



A unique approach to investing

Franklin Rising Dividends Fund



Not FDIC Insured | No Bank Guarantee | May Lose Value

“We believe the fund’s long-term success is due to our absolute focus on the investment criteria and adherence to our process.”

Matt Quinlan, Lead Portfolio Manager

The strategy

Franklin Rising Dividends Fund

Consistent and robust dividend growth is a likely marker for earnings growth, good corporate governance and a resilient business model. While other funds may screen for past dividend performance, Franklin Rising Dividends Fund has a history of identifying dividend-paying companies we believe are poised for sustainable growth on a forward-looking basis.

The fund aims to provide investors with long-term capital appreciation by investing in financially sound, primarily US-based companies generating consistent dividend increases. We believe our ability to select these dividend-paying companies with long-term growth prospects, and not overpay based on our valuation analysis, can lead to strong risk-adjusted results. This approach to bottom-up stock selection has provided risk mitigation in down markets while delivering competitive returns.



Consistent dividend increases

Fund managers believe that companies with consistently increasing dividends should also realize an increase in the price of their shares. They look for companies that **increased their dividend in at least 8 of the previous 10 years**, without any decrease.



Reinvested earnings for future growth

A company's payment of dividends must be less than 65% of earnings. In other words, a company must **reinvest at least 35% of its earnings** in its own future growth. Since earnings growth often fuels a rising dividend, the fund's management believes companies that reinvest a sizable portion of earnings should also enjoy better long-term prospects.



Substantial dividend increases

The team seeks companies that have at least **doubled their dividends over the previous 10 years**. Generally, the greater the rate of the increase over time, the greater the correlation to its positive effect on share price.



Attractive price

Additionally, fund managers utilize a comprehensive suite of valuation tools to seek companies trading below their view of intrinsic value.



Strong balance sheet

Companies with relatively low debt levels generally pose less financial risk. Fund managers look for companies with **long-term debt that is no more than 50% of their total capitalization**, or senior debt that is rated investment grade or higher.

The information provided is for illustrative purposes. There is no guarantee these objectives will be met.

The benefits

Portfolio of select dividend growth companies

Fund managers seek to invest in resilient companies with consistent and robust dividend growth for their long-term capital appreciation potential.

Top 10 Holdings¹

As of December 31, 2024

	Weight	Dividend Yield*	DIVIDEND INCREASE		
			Year-over-Year	10-Yr. Avg. Annual	15-Yr. Avg. Annual
Microsoft Corp.	8.68%	0.75%	10.49%	10.35%	12.78%
Broadcom Inc.	3.67%	0.91%	14.40%	33.97%	N/A
Visa Inc, Class A	3.06%	0.68%	14.97%	17.74%	21.92%
Stryker Corp.	2.87%	0.90%	6.23%	9.90%	18.62%
UnitedHealth Group Incorporated	2.85%	1.62%	12.21%	19.26%	45.34%
Apple Inc.	2.80%	0.40%	4.21%	7.93%	N/A
Accenture Plc, Class A	2.76%	1.52%	15.05%	11.14%	17.12%
Roper Technologies, Inc.	2.72%	0.59%	9.92%	13.72%	15.76%
Linde plc	2.64%	1.33%	9.02%	7.90%	8.66%
Texas Instruments Incorporated	2.54%	2.81%	4.78%	15.55%	17.81%

Source: Franklin Templeton. A stock's dividend is not guaranteed and can increase, decrease or be totally eliminated without notice. **Past performance is not an indicator or a guarantee of future performance.** Portfolio holdings are subject to change. For the fund's most recent portfolio information, please call Franklin Templeton at (800) DIAL BEN/342-5236 or visit franklintempleton.com.

*Dividend yield equals the sum of the four most recent quarterly dividends divided by the share price. 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. High-dividend stocks may not experience the same capital appreciation as non-dividend paying stocks during periods of high growth of equities.

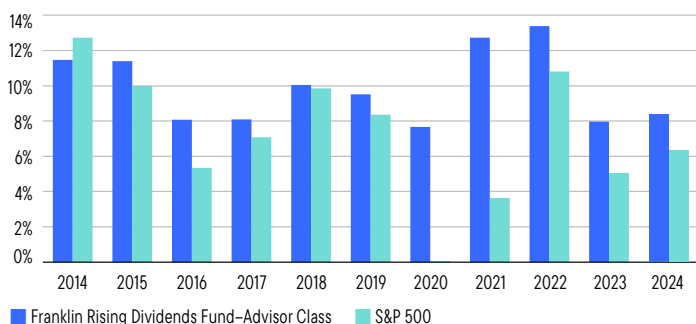
Emphasis on financially-sound companies and robust dividend growth

Consistent dividend increases suggest the enduring viability of a company's products or services both over time and across a wide variety of economic conditions. The dividend growth of the fund's holdings exceeded that of the benchmark in each of the last ten years.

Fund Holdings Dividend Growth Rate Typically Outpaced the S&P 500 Index²

Weighted Average Dividend per Share (DPS) Growth³

December 31, 2014–December 31, 2024



1. Holdings of the same issuer have been combined, unless otherwise noted. Information is historical and may not reflect current or future portfolio characteristics. The information provided is not a recommendation to purchase, sell or hold any particular security.

Advisor Class shares are only offered to certain eligible investors as stated in the prospectus. They are offered without sales charges or Rule 12b-1 fees. The fund offers multiple share classes, which are subject to different fees and expenses that will affect their performance. Please see the prospectus for details.

2. Source: FactSet, 12/31/2024.

3. Dividend per share (DPS) is the sum of declared dividends issued by a company for every ordinary share outstanding. In calculating a weighted average, each number in the data set is multiplied by a predetermined weight before the final calculation is made.

The results

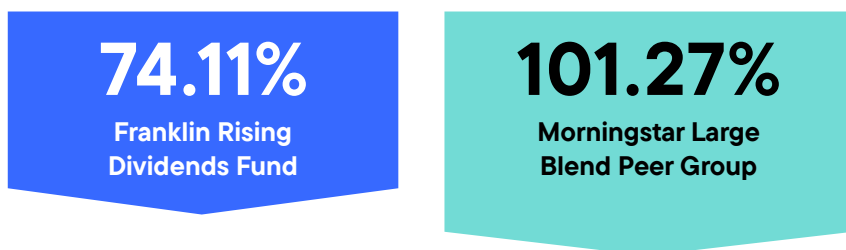
A strong record of risk mitigation

Over the last 25 years, Franklin Rising Dividends Fund had a significantly lower downside capture ratio than its Morningstar Large Blend category peer group average. Downside capture ratio measures the fund's performance relative to the benchmark S&P 500 Index in a down market; the lower the fund's ratio, the better the manager's risk management of capital during a market decline.

Downside Capture Ratios vs. S&P 500^{4,5}

Franklin Rising Dividends Fund—Advisor Class

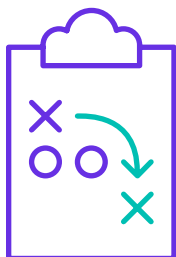
25-Year Period Ending December 31, 2024



Source: Franklin Templeton Capital Markets Insight Group. **Past performance is not an indicator or a guarantee of future performance.**

A good defense

6.99% less volatile than the S&P 500 Index over the 25-year period as measured by standard deviation



Can be the best offense

67.30% higher (25-year) cumulative return than the S&P 500 Index

115.43% higher (25-year) cumulative return than its Morningstar Large Blend peer group average

Source: Franklin Templeton Capital Markets Insight Group. The cumulative return is the aggregate amount that an investment has gained or lost over a set time. Advisor Class shares are only offered to certain eligible investors as stated in the prospectus. They are offered without sales charges or Rule 12b-1 fees. The fund offers multiple share classes, which are subject to different fees and expenses that will affect their performance. Please see the prospectus for details. **Past performance is not a guarantee of future results.** Standard deviation reflects a fund's volatility. It shows how far the returns deviate from the expected returns based on its past performance. The higher the standard deviation, the higher the fund's volatility.

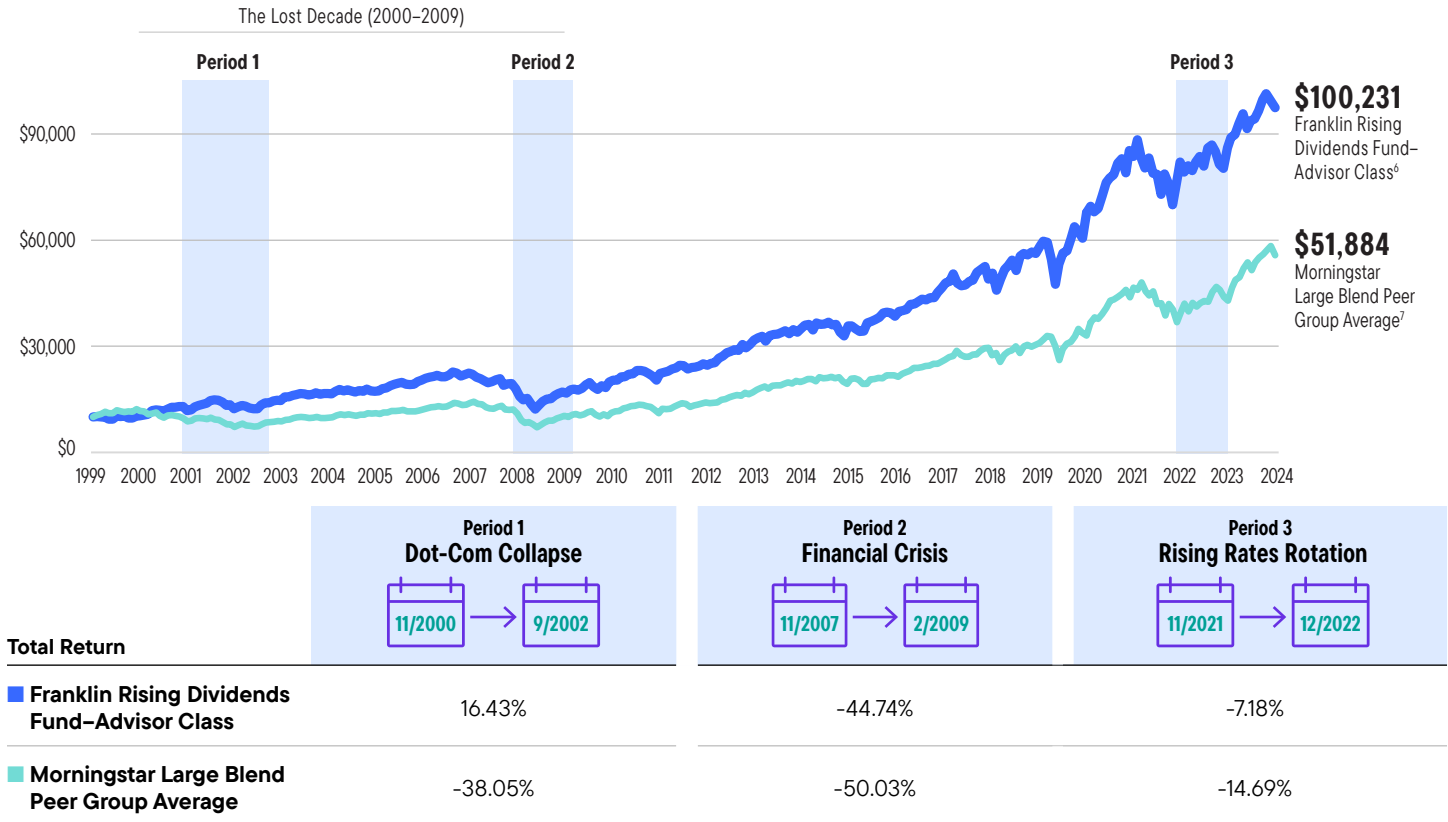
4. Source: © 2025 Morningstar. All rights reserved. The S&P 500 Index is the Fund's benchmark. Indexes are unmanaged and one cannot invest directly in an index. Returns data represents cumulative total returns and assumes reinvestment of dividends. The Morningstar Large Blend Peer Group is based on the performance of all share classes of all funds within a Morningstar classification. It reflects the effect of any expense waivers and does not include sales charges. Important data provider notices and terms available at www.franklintempletondatasources.com.

5. The downside capture ratios are based on monthly returns and calculated against the S&P 500 Index, which represents the US equity market. The ratio explains how a portfolio performed in time periods where the benchmark's returns were less than zero. A downside capture ratio of less than 100 indicates that a fund lost less than its benchmark during periods of losses for the benchmark.

The results (cont'd)

Growth of a \$10,000 Investment

Advisor Class (25-year Period Ended December 31, 2024)



Source: Franklin Templeton Capital Markets Insight Group. Period start and end dates defined by peak to trough of MSCI World Index.

Performance data quoted represents past performance, which 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. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please call Franklin Templeton at (800) DIAL BEN/342-5236 or visit www.franklintempleton.com.

Long-term track record

The results are based on the Franklin Rising Dividends Fund-Advisor Class vs. the S&P 500 over monthly 10-year rolling periods (180 total rolling periods) from December 31, 2009, through December 31, 2024.

The Franklin Rising Dividends Fund has had



100% positive results
over 180 rolling time periods.

The S&P 500 has had 10 negative periods over the same time frame.

6. **Advisor Class:** Effective 10/3/05, the fund began offering Advisor Class shares. For periods prior to the fund's Advisor Class inception date, a restated figure is used based on the fund's oldest share class, Class A performance, excluding the effect of Class A's maximum initial sales charge but reflecting the effect of the Class A Rule 12b-1 fees; and for periods after the fund's Advisor Class inception date, actual Advisor Class performance is used, reflecting all charges and fees applicable to that class.

7. Source: © 2025 Morningstar. All rights reserved. The S&P 500 Index is the Fund's benchmark. Large Blend Peer Group is the Morningstar US Fund Large Blend Category, which consisted of 595 funds for this period, based on the performance of all share classes of all funds within the classification. It reflects the effect of any expense waivers and does not include sales charges. Returns data assumes reinvestment of dividends.

Franklin Rising Dividends Fund highlights

High Active Share Score^{8, 9}

73%

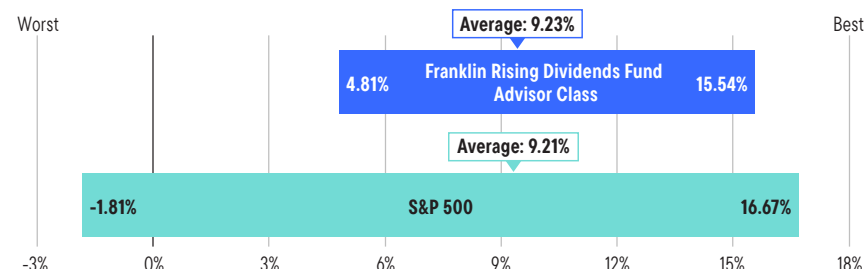
Active share quantifies how differently a fund invests from its benchmark—the higher a fund's active share, the greater the difference.

Source: Franklin Templeton Capital Markets Insight Group. As of December 31, 2024.

Best-Average-Worst Rolling 10-Year Period¹⁰

Annualized Returns

25-Year Period Ending December 31, 2024



Average Annual Total Returns

(As of December 31, 2024)

Advisor Class	1-Year	5-Year	10-Year	15-Year	Since Inception*
Class A					
With Sales Charge ¹¹	4.73	9.11	9.70	11.39	9.54
Without Sales Charge	10.82	10.35	10.33	11.81	9.70
Class C					
With Sales Charge	9.00	9.53	9.50	10.98	9.45
Without Sales Charge	10.00	9.53	9.50	10.98	9.45

Advisor Class	30-Day SEC Yield ¹²	
	With Waiver	Without Waiver
Class A	1.13	1.12
Class C	0.81	0.80
	0.05	0.05

Sales Charges: Advisor Class: None. Class A: Maximum 5.50% initial sales charge; Class C: 1% contingent deferred sales charge (CDSC) in the first year only.

Total Annual Operating Expenses (Gross/Net)¹³: Advisor Class: 0.60%/0.59% Class A: 0.85%/0.84%; Class C: 1.60%/1.59%

*Inception Dates Advisor Class: 1/14/87; Class A: 1/14/87; Class C: 5/1/95. Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 01/31/2025 without Board consent.

Performance data quoted represents past performance, which 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. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please call Franklin Templeton at (800) DIAL BEN/342-5236 or visit www.franklintempleton.com.

8. Important data provider notices and terms available at www.franklintempletondatasources.com. Past performance is not an indicator or a guarantee of future performance. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

9. Source: © 2025 Morningstar as of 12/31/2024. The Active Share Score represents the portion of stock holdings in an actively managed fund that differs from its benchmark index. Active share scores range from 0 to 100. An active share score of 0 indicates a portfolio that is identical to its primary benchmark index, while an active share score of 100 represents a portfolio composition that holds no overlapping positions. Different position allocation amounts contribute to active share score and are subject to change. A high active share score does not guarantee positive fund performance, or that a fund will outperform its benchmark index. Active shares may be a useful metric for investors to consider, along with other information, to evaluate whether to invest in a particular fund, but does not serve as a predictor of excess return or manager skill.

10. Chart compares the best, average and worst rolling 10-year returns for the Fund vs. the S&P 500 Index for the 25-year period ending 12/31/2024.

11. Prior to 9/10/18, Class A shares were offered at a higher initial sales charge of 5.75%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 5.50%.

12. 30-Day SEC Yield is calculated using the net income (interest and dividends) per share earned over a trailing 30-day period (annualized), divided by the fund's share price at the end of that period. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders. Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 1/31/2025 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

13. The total annual operating expenses are as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns.

Before investing, carefully consider a Fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at www.franklintempleton.com. Please read it carefully.

All investments involve risks, including possible loss of principal. Value securities may not increase in price as anticipated or may decline further in value. For stocks paying dividends, **dividends** are not guaranteed, and can increase, decrease or be totally eliminated without notice. While **smaller and midsize companies** may offer substantial opportunities for capital growth, they also involve heightened risks and should be considered speculative. Historically, smaller- and midsize-company securities have been more volatile in price than larger company securities, especially over the short term. **The manager's portfolio selection strategy is not solely based on ESG considerations**, and therefore the issuers in which the fund invests may not be considered ESG-focused companies. **Integrating ESG considerations into the investment process is not a guarantee that better performance will be achieved.** These and other risks are detailed in the fund's prospectus.

Different share classes of funds may be subject to different sales and distribution charges and achieve different returns. Certain share classes are only offered to eligible investors as stated in the prospectus.

This material has been provided for informational purposes and should not be construed as investment advice or a recommendation of any particular investment product, strategy, investment manager or account arrangement. Prospective investors should consult a legal, tax or financial professional in order to determine whether an investment product or service is appropriate for a particular situation.



(800) 342-5236
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Franklin Rising Dividends Fund Symbols:

Advisor: FRDAX
Class A: FRDPX
Class C: FRDTX
Class R: FRDRX
Class R6: FRISX