



FRANKLIN  
TEMPLETON

# Franklin Quotential<sup>®</sup> Diversified Income Portfolio

## Investment policy statement

As of September 30, 2025

Prepared exclusively for:

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Prepared by:

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## Simple one-step solution to income investing globally

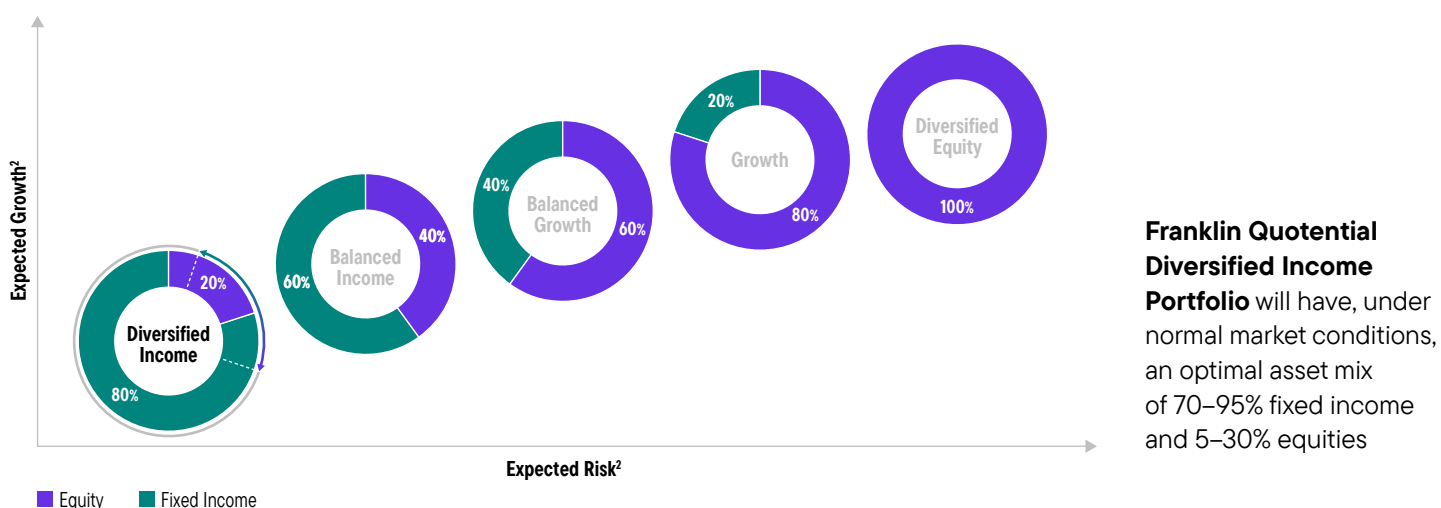
### Structured to deliver long-term income and capitalize on short-term opportunities

- Employs a long-term, strategic asset allocation of 80% fixed income/20% equity, providing a set foundation for a conservative risk/return profile.
- Diversified across a variety of income-oriented fixed income and equity securities, both domestically and around the world.
- Constructed with a combination of income quality, styles, regions, and market caps that display unique performance in a variety of interest rate environments.

### Income for today, growth for tomorrow

- Our investment management approach promotes investment longevity, allowing investors to receive 5% return of capital cash flow each month through the Series T option<sup>1</sup> or a Systematic Withdrawal Plan (using series A) without significantly eroding the initial investment.

### Your Portfolio's Risk/Return Profile: Conservative



## A global approach. A Canadian perspective.

Franklin Templeton Investment Solutions (FTIS for short) is a group of multi-asset experts focused on creating total portfolio solutions integrated with risk management.

FTIS manages over CAD\$135 billion in asset, diversified across traditional and alternative asset classes. FTIS is embedded within Franklin Templeton's (FT's) global integrated platform, combining access to the local insights and global perspective of over 100 investment professionals. As of September 30, 2025, FT currently manages CAD\$2.3 trillion worldwide.

Franklin Quotential Portfolios are a targeted multi-asset solution offering diversification across asset classes, investment styles, quality and global markets. While the portfolios are managed in Canada, the investment team includes more than 95 professionals from around the globe. The team collaborates to: develop long-term capital market expectations; target and capture short-term opportunities with agility; and identify alpha sources and monitor bottom-up strategies.

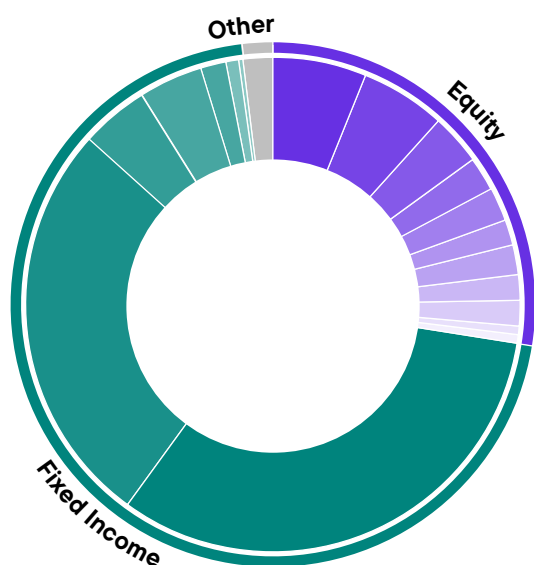
The team's investment process is guided by robust, risk-centric protocols that are designed to measure, monitor and manage risks at a granular level, ultimately aiming to verify that each and every risk has the potential to contribute to the long-term reward.

This unique combination of institutional diversification and investment discipline allows us to offer Canadian investors a strategic and forward-looking solution designed to meet their expected outcomes over the long term.

1. Series T distributions are in the form of return of capital (ROC). ROC reduces the adjusted cost base (ACB) of the investment. Once the ACB has been depleted, any further cash flow is taxable as a capital gain.

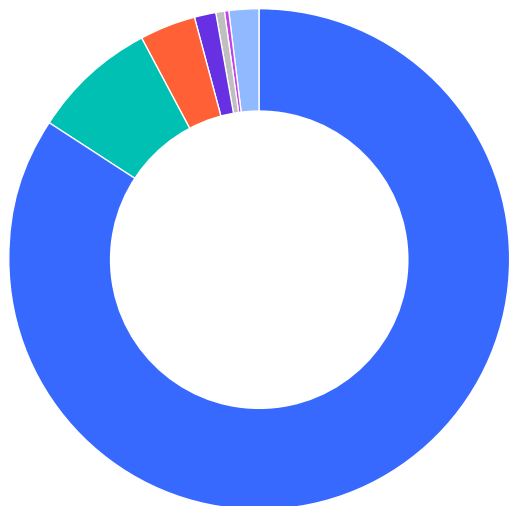
2. In relation to other Franklin Quotential Portfolios.

## Equity and fixed income sectors (look through)



Equity		27.65%
Information Technology	6.33	
Financials	5.52	
Industrials	3.18	
Consumer Discretionary	2.43	
Communication Services	2.00	
Health Care	1.91	
Energy	1.76	
Materials	1.73	
Consumer Staples	1.53	
Utilities	0.79	
Real Estate	0.46	
Fixed Income		70.51%
Sovereign – Developed	32.43	
Corporate	26.68	
Securitized	4.46	
US Treasuries	4.24	
Emerging Markets Debt	1.56	
Bank Loan	1.04	
Supranational	0.11	
Municipal	0.00	
Other		1.84%
Cash & Other Net Assets	1.84	

## Geographic diversification (look through)



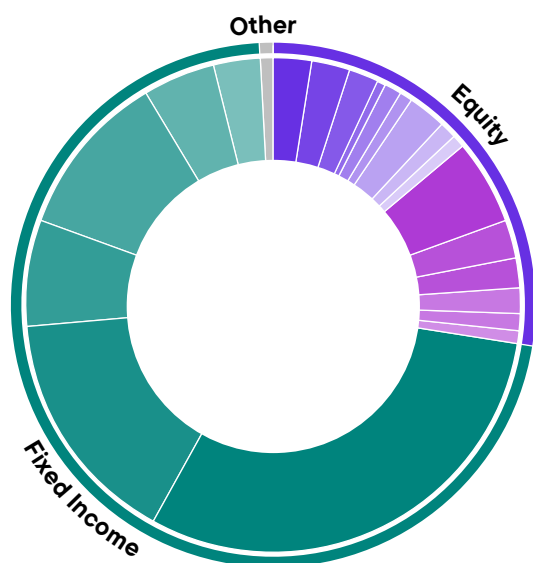
		100.00%
North America	84.32	
Europe	7.99	
Emerging Market	3.69	
Japan	1.43	
Pacific ex-Japan	0.62	
Supranational	0.11	
Cash & Cash Equivalents	1.84	

Portfolio holdings as of September 30, 2025. Totals may not add to 100% due to rounding.

Under normal market conditions, Franklin Quotential Diversified Income Portfolio will have an optimal asset mix of 70–95% fixed income and 5–30% equities. The portfolio advisor may review and adjust the optimal asset mix, in its sole discretion, depending on economic conditions and relative value of equity securities.

Source: FactSet. Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com).

## Franklin Quotential Diversified Income Portfolio holdings



<b>Canadian Equity Funds</b>	<b>7.57%</b>
Franklin ClearBridge Canadian Equity Fund	2.69
Franklin Canadian Core Equity Fund	2.49
Franklin FTSE Canada All Cap Index ETF	1.89
Franklin ClearBridge Canadian Small Cap Fund	0.49
<b>Emerging Markets Equity Funds</b>	<b>2.13%</b>
Templeton Emerging Markets Fund	1.29
Franklin Emerging Market Core Equity Fund	0.83
<b>Global Equity Funds</b>	<b>4.44%</b>
Franklin International Core Equity Fund	2.43
Franklin International Equity Index ETF	1.03
Franklin ClearBridge Sustainable International Growth Fund	0.97
<b>US Equity Funds</b>	<b>13.47%</b>
Franklin U.S. Core Equity Fund	5.43
Franklin FTSE U.S. Index ETF	2.67
Franklin Putnam U.S. Large Cap Value Fund	1.81
Franklin U.S. Opportunities Fund	1.65
Franklin U.S. Rising Dividends Fund	0.99
Franklin ClearBridge U.S. Sustainability Leaders Fund	0.92
<b>Canadian Fixed Income Funds</b>	<b>53.18%</b>
Franklin Canadian Core Plus Bond Fund	30.46
Franklin Canadian Government Bond Fund	15.59
Franklin Canadian Short Term Bond Fund	7.13
<b>Global Fixed Income Funds</b>	<b>18.48%</b>
Franklin Global Core Bond Fund	10.77
Franklin Brandywine Global Sustainable Income Optimiser Fund	4.65
Franklin Brandywine U.S. High Yield Fund Series O	3.07
<b>Cash &amp; Other Net Assets</b>	<b>0.72%</b>
Cash & Other Net Assets	0.72

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**This document represents your current investment goals**

Your customized Investment Policy Statement outlines the asset allocation of your recommended Portfolio based on an assessment of your current circumstances, objective and tolerance for investment risk.

As your investment objectives are likely to evolve over time, it will be important to review this Investment Policy Statement regularly to ensure that your investments continue to meet your time horizon and risk tolerance.

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Name of investor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of investment advisor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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.

Franklin Quotential is a registered trademark of Franklin Templeton Investments Corp. (FTIC). In Canada, the portfolio advisor for the Franklin Templeton Investment Solutions (FTIS) mandates, such as Quotential Portfolios, is FTIC.



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