

Franklin Canadian Core Plus Bond Fund

A core bond portfolio with flexibility to go beyond the benchmark

The fund combines Canadian core bonds with non-core fixed income investments to seek out the best yield opportunities while limiting volatility.

Why consider the fund?

Also available as an ETF series – FLCP



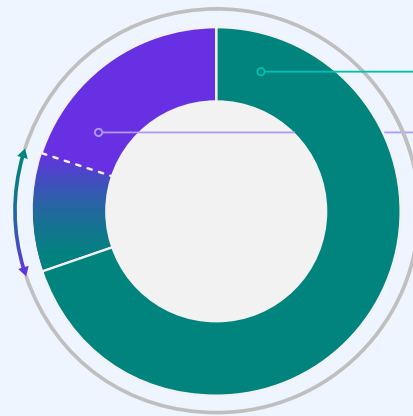
Solid foundation

- Federal bonds
- Provincial and municipal bonds
- Investment-grade corporate bonds
- Floating rate notes



Plus potential

- Bank loans
- US treasury bills
- High-yield bonds
- Foreign currency bonds
- Emerging market debt
- Mortgage-backed and asset-backed securities
- Derivatives
- Real return bonds
- Preferred shares
- Active currency overlay
- Up to 30% foreign exposure



70–80%

Core Canadian fixed income for a solid foundation

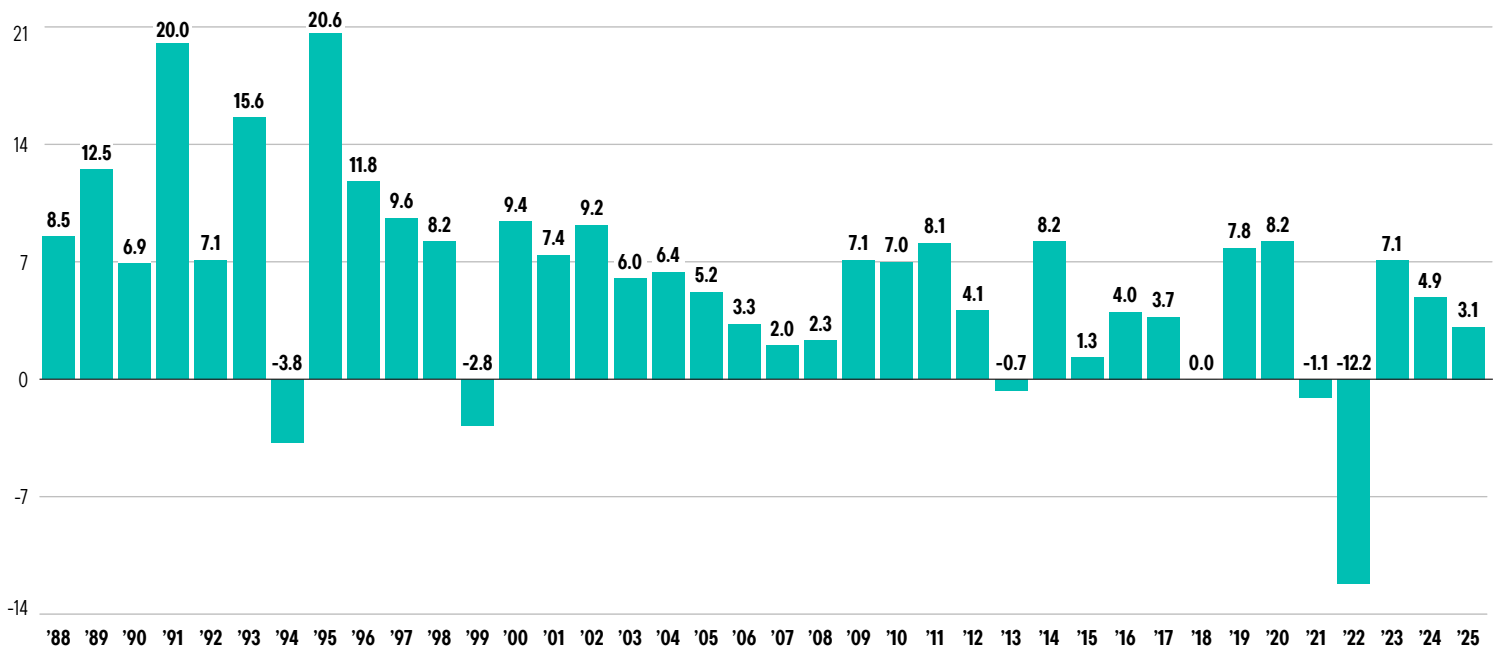
20–30%

Non-core fixed income for added potential

Proven track record spanning over 30 years¹

Calendar Year Returns (%)

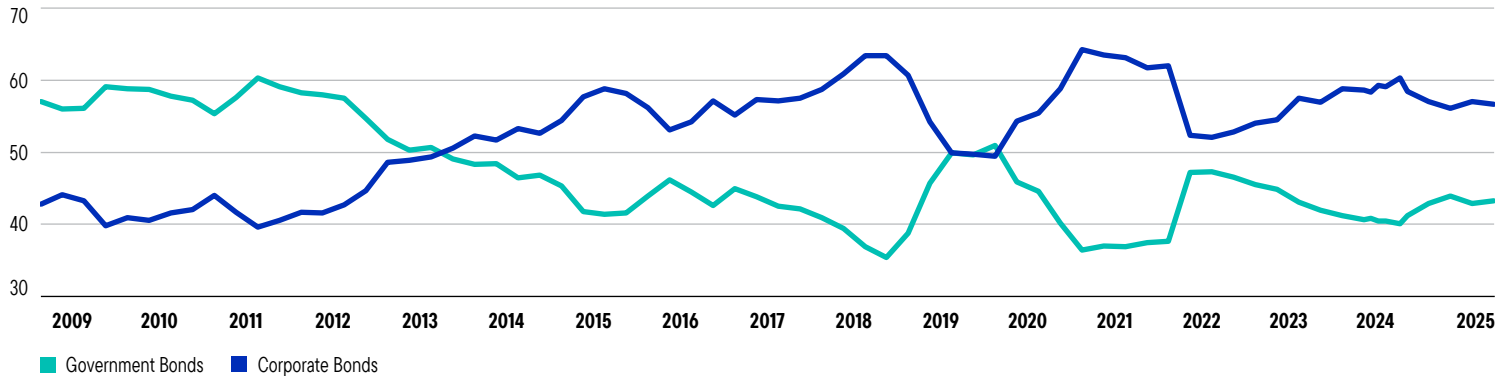
As of December 31, 2025



Ability to adjust to changing conditions

Allocation (%)

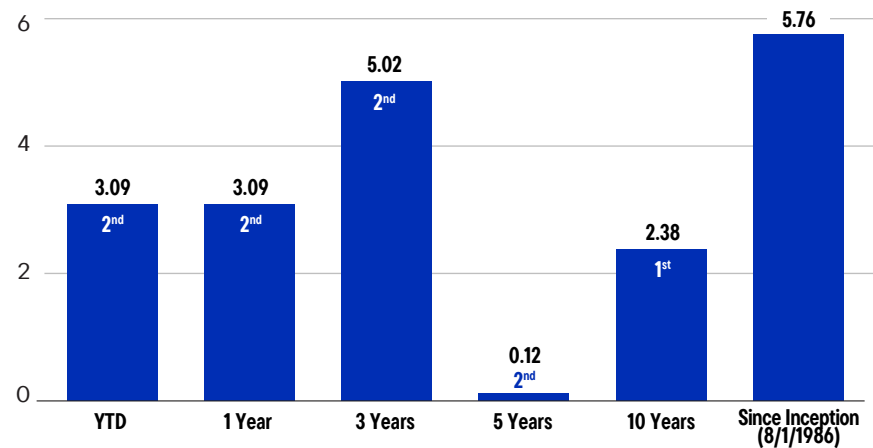
As of December 31, 2025



Fund performance and quartile rankings^{2,3}

Series F Returns (%)

As of December 31, 2025



A well-diversified, high quality portfolio⁴

As of December 31, 2025 (all weightings as percent of market value)

Maturity	Total (%)	Corporate Sectors	Corp. Bonds (%)	Fixed Income Sectors	Total (%)
Floating-Rate Notes	3.36	Energy	31.93	Canadian Corporate Investment-Grade Bonds	34.80
< 5 Years	44.80	Financial	22.44	Federal Bonds	21.39
5-10 Years	24.65	Industrial	13.51	Provincial Bonds	20.53
> 10 Years	27.20	Infrastructure	8.31	Foreign Investment-Grade Corporate Bonds	11.67
		Communication	7.74	High-Yield Corporate Bonds	7.04
		Real Estate	6.70	Bank Loans	3.36
		Bank Loans	5.90	Municipal Bonds	1.50
		Securitization	3.48	Other	-0.29
Credit Rating	Total (%)	Country	Total (%)	Characteristics	
AAA	19.12	Canada	73.05	Yield to Worst	3.82%
AA	24.22	United States	25.81	Average Duration	7.41 Years
A	18.43	Australia	0.78	Average Coupon	4.22%
BBB	28.11	United Kingdom	0.19	Monthly Distribution	2.8¢/unit
BB	7.54	Other	0.17		
B	2.40				
CCC	0.08				
D	0.05				
Average (ex Cash)	A				

Top 10 Holdings	Total (%)
United States Treasury Note/Bond, Unsecured, 4.00%, 11/15/35	2.48
Province of Ontario, 2.90%, 12/02/46	1.77
Province of Ontario, 2.65%, 12/02/50	1.60
Canada Housing Trust No 1, GOVT GUARANTEED, 2nd lien, 144A, 3.10%, 6/15/28	1.42
PSP Capital Inc, COMPANY GUARNT, Sr Unsecured, REG S, 4.25%, 12/01/55	1.40
United States Treasury Note/Bond, Unsecured, 4.75%, 8/15/55	1.23
Canada Housing Trust No 1, second lien, 144A, 1.75%, 6/15/30	1.19
Canadian Government Bond, BONDS, Unsecured, 2.75%, 12/01/55	1.15
Province of Alberta, senior bond, 3.10%, 6/01/50	1.12
Canada Housing Trust No 1, GOVT GUARANTEED, 2nd lien, 2.85%, 12/15/30	1.08

Fund series

Fee Type	Fund Series	CDN\$	MER (%)*
Commission-Based	Series A—Front End	TML200	1.21
Fee-Based	Series F	TML230	0.67
	Series F—ADM†	TML3993	0.67
Negotiated Fee	Series O	TML110	Negotiated
		Fund Ticker	
	ETF Series	FLCP	0.61

*Management Expense Ratio as of June 30, 2025.

† "ADM" refers to the Investment Advisory Services Fee purchase option for series F. Please see the simplified prospectus for further details.

Effective May 19, 2022, all DSC and LL fund codes are closed to new investments. Switches between DSC and LL funds will continue to be permitted.

Portfolio management team



Darcy Briggs, CFA, CPA, CGA, FRM
SVP,
Portfolio Manager
Industry experience:
32 years



Adrienne Young, CFA
SVP, Director of Credit
Research, Portfolio
Manager
Industry experience:
31 years



Brian Calder, CIM
VP, Senior Trader and
Portfolio Manager
Industry experience:
27 years

Franklin Templeton Fixed Income

Combined strength of Franklin Templeton
Fixed Income

19+
average years of investment experience

180+
dedicated fixed income professionals
around the world

US\$226 billion
of assets under management

1. 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.

ETF units may be bought or sold throughout the day at their market price on the exchange on which they are listed. However, there can be no guarantee that an active trading market for ETF units will develop or be maintained, or that their listing will continue or remain unchanged. While the units of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress.

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.

Franklin Templeton Investments Corp., the investment fund manager of the Franklin Canadian Core Plus Bond Fund (the "Fund"), has received exemptive relief to permit the ETF Series of the Fund to use the start date, past performance, information derived from the financial statements and other financial information of the Franklin Bissett Core Plus Bond Active ETF, which was merged into the Fund, in the Fund's sales communications, reports to securityholders, simplified prospectus, ETF facts, annual and interim financial statements, and annual and interim management reports of fund performance, as applicable.

2. Annualized. Performance data is rounded to the nearest hundredth.

3. Canadian Fixed Income Category. A quartile is used to describe a small group composed of 25% of a larger group.

4. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. Market value figures reflect the trading value of the investments. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors. Credit Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations (NRSRO), such as Standard & Poor's, Moody's, DBRS and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from four or three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. Cash and equivalents as well as derivatives are excluded from this breakdown. If listed, the NR category consists of ratable securities that have not been rated by an NRSRO listed above. The portfolio itself has not been rated by an independent rating agency. For unrated bonds, cash and equivalents, ratings may be assigned based on the ratings of the issuer, the ratings of the underlying holdings of a pooled investment vehicle, or other relevant factors. The Average Credit Quality (ACQ) rating provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. Derivative positions are not reflected in the ACQ. Yield to worst ("YTW") is the yield to maturity if the worst possible bond repayment takes place. If market yields are higher than the coupon, the yield to worst would assume no prepayment. If market yields are below the coupon, the YTW would assume prepayment. In other words, YTW assumes that market yields are unchanged. YTW is not an indication of the income that has or will be received. YTW is gross of fees. Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio. 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.



(800) 387-0830
franklintempleton.ca