

**Fund Fact Sheet**

For the source and calculation basis of Fund information, please refer to the \*Explanatory Notes section.

**Fund Overview**

Base Currency for Fund	USD
Total Net Assets (USD)	1.25 billion
Fund Inception Date	01.07.1999
Number of Issuers	100
Benchmark	Linked 50% USA High Div Yield + 25% High Yield Very Liquid + 25% US Agg Index
Morningstar Category™*	USD Moderate Allocation
Distribution Yield* – A (Mdis) USD	6.07%

**Summary of Investment Objective**

The Fund aims to maximise income while maintaining prospects for capital appreciation by investing primarily in equity securities and long and short-term debt securities. The Fund may invest up to 25% of its net assets in non-U.S. securities.

**Fund Management\***

Edward D. Perks, CFA: United States  
Brendan Circle, CFA: United States  
Todd Brighton, CFA: United States

**Ratings - A (Mdis) USD**

Overall Morningstar Rating™\*: ★★★★★

**Asset Allocation\***

Equity	50.06%
Fixed Income	28.60%
Convertibles/Equity-Linked Notes	20.51%
Cash & Cash Equivalents	0.83%

**Offering Documents**

**Risk Considerations**

- Franklin Income Fund invests principally in equity securities of companies from a variety of industries, stocks with attractive dividend yields, long and short-term debt securities and debt securities that are rated below investment grade or unrated.
- The Fund is subject to debt securities risk, market risk, equity risk, credit risk, foreign currency risk, convertible securities risk, structured notes risk, securities lending risk and class hedging risk.
- Security lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out, which may result in a substantial loss to the Fund.
- The Fund may at its discretion pay dividends out of the capital or out of gross income of the Fund while paying all or part of the Fund's fees and expenses out of the capital of the Fund, which results in effectively paying dividends out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share.
- Investment involves risks which may result in loss of part or entire amount of your investment. Before you decide to invest, you should make sure the intermediary has explained to you that the Fund is suitable to you. Investors should not only base on this marketing material alone to make investment decisions.

**Performance\***
**Performance over 5 Years in Share Class Currency (%)**

Franklin Income Fund A (Mdis) USD


**Performance in Share Class Currency (%)**

	Cumulative	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incept
A (Mdis) USD	4.31	1.95	8.54	10.84	39.00	48.11	201.73	
Benchmark in USD	1.18	-0.40	9.76	20.30	47.26	106.83	230.86	

**Calendar Year Performance in Share Class Currency (%)**

	2020	2019	2018	2017	2016
A (Mdis) USD	1.26	13.90	-7.31	8.70	13.00
Benchmark in USD	4.64	17.58	-1.90	12.37	7.38

**Top Ten Holdings\* (% of Total)**

Issuer Name	
COMMUNITY HEALTH SYSTEMS, INC.	5.24
JPMORGAN CHASE & CO.	3.23
BROADCOM INC.	2.63
EXXON MOBIL CORPORATION	2.49
CHEVRON CORPORATION	2.39
RAYTHEON TECHNOLOGIES CORPORATION	2.28
CVS HEALTH CORPORATION	2.00
SOUTHERN COMPANY	1.91
TENET HEALTHCARE CORPORATION	1.91
BANK OF AMERICA CORP	1.87

**Fund Measures**

Price to Earnings (12-mo Trailing)	21.27x
Price to Book	2.21x
Price to Cash Flow	9.26x
Average Credit Quality*	BB-
Average Duration	3.31 Years
Average Weighted Maturity	3.72 Years
Yield to Maturity	4.87%
Standard Deviation (5 Yrs)	9.64%

**Share Class Information**

Share Class	Incept Date	NAV	TER (%)	Fees				Dividends		Fund Identifiers	
				Max. Sales Charge (%)	Mgmt. Fee (%)	Max. Maint. Charge (%)	Max. Serv. Charge (%)	Last Paid Date	Last Paid Amount	ISIN	
A (Mdis) USD	01.07.1999	USD 10.88	1.71	5.00	0.85	0.50	N/A	15.02.2021	0.0550	LU0098860793	

For the source and calculation basis of Fund information, please refer to the \*Explanatory Notes section.

### Share Class Information (continued)

Share Class	Incept Date	NAV	TER (%)	Fees				Dividends		Fund Identifiers
				Max. Sales Charge (%)	Mgmt. Fee (%)	Max. Maint. Charge (%)	Max. Serv. Charge (%)	Last Paid Date	Last Paid Amount	
A (Mdis) AUD-H1	09.01.2015	AUD 8.44	1.68	5.00	0.85	0.50	N/A	15.02.2021	0.0430	LU1162222050
A (Mdis) HKD	18.01.2019	HKD 9.76	1.68	5.00	0.85	0.50	N/A	15.02.2021	0.0490	LU1929549753
B (Mdis) USD	14.05.2001	USD 9.65	3.02	N/A	0.85	0.75	1.06	15.02.2021	0.0490	LU0128532388

### Composition of Fund\*

Sector—Equity	% of Total	Market Capitalisation Breakdown in USD	% of Equity
Financials	11.80	<2.0 Billion	2.68
Information Technology	9.94	2.0-5.0 Billion	0.89
Utilities	9.39	5.0-10.0 Billion	2.16
Health Care	8.78	10.0-25.0 Billion	1.93
Energy	6.68	25.0-50.0 Billion	6.60
Industrials	6.32	>50.0 Billion	84.74
Consumer Staples	5.48	N/A	1.00
Communication Services	4.98		
Consumer Discretionary	4.10		
Others	3.11		
Sector—Fixed Income	% of Total		
High Yield Corporates	21.01		
Investment Grade Corporates	5.69		
Mortgage-Backed Securities	1.90		

### Important Information

Unless stated otherwise, all information is as of the publishing date of this document. Source: Franklin Templeton.

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Any share class with "H1" in its name will attempt to hedge the currency risk between the base currency of the Fund and the currency of the share class, although there can be no guarantee that it will be successful in doing so. In some cases, investors may be subject to additional risks.

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### \*Explanatory Notes

**Performance:** Performance information is based on the stated share class only, in Fund Currency, NAV to NAV, taking into account of dividend reinvestments and capital gain or loss.

When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

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**Distribution Yield:** The Distribution Yield refers to annualized yield. The Distribution Yield is based on the most recent month's distribution and shown as an annualized percentage as of the date shown. It does not include any preliminary charge and investors may be subject to tax on distributions. Information is historical and may not reflect current or future distributions. The formula for calculating Distribution Yield of the stated share class:  $(nr/p) \times 100$ .  $r$  = last dividend paid;  $p$  = month end NAV;  $n$  = distribution frequency.  $n = 12$  for monthly distribution;  $n = 4$  for quarterly distribution;  $n = 1$  for yearly distribution.

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**Benchmark:** The Linked 50% USA High Div Yield + 25% High Yield Very Liquid + 25% US Agg Index is composed of the Linked Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg Barclays High Yield Very Liquid Index + 25% Bloomberg Barclays US Aggregate Index.

**Performance:** Effective 1 February 2019, the Fund's benchmark is Linked Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg Barclays High Yield Very Liquid Index + 25% Bloomberg Barclays US Aggregate Index. The benchmark performance shown is derived from a combination of the Custom 50% S&P 500 + 50% Bloomberg Barclays US Aggregate Index from the fund's inception to 31 January 2019 and the Blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg Barclays High Yield Very Liquid Index + 25% Bloomberg Barclays US Aggregate Index from 1 February 2019 to current reporting period.

**Top 10 Holdings:** These securities do not represent all of the securities purchased, sold or recommended for clients, and the reader should not assume that investment in the securities listed was or will be profitable. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top holdings list.

**Fund Measures:** The average credit quality (ACQ) rating may change over time. The portfolio itself has not been rated by an independent rating agency. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying bonds and generally ranges from AAA (highest) to D (lowest). For unrated bonds ratings may be assigned based on the ratings of the issuer or other relevant factors. The ACQ is determined by assigning a sequential integer to all credit ratings AAA to D, taking a simple, asset-weighted average of debt holdings by market value and rounding to the nearest rating. The risk of default increases as a bond's rating decreases, so the ACQ 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 is provided for informational purposes only. Derivative positions are not reflected in the ACQ.

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.

**Asset Allocation/Composition of Fund:** Due to rounding, the sum of portfolio may not equal 100%.