FRANKLIN TEMPLETON

ETF FACTS

Manager: Franklin Templeton Investments Corp.

Franklin Canadian Government Bond Fund - ETF Series

May 15, 2026

This document contains key information you should know about the ETF Series of Franklin Canadian Government Bond Fund. You can find more details about this series in its simplified prospectus. Ask your representative for a copy, contact Franklin Templeton Investments Corp. (Franklin Templeton) at 1.800.387.0830 or service.CAN.franklintempleton@fisglobal.com or visit www.franklintempleton.ca.

Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.

Quick facts

Date series started:	August 04, 2024	**Fund manager:**	Franklin Templeton Investments Corp.
Total value of the fund on March 31, 2026:	$500.5 Million	**Portfolio manager:**	Franklin Templeton Investments Corp.
Management expense ratio (MER):	0.23%	**Distributions:**	Monthly

Trading information (12 months ending March 31, 2026)

Ticker symbol:	FGOV	**Average daily volume:**	306 units
Exchange:	TSX	**Number of days traded:**	251 out of 251 trading days
Currency:	Canadian Dollars		

Pricing information (12 months ending March 31, 2026)

Market price:	$20.29 - $21.19	**Average bid-ask spread:**	-0.01%
Net asset value (NAV):	$20.29 - $21.19		

For more up-to-date Quick Facts, Trading Information and Pricing Information, visit www.franklintempleton.ca/en-ca/investor/products/etf/.

What does the ETF invest in?

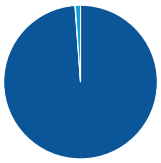
The Fund seeks current income, liquidity and modest capital appreciation by investing primarily in bonds issued by Canadian federal, provincial and municipal governments and government agencies, mortgage-backed securities and real return bonds.

The charts below give a snapshot of the fund's investments on March 31, 2026. The fund's investments will change.

Top 10 investments (March 31, 2026)

1.	Cash and cash equivalents	4.83%
2.	OMERS Finance Trust, Senior Note, 1.550%, 04/21/2027	3.62%
3.	Province of Alberta, 3.300%, 12/01/2046	3.20%
4.	Province of Alberta, 3.450%, 12/01/2043	3.16%
5.	Province of Alberta, 3.050%, 12/01/2048	2.75%
6.	Province of Manitoba, 4.650%, 03/05/2040	2.33%
7.	Province of Ontario, 2.700%, 06/02/2029	2.24%
8.	Labrador-Island Link Funding Trust, A, Senior Bond, 3.760%, 06/01/2033	2.18%
9.	OMERS Finance Trust, Senior Bond, 2.600%, 05/14/2029	2.17%
10.	Province of Ontario, Senior Bond, 4.700%, 06/02/2037	2.11%
Total percentage of top 10 investments:		**28.59%**
Total number of investments		**82**

Investment mix (March 31, 2026)



Asset Class

- 98.81% Government Bonds - Fixed Rate
- 0.09% Government Bonds - Strip
- 0.02% Corporate Bonds - Fixed Rate
- 1.08% Short-term securities and all other assets, net

How risky is it?

The value of the fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

Franklin Templeton has rated the volatility of this fund as **low**.

This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

Low	Low to Medium	Medium	Medium to High	High

For more information about the risk rating and specific risks that can affect the fund's returns, see the investment risk classification methodology section of the fund's simplified prospectus.

No guarantees

Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the ETF performed?

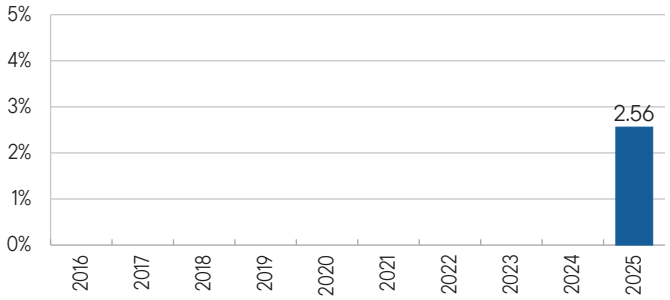
This section tells you how ETF Series units of the fund have performed, over the past 1 year.

Returns* are after expenses have been deducted. These expenses reduce the ETF Series' returns.

* Returns are calculated using the ETF Series' net asset value (NAV).

Year-by-year returns

This chart shows how ETF Series units of the fund have performed in the past 1 year. The series did not drop in value in the past 1 year. The range of returns and change from year to year can help you assess how risky the ETF Series has been in the past. It does not tell you how the ETF Series will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for the units of the ETF Series in a 3-month period over the past 1 year. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ending	If you invested $1,000 at the beginning of the period
Best return	3.50%	October 31, 2025	Your investment would rise to $1,035
Worst return	-1.35%	May 31, 2025	Your investment would drop to $987

Average return

The annual compounded return of units of the ETF Series was 4.83% since inception. If you had invested $1,000 in the ETF Series since inception, your investment would be now worth $1,098.

Trading ETFs

Exchange traded series hold a basket of investments, like mutual funds, but trade on exchanges like stocks. Here are a few things to keep in mind when trading exchange traded series:

Pricing

Exchange-traded series have two sets of prices: market price and net asset value (NAV).

Market price

- Exchange-traded series are bought and sold on exchanges at the market price. The market price can change throughout the trading day. Factors like supply, demand, and changes in the value of a fund's investments can affect the market price.
- You can get price quotes any time during the trading day. Quotes have two parts: **bid** and **ask**.
- The bid is the highest price a buyer is willing to pay if you want to sell your exchange traded series units. The ask is the lowest price a seller is willing to accept if you want to buy exchange traded series units. The difference between the two is called the "**bid-ask spread**".
- In general, a smaller bid-ask spread means the exchange-traded series is more liquid. That means you are more likely to get the price you expect.

Net asset value (NAV)

- Exchange traded series have a NAV. It is calculated after the close of each trading day and reflects the value of a fund's investments at that point in time.
- NAV is used to calculate financial information for reporting purposes – like the returns shown in this document.

Orders

There are two main options for placing trades: market orders and limit orders. A market order lets you buy or sell units at the current market price. A limit order lets you set the price at which you are willing to buy or sell units.

Timing

In general, market prices of exchange traded series can be more volatile around the start and end of the trading day. Consider using a limit order or placing a trade at another time during the trading day.

Who is this ETF for?

Consider this fund if you are an investor:

- seek a Canadian government bond fund that pursues interest income and some capital gains
- planning to hold the investment for the medium term

A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan such as a Registered Retirement Savings Plan, or a Tax-Free Savings Account.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

This section shows the fees and expenses you could pay to buy, own and sell ETF Series units of the fund. Fees and expenses – including trailing commissions – can vary among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. BROKERAGE COMMISSIONS

You may have to pay a commission every time you buy and sell units of the fund. Commissions may vary by brokerage firm. Some brokerage firms may offer commission-free funds or require a minimum purchase amount.

2. ETF EXPENSES

You don't pay these expenses directly. They affect you because they reduce the ETF Series' returns.

As of December 31, 2025, the ETF Series' expenses were 0.23% of its value. This equals $2.30 for every $1,000 invested.

	Annual rate (as a % of the series' value)
Management expense ratio (MER) This is the total of the management fee (including trailing commission), fixed administration fee and any operating expenses not covered by the fixed administration fee.	0.23%
Trading expense ratio (TER) These are the fund's trading costs.	–
Fund expenses	**0.23%**

3. TRAILING COMMISSION

The trailing commission is an ongoing commission. It is paid for as long as you own ETF Series units of the fund. It is for the services and advice that your representative and their firm provide to you.

The ETF Series of the fund doesn't have a trailing commission.

4. OTHER FEES

No other fees are payable when you buy, hold, sell or switch ETF Series units of the fund.

What if I change my mind?

Under securities law in some provinces and territories, you have the right to cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase or, in some jurisdictions, claim damages, if the simplified prospectus, ETF Facts or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact Franklin Templeton or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the ETF Facts make up the fund's legal documents.

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