not sum to the weight of the sector they roll up under as only industries or sub-sectors with a value above 3.00% are shown. Weightings as % of total. All data is subject to change.

2. 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.

The information provided is not a recommendation to purchase, sell or hold any particular security. The securities or issuers listed do not represent the 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 portfolio, or that securities sold will not be repurchased. In addition, it should not be assumed that any securities or issuers listed were or will prove to be profitable.

Holdings of the same issuers have been combined.

Portfolio Management Team

Brett Risser
Sr. Vice President, Head of Quantitative Equity Portfolio Management
Boston, MA, United States

Adrian Chan, CFA
Sr. Vice President, Head of Quantitative Investments
Boston, MA, United States

Jacqueline Kenney, CFA
Sr. Vice President, Head of Solutions Research
Stamford, CT, United States

Franklin Templeton Investment Solutions

Our portfolios are backed by the **deep global expertise** and **decades of research** from the Franklin Templeton Investment Solutions team. Since the 1980s, the team has continuously evolved its systematic strategies to shape the **sophisticated capabilities** we offer today.

Fees

Fund Name	Series A		Series ETF & F[3]		Series O[4]
	Mgmt Fee	Total Fee	Mgmt Fee	Total Fee	All Tiers
Franklin U.S. Core Equity Fund	1.20	1.22	0.20	0.22	0.22

* The management fee is partially waived until December 31, 2026.

Fund Codes and Tickers

Fund Name	Series A		Series ETF	Series F[3]		Series O[4]
	Front-End	Low-Load		Standard	ADM[5]	
Franklin U.S. Core Equity Fund	6312	6313	FCRU	6284	6287	5740

3. 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. The gross of fees version of Series F does not exist and as a result, investors cannot purchase Series F securities on a gross of fees basis. Performance would have been lower with fees taken into account.

4. Series O investors do not pay any of the management fees within the fund but instead pay a separate management and administration fee that they negotiate directly with Franklin Templeton Canada. To qualify to purchase or hold Series O units an investor must meet minimum investment requirements as set out in the fund's current prospectus.

5. "ADM" refers to the Investment Advisory Services Fee purchase option for Series F and FT. Please see the simplified prospectus for further details. Net returns (NR) include income net of tax withholding when dividends are paid.

To learn more about Franklin U.S. Core Equity Fund, contact your financial advisor or visit www.franklintempleton.ca.

IMPORTANT INFORMATION

The information presented is considered reliable at the present time; however, we do not represent that it is accurate or complete, or that it should be relied upon as such. Speculation or stated beliefs about future events, such as market or economic conditions, company or security performance, upcoming product offerings or other projections represent the beliefs of the author and do not necessarily represent the views of Franklin Templeton. General business, market, economic and political conditions could cause actual results to differ materially. The information presented is not a recommendation or solicitation to buy or sell securities.

For more details on the management and administration fee, please read the prospectus. Performance is presented in Canadian dollars and is gross of fees (before management and custodial fees) of Series O units of the Fund. Taking into account such fees would result in lower rates of return.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the prospectus and fund fact/ETF facts document before investing. ETFs trade like stocks, fluctuate in market value and may trade at prices above or below the ETF's net asset value. Brokerage commissions and ETF expenses will reduce returns. Performance of an ETF may vary significantly from the performance of an index, as a result of transaction costs, expenses and other factors. Indicated rates of return are historical annual compounded total returns for the period indicated, including changes in unit value and reinvestment distributions, and do not take into account any charges or income taxes payable by any security holder that would have reduced returns. Mutual funds and ETFs are not guaranteed. Their values change frequently.

Past performance may not be repeated.

Based on the underlying fund, calculated using internally sourced information from Franklin Templeton. Important data provider notices and terms available at www.franklintempletondatasources.com. Source: MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI. Net returns (NR) include income net of tax withholding when dividends are paid.

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FRANKLIN TEMPLETON

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