

FRANKLIN TEMPLETON ETF TRUST

March 31, 2024



FRANKLIN
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Franklin Disruptive Commerce ETF

Franklin Dynamic Municipal Bond ETF

Franklin Exponential Data ETF

Franklin Focused Growth ETF

Franklin Genomic Advancements ETF

Franklin High Yield Corporate ETF

Franklin Income Focus ETF

Franklin Intelligent Machines ETF

Franklin International Aggregate Bond ETF

Franklin Investment Grade Corporate ETF

Franklin Municipal Green Bond ETF

Franklin Senior Loan ETF

Franklin Systematic Style Premia ETF

Franklin U.S. Core Bond ETF

Franklin U.S. Low Volatility ETF

Franklin U.S. Treasury Bond ETF

Franklin Ultra Short Bond ETF

The Securities and Exchange Commission has adopted new regulations that will result in changes to the design and delivery of annual and semiannual shareholder reports beginning in July 2024.

If you have previously elected to receive shareholder reports electronically, you will continue to do so and need not take any action.

Otherwise, paper copies of the Fund's shareholder reports will be mailed to you beginning in July 2024. If you would like to receive shareholder reports and other communications from the Fund electronically instead of by mail, you may make that request at any time by contacting your financial intermediary (such as a broker-dealer or bank).

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Visit **franklintempleton.com** for fund updates and documents, or to find helpful financial planning tools.

Not FDIC Insured | May Lose Value | No Bank Guarantee

Franklin Disruptive Commerce ETF

This annual report for Franklin Disruptive Commerce ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in equity securities of companies that are relevant to the Fund's investment theme of disruptive commerce. The Fund invests predominantly in common stock.

Q. What were the overall market conditions during the Fund's reporting period?

A. For the year ended March 31, 2024, U.S. and global stock markets experienced a variety of conditions on their way to solid gains that were in the 24% to 30% range, based on broad equity indexes (in U.S. dollar terms). U.S. equities were at the high end of that range and generally outperformed their non-U.S. counterparts. The year started with concerns over the banking system, corporate profitability and multi-year high interest rates. Economic activity remained robust enough for most of the world to avoid recession despite higher borrowing costs as elevated inflation gradually subsided, and major central banks continued to hike policy rates.

As the year progressed, equity markets began to fare better than anticipated, supported by enthusiasm around artificial intelligence (AI), plenty of cash on the sidelines, and resilient (though uneven) economic growth, particularly in the U.S. However, risks were still evident with potential tipping points linked to increased pressure on corporate profits, households eating through excess savings, expanding geopolitical tensions, and sluggish economic activity in key economies such as China, Europe and Japan. By March 2024, global equities had risen for a fifth consecutive month amid reduced volatility, aided in part by several central banks signaling interest-rate cuts were likely to occur later this year. In particular, the U.S. Federal Reserve (Fed) shifted its monetary policy, moving from a tightening stance early in the period to a more neutral one in July, when it said that the post-pandemic tightening cycle was finished.

Q. How did we respond to these changing market conditions?

A. We are not focused on short-term market fluctuations but rather emphasize picking the best stocks based on fundamentals.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +34.42% based on market price and +34.26% based on net asset value (NAV). In comparison, the Russell 3000® Index, which measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization, posted a +29.29% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 5.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Broadline Retail	21.6%
Hotels, Restaurants & Leisure	14.2%
Ground Transportation	10.1%
Trading Companies & Distributors	9.9%
Financial Services	9.8%
Software	7.0%
IT Services	6.5%
Consumer Staples Distribution & Retail	5.2%
Commercial Services & Supplies	3.9%
Entertainment	3.2%
Interactive Media & Services	2.9%
Other	5.0%
Other Net Assets	0.7%

1. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 113.

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Amazon.com, Inc. <i>Broadline Retail</i>	10.1%
Uber Technologies, Inc. <i>Passenger Ground Transportation</i>	7.5%
Shopify, Inc. <i>Internet Services & Infrastructure</i>	6.5%
DoorDash, Inc. <i>Restaurants</i>	5.8%
WW Grainger, Inc. <i>Trading Companies & Distributors</i>	5.3%
Costco Wholesale Corp. <i>Consumer Staples Merchandise Retail</i>	5.2%
Fastenal Co. <i>Trading Companies & Distributors</i>	4.6%
MercadoLibre, Inc. <i>Broadline Retail</i>	3.9%
Copart, Inc. <i>Diversified Support Services</i>	3.9%
Booking Holdings, Inc. <i>Hotels, Resorts & Cruise Lines</i>	3.8%

Q. What were the leading contributors to performance?

A. Three of the Fund's four primary sector allocations were also its strongest contributors to absolute returns: industrials, consumer discretionary and information technology (IT). Industrials holdings had the highest overall returns for the year, led by innovative ground transportation and logistics companies such as Uber Technologies and XPO. Trading companies and distributors such as W.W. Grainger and Fastenal further boosted our results in industrials, as did Copart in the commercial services and supplies industry. Some of these key contributors more than doubled in value during the year under review.

The Fund's core consumer discretionary holdings had mixed but overall positive returns that were aided foremost by hotels, restaurants and leisure-related names such as DoorDash and Booking Holdings. Amid a wide disparity of returns in the broadline retail industry, our positions in e-commerce conglomerates such as Amazon.com, Latin America-focused MercadoLibre, and China-based PDD Holdings (known for its Pinduoduo and Temu online marketplaces) had the largest positive impact. Commerce-oriented IT companies like Shopify (merchant services tech) and software firms like Manhattan Associates (cloud-based supply chain solutions) were also important contributors.

Elsewhere in the portfolio, the consumer staples sector was not a major fund focus, but our two related holdings enjoyed exceptional one-year rallies, including standout contributor Costco Wholesale. To a lesser extent, our even smaller exposures to materials and real estate companies also fared well in aggregate as all related holdings traded higher. Mixed results in the communication services sector were aided by gains for three out of six positions, with Meta Platforms (purchased during the period) providing the biggest boost to absolute returns. And while our financials sector holdings were down for the year, their overall losses were mitigated by solid returns for fintech and credit card giants Mastercard and Visa.

Q. What were the leading detractors from performance?

A. Financials and communication services stocks were net detractors, though their negative impact was minor given the magnitude of the Fund's overall gain for the year; when combined, they reduced the portfolio's absolute return by less than one percentage point. Seven out of 10 financials sector holdings hindered results, none more so than Adyen and Flywire (bought and sold during the period). In communication services, entertainment industry stocks—including Sea Limited (sold by period-end) and Roblox—were generally weak, though key contributor Netflix provided a measure of relief with its robust countervailing rally. In the interactive media and services space, Shutterstock and Tencent Holdings were the worst of three net detractors.

The rest of the key detractors served to reduce our overall gains in other sectors, and they were centered on e-commerce names such as Etsy, Alibaba Group Holding and JD.com. Specialty retailers also fared poorly as all four related holdings traded lower; the group featured large losses for pet-focused companies Chewy and Petco Health & Wellness ahead of their eventual liquidation, thereby denting overall results in the consumer discretionary sector.

Q. Were there any significant changes to the Fund during the reporting period?

A. The Fund's exposure to ground transportation stocks nearly doubled this year, thereby lifting our overall exposure to the industrials sector. Other areas of increased exposure included hotels, restaurants and leisure; IT services; and consumer staples.

Conversely, we substantially reduced investments in the financial services industry and the real estate sector, and we eliminated exposure to the air freight and logistics industry with the complete sale of United Parcel Service. We also moved away from specialty retailers by exiting three out of four related holdings, resulting in a tiny, sub-1% exposure to

this industry by March-end. And though none of the Fund's real estate holdings were sold entirely, they were trimmed substantially following a period of gains. Aside from our active equity investments, we also put more cash to work and substantially reduced the portfolio's overall cash position in the process.

Thank you for your participation in Franklin Disruptive Commerce ETF. We look forward to serving your future investment needs.

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (2/27/20), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+34.26%	+34.42%	+34.26%	+34.42%
3-Year	-33.88%	-33.96%	-12.88%	-12.92%
Since Inception (2/25/20)	+30.14%	+30.18%	+6.64%	+6.65%

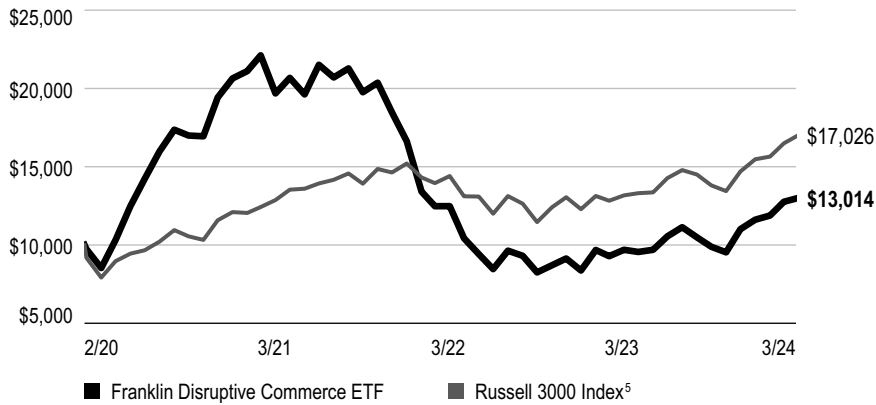
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 7 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

2/25/20-3/31/24



See page 7 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

0.50%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. The Fund's investment strategies incorporate the identification of **thematic investment opportunities**, and its performance may be negatively impacted if the investment manager does not correctly identify such opportunities or if the theme develops in an unexpected manner. By focusing its investments in consumer discretionary-related industries, the Fund carries much greater risks of adverse developments and price movements in such industries than a Fund that invests in a wider variety of industries. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the Fund's performance and result in greater fluctuation in the value of the Fund's shares. The manager may consider **environmental, social and governance (ESG)** criteria in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Source: FactSet. The Russell® Index is market capitalization weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

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Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,316.30	\$2.90	\$1,022.50	\$2.53	0.50%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Dynamic Municipal Bond ETF

This annual report for Franklin Dynamic Municipal Bond ETF covers the fiscal year ended March 31, 2024. Effective 3/1/24, the Fund replaced its stated maturity guideline with a new duration guideline.

Fund Overview

Q. What is the Fund's Investment Strategy?

A. The Fund seeks to provide a high level of current income that is exempt from federal income taxes. Under normal market conditions, the Fund invests at least 80% of its net assets in municipal securities whose interest is free from federal income taxes, including the federal alternative minimum tax.¹ Although the Fund tries to invest all of its assets in tax-free securities, it is possible that up to 20% of the Fund's net assets may be in securities that pay interest that may be subject to the federal alternative minimum tax and, although not anticipated, in securities that pay interest subject to other federal or state income taxes.

Although the Fund does not have restrictions on the maturity of the securities it may buy, the Fund seeks to maintain a dollar-weighted average portfolio maturity of three to 10 years.

Q. What were the overall market conditions during the Fund's reporting period?

A. The 12 months ended March 31, 2024, saw the U.S. Federal Reserve (Fed) turn more cautious in its monetary policy tightening campaign, in an effort to get inflation under control without tipping the economy into recession. The Fed delivered three 25-basis point hikes during the period, the last of which occurred in July 2023 and took the Fed funds target rate to a range of 5.25%–5.50%, a more than 20-year high. Since then, policymakers have maintained a restrictive stance, as the annual headline Consumer Price Index (CPI) declined from 6.0% for February 2023 to 3.2% in February 2024. At its most recent meeting (in March), the Fed still left the policy rate unchanged, and maintained its outlook for three rate cuts in 2024. Additionally, the Fed released updated economic projections, which indicated that policymakers expected the U.S. economy to grow by 2.1% this year, while inflation would continue to ease but still finish

the year above its 2% target. Meanwhile, the U.S. economy remained robust, with real gross domestic product increasing at an annualized rate of 3.4% in the fourth quarter of 2023, underpinned by strong consumer spending.

The municipal (muni) bond market recorded positive total returns over the period under review, helped by a late-year rally in 2023 which was fueled by increased investor optimism that monetary policy tightening had come to an end. For most of the last 12 months, high levels of uncertainty kept fund flows into muni bond retail vehicles negative, though they did turn positive so far in 2024. Moreover, anecdotal feedback suggested that many asset allocators were retaining large cash and cash-equivalent balances, waiting to re-allocate funds to the sector.

Q. How did we respond to these changing market conditions?

A. The past 12 months witnessed high levels of uncertainty. However, market volatility was largely interest-rate driven. Credit fundamentals have remained stable, with robust balance sheets that were supported by significant "rainy-day" funds which, in turn, were bolstered by federal COVID-19 aid, increased during the post-pandemic recovery, and maintained with conservative budgeting and fiscal discipline. Considering our view of the fundamental strength in the muni market, the Fund is consequently tilted toward lower-rated issuers and bonds with no external credit rating. Over the period, we looked for opportunities that had the potential to improve the overall yield of the portfolio and used our rigorous bottom-up research process to help us identify credits that represented good relative value, in our view.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +6.66% based on market price and +6.37% based on net asset value (NAV). In comparison, the Bloomberg Municipal 1-15 Year Index, which is a subset of the Bloomberg Municipal Bond Index (a market value-weighted index of tax-exempt, investment-grade municipal bonds with maturities of one year or more) posted a +2.62% cumulative total return for the same period.² You can find

1. Dividends are generally subject to state and local taxes, if any. For investors subject to alternative minimum tax, a small portion of Fund dividends may be taxable. Distributions of capital gains are generally taxable. To avoid imposition of 28% backup withholding on all Fund distributions and redemption proceeds, U.S. investors must be properly certified on Form W-9 and non-U.S. investors on Form W-8BEN.

2. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 116.

more of the Fund's performance data in the Performance Summary beginning on page 11.

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Portfolio Composition

3/31/24

	% of Total Investments
Industrial Development Revenue and Pollution Control	32.01%
Special Tax	19.55%
Health Care	13.93%
Local	7.94%
Housing	7.42%
Education	7.02%
Cash	3.15%
Transportation	2.92%
State	1.99%
Lease	1.36%
Utilities	1.19%
Other	1.07%
Utility	0.33%
Refunded	0.12%

Q. What were the leading contributors to performance?

A. The Fund's overall credit quality positioning and security selection boosted relative performance over the period. Particularly an overweight allocation to bonds with no external credit rating, as well as overweights to BBB and A rated issuers added to annual returns. Also, security selection within A and BBB rated bonds lifted relative results.

Q. What were the leading detractors from performance?

A. The Fund recorded robust positive performance over the period. However, while yield curve positioning overall supported relative returns, overweight exposure to muni bonds with five years to maturity was a drag on results.

Q. Were there any significant changes to the Fund during the reporting period?

A. There were no significant changes to the Fund's overall

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The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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strategy. While the Fund did amend its duration guidelines, its effective duration did not change materially. However, as we gained more clarity around the Fed's monetary tightening path and became more comfortable that muni fundamentals were generally robust in the face of tighter financing conditions and slowing economic activity, the Fund increased its underweight to investment-grade rated issuers and added to its holdings of bonds with no external credit rating. The Franklin Templeton Fixed Income research team conducts an in-depth analysis of potential investment opportunities and is therefore able to find what they deem to be attractively priced securities from muni issuers with solid underlying credit fundamentals that could weather a period of below-trend growth.

Thank you for your participation in Franklin Dynamic Municipal Bond ETF. We look forward to serving your future investment needs.

Ben Barber, CFA
Daniel Workman, CFA
Francisco Rivera
James Conn, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (9/5/17), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24^{1,2}

	Cumulative Total Return ³		Average Annual Total Return ³	
	Based on NAV ⁴	Based on market price ⁵	Based on NAV ⁴	Based on market price ⁵
1-Year	+6.37%	+6.66%	+6.37%	+6.66%
3-Year	+1.59%	+2.04%	+0.53%	+0.68%
5-Year	+12.36%	+12.94%	+2.36%	+2.46%
Since Inception (8/31/17)	+16.16%	+16.66%	+2.30%	+2.37%

Distribution Rate ⁶	30-Day Standardized Yield ⁷	Taxable Equivalent 30-Day Standardized Yield ⁸
3.66%	3.97%	6.71%

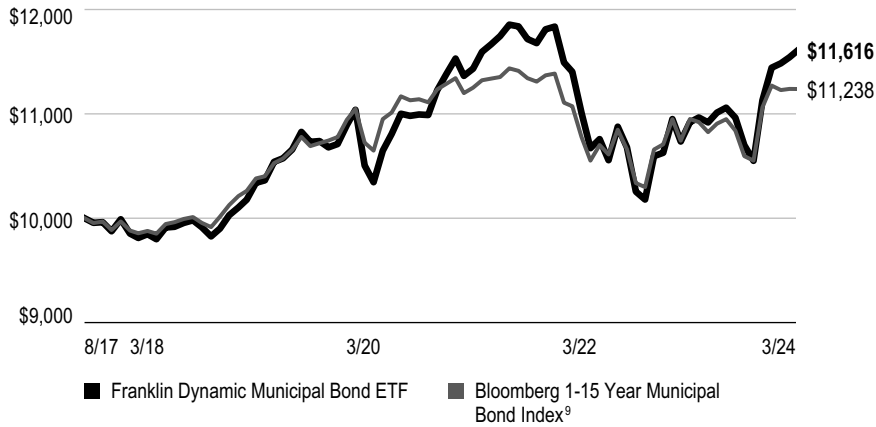
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 13 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

8/31/17-3/31/24



See page 13 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)**Net Investment
Income**

\$0.933883**Total Annual Operating Expenses¹⁰**

0.30%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Unrated debt securities** have less public information and independent credit analysis and they may be subject to a greater risk of illiquidity, price changes or default. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Effective December 1, 2022, the Fund adopted a unified fee structure whereby Management has agreed to reimburse the Fund's acquired fund fees and expenses (if any) and pay all of the ordinary operating expenses of the Fund, excluding: (i) payments under the Fund's Rule 12b-1 plan (if any); (ii) brokerage expenses (including any costs incidental to transactions in portfolio securities or instruments); (iii) taxes; (iv) interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges); (v) litigation expenses (including litigation to which the Trust or a Fund may be a party and indemnification of the Trustees and officers with respect thereto); and (vi) their non-routine or extraordinary expenses.
3. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
4. Assumes reinvestment of distributions based on net asset value.
5. Assumes reinvestment of distributions based on market price.
6. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
7. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
8. Taxable equivalent yield assumes the 2024 maximum federal income tax rate of 37.00% plus 3.80% Medicare tax.
9. Source: FactSet. Bloomberg Municipal 1-15 Year Index is a subset of the Bloomberg Municipal Bond Index, which is a market value-weighted index of tax-exempt, investment-grade municipal bonds with maturities of one year or more.
10. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,085.50	\$1.56	\$1,023.50	\$1.52	0.30%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Exponential Data ETF

This annual report for Franklin Exponential Data ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in equity securities of companies that are relevant to the Fund's investment theme of exponential data. The Fund invests predominantly in common stock.

Q. What were the overall market conditions during the Fund's reporting period?

A. For the year ended March 31, 2024, U.S. and global stock markets experienced a variety of conditions on their way to solid gains that were in the 24% to 30% range, based on broad equity indexes (in U.S. dollar terms). U.S. equities were at the high end of that range and generally outperformed their non-U.S. counterparts. The year started with concerns over the banking system, corporate profitability and multi-year high interest rates. Economic activity remained robust enough for most of the world to avoid recession despite higher borrowing costs as elevated inflation gradually subsided, and major central banks continued to hike policy rates.

As the year progressed, equity markets began to fare better than anticipated, supported by enthusiasm around artificial intelligence (AI), plenty of cash on the sidelines, and resilient (though uneven) economic growth, particularly in the U.S. However, risks were still evident with potential tipping points linked to increased pressure on corporate profits, households eating through excess savings, expanding geopolitical tensions, and sluggish economic activity in key economies such as China, Europe and Japan. By March 2024, global equities had risen for a fifth consecutive month amid reduced volatility, aided in part by several central banks signaling interest-rate cuts were likely to occur later this year. In particular, the U.S. Federal Reserve (Fed) shifted its monetary policy, moving from a tightening stance early in the period to a more neutral one in July, when it said that the post-pandemic tightening cycle was finished.

1. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 132.

Q. How did we respond to these changing market conditions?

A. We are not focused on short-term market fluctuations but rather emphasize picking the best stocks based on fundamentals.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +35.04% based on market price and +34.70% based on net asset value (NAV). In comparison, the Russell 3000[®] Index, which measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization, posted a +29.29% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 18.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Software	49.1%
IT Services	17.1%
Interactive Media & Services	8.9%
Specialized REITs	6.3%
Capital Markets	5.8%
Communications Equipment	3.8%
Wireless Telecommunication Services	2.8%
Other	4.5%
Short-Term Investments & Other Net Assets	1.7%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Microsoft Corp. <i>Information Technology</i>	8.8%
MongoDB, Inc. <i>Information Technology</i>	6.0%
CrowdStrike Holdings, Inc., Class A <i>Information Technology</i>	5.5%
ServiceNow, Inc. <i>Information Technology</i>	5.3%
Datadog, Inc., Class A <i>Information Technology</i>	5.1%
Palo Alto Networks, Inc. <i>Information Technology</i>	4.8%
Alphabet, Inc., Class A <i>Communication Services</i>	4.5%
Meta Platforms, Inc., Class A <i>Communication Services</i>	4.2%
Fair Isaac Corp. <i>Information Technology</i>	4.0%
Equinix, Inc. <i>Real Estate</i>	3.9%

Q. What were the leading contributors to performance?

A. Amid widespread gains, the Fund's two most-dominant industry exposures—software and IT services—also provided the bulk of its overall return (in absolute terms). The value of most software holdings rose by high double-digit percentages, as was the case with key contributors Microsoft, Datadog, ServiceNow, Fair Isaac, Palo Alto Networks, Monday.com and Zscaler. At the same time, our investment in CrowdStrike Holdings—the single-largest contributor of the fiscal year—more than doubled in value. Most IT services holdings also advanced, with the contributions to absolute returns led by MongoDB and Gartner. In the communications equipment industry, a solitary position in Arista Networks enjoyed a huge rally.

Communication services sector holdings also showed plenty of upside as all but one of our holdings traded substantially higher, including Alphabet and Meta Platforms (purchased during the period). A similar pattern emerged in the financials sector, where S&P Global and all but one of our other data-intensive capital markets industry holdings advanced. In the real estate sector, Equinix was the sole outlier to the upside during what was an otherwise lackluster fiscal year for the group.

Q. What were the leading detractors from performance?

A. Across the entire portfolio, there were only 11 detractors of substance; when combined, they had only a modest negative impact on the Fund's overall advance. The gains associated with Equinix were more than offset by the losses from Crown Castle and SBA Communications; all three companies are linked to technology infrastructure—including data centers—within the specialized REITs (real estate investment trusts) industry.

All of the other detractors served to reduce our absolute gains in other industries, including ZoomInfo Technologies, which was the only losing stock among the Fund's communication services sector investments. In the capital markets industry, MSCI was a minor detractor. The rest of the detractors restrained our otherwise robust performance in the IT sector, where Fortinet, Sprout Social and GitLab worked against us in the software industry. In the IT services space, the Fund's holdings in Endava and ThoughtWorks Holding (sold by period-end) sustained major losses, while EPAM Systems (sold by period-end) had a much smaller negative impact on returns. The only other notable detractor was Keysight Technologies, which traded slightly lower for the year and impacted our results in the electronic equipment, instruments and components industry.

Q. Were there any significant changes to the Fund during the reporting period?

A. Software industry holdings increased as a portion of the overall portfolio due to a combination of strong appreciation among existing securities and the addition of new positions (Qualys and Adobe). Interactive media and services holdings also expanded with the purchase of Meta Platforms (Facebook's parent company) and the sharp appreciation associated with our existing stake in Alphabet (Google's parent company).

Commensurate reductions made room for the expansions outlined above, with the largest reductions occurring in specialized REITs, due to depreciation and strategic reductions of existing positions; IT services, through reductions of some key contributors into market strength and the liquidations of underperforming ThoughtWorks Holding and EPAM Systems; and electronic equipment, instruments and components (based on the partial sale and aforementioned depreciation tied to Keysight Technologies).

Thank you for your continued participation in Franklin Exponential Data ETF. We look forward to serving your future investment needs.

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (1/14/21), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+34.70%	+35.04%	+34.70%	+35.04%
3-Year	-2.70%	-2.70%	-0.91%	-0.91%
Since Inception (1/12/21)	-9.16%	-9.04%	-2.95%	-2.91%

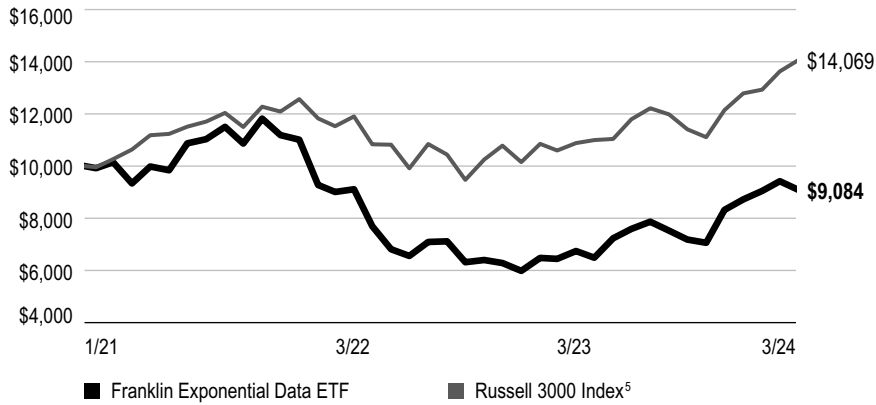
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 20 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

1/12/21-3/31/24



See page 20 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

0.50%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. The Fund's investment strategies incorporate the identification of **thematic investment opportunities**, and its performance may be negatively impacted if the investment manager does not correctly identify such opportunities or if the theme develops in an unexpected manner. By focusing its investments in information technology-related industries, it carries much greater risks of adverse developments and price movements in such industries than a fund that invests in a wider variety of industries. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Source: FactSet. The Russell 3000[®] Index is market capitalization-weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,264.50	\$2.77	\$1,022.55	\$2.48	0.49%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Focused Growth ETF

At a meeting held on June 30, 2023, shareholders of Franklin Focused Growth Fund approved the reorganization of the fund into the newly created exchange-traded fund, Franklin Focused Growth ETF (the “Fund”), a series of Franklin Templeton ETF Trust (the “Reorganization”). The Reorganization occurred after the market close on November 3, 2023, (the “Closing Date”). As approved by the Board of Trustees at a meeting held on November 30, 2023, the fiscal year-end for the Fund was changed to March 31, effective March 31, 2024. This inaugural annual report for the Fund covers the shortened fiscal year for the transitional six-month period between the predecessor mutual fund’s fiscal year-end, September 30, 2023, and March 31, 2024.

Fund Overview

Q. What is the Fund’s investment strategy?

A. The Fund seeks capital appreciation. Under normal market conditions, the Fund invests predominantly in equity securities of companies that the investment manager believes offer compelling growth opportunities.

Q. What were the overall market conditions during the Fund’s reporting period?

A. Global equities collectively posted strong gains during the five-month rally that characterized part of the Fund’s shortened annual reporting period. Better-than-expected corporate earnings reports, growth opportunities tied to artificial intelligence (AI) and optimism about an economic soft landing in certain regions bolstered investor sentiment. Meanwhile, expectations for interest-rate cuts in the U.S. and Europe diminished amid cautious central bank comments, along with some higher-than-anticipated U.S. inflation data. Global manufacturing activity returned to growth in February and flash reports indicated continued expansion in several regions through March, while global services sector activity generally grew at a more resolute pace.

In this environment, equities as measured by the MSCI All Country World Index generated positive returns for the period. All 11 equity sectors rose, led by financials, information technology (IT) and communication services, while utilities and energy were notable laggards. Developed market equities collectively reached a new record high and modestly outperformed on a global basis, while emerging and frontier market equities underperformed. In terms of investment style, global growth stocks generally outpaced their value-oriented counterparts across the market-capitalization spectrum.

Q. How did we respond to these changing market conditions?

A. We are not focused on short-term market fluctuations but rather emphasize picking the best stocks based on fundamentals.

Performance Overview

During the transitional six-month period under review, the Fund posted cumulative total returns of +35.81% based on market price and +35.73% based on net asset value (NAV).¹ In comparison, the Fund’s benchmark, Russell 1000® Growth Index, which measures the performance of the largest 1,000 U.S. companies representing the majority of the U.S. market’s total capitalization, posted a +27.19% cumulative total return.² You can find more of the Fund’s performance data in the Performance Summary beginning on page 25.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

1. The Fund adopted the performance of the predecessor mutual fund as a result of the Reorganization. Prior to the Reorganization, the Fund had not yet commenced operations. The returns shown for periods ended on or prior to November 3, 2023, are those of the predecessor mutual fund. The predecessor mutual fund’s performance is represented by the performance of the predecessor mutual fund’s Advisor Class Shares. Prior to the Fund’s listing on November 6, 2023, the NAV performance of the Class Advisor Shares of the predecessor mutual fund is used as a proxy for the Fund’s market price returns. Had the predecessor mutual fund been structured as an ETF, its performance may have differed.

2. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund’s portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund’s Schedule of Investments (SOI). The SOI begins on page 135.

Geographic Composition*

3/31/24

	% of Total Net Assets
North America	93.2%
Europe	4.4%
Latin America & Caribbean	1.1%
Asia	1.0%
Short-Term Investments & Other Net Assets	0.3%

*Categories within the Other category are listed in full in the Fund's Schedule of Investments (SOI), which can be found later in this report.

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Software	25.3%
Semiconductors & Semiconductor Equipment	22.8%
Interactive Media & Services	11.1%
Broadline Retail	10.4%
Consumer Staples Distribution & Retail	5.0%
Financial Services	4.3%
Health Care Equipment & Supplies	4.3%
Pharmaceuticals	3.2%
Life Sciences Tools & Services	3.1%
IT Services	3.0%

Top 10 Holdings

3/31/24

Company Sector/Industry, Country	% of Total Net Assets
NVIDIA Corp. <i>Semiconductors & Semiconductor Equipment, United States</i>	13.9%
Microsoft Corp. <i>Software, United States</i>	12.2%
Amazon.com, Inc. <i>Broadline Retail, United States</i>	9.3%
Meta Platforms, Inc., Class A <i>Interactive Media & Services, United States</i>	6.9%
Costco Wholesale Corp. <i>Consumer Staples Distribution & Retail, United States</i>	5.0%
ASML Holding NV <i>Semiconductors & Semiconductor Equipment, Netherlands</i>	4.4%
Mastercard, Inc., Class A <i>Financial Services, United States</i>	4.3%
Alphabet, Inc., Class A <i>Interactive Media & Services, United States</i>	4.2%
Cadence Design Systems, Inc. <i>Software, United States</i>	4.2%
ServiceNow, Inc. <i>Software, United States</i>	4.2%

Top 10 Countries

3/31/24

	% of Total Net Assets
United States	91.5%
Netherlands	4.4%
Canada	1.7%
Brazil	1.1%
Taiwan	1.0%

Q. What were the leading contributors to performance?

A. On an absolute basis, eight of the Fund's nine equity sector exposures advanced with solid, double-digit percentage returns, led by IT, health care and communication services stocks. When combined, these three allocations covered just nearly three-quarters of the portfolio's overall composition, so their impact was considerable. Semiconductor and semiconductor equipment companies such as NVIDIA and ASML Holding were standouts that provided roughly a third of the Fund's overall gain, with NVIDIA serving as a distinct outlier to the upside. All six of the Fund's software holdings also enjoyed large rallies including key contributors Microsoft, ServiceNow and Cadence Design Systems. All IT services industry holdings also advanced, though they comprised a much smaller portion of the Fund's IT exposure.

The Fund held six health care sector stocks covering various investment themes in pharmaceuticals, health care equipment and supplies, and life sciences tools and services. They all traded higher, with Eli Lilly and Intuitive Surgical serving as standout contributors. A smaller allocation in communication services was led higher by Meta Platforms foremost.

To a lesser extent, additional absolute gains were generated in the consumer discretionary, consumer staples, financials, industrials and materials sectors. Mixed but overall positive returns in the consumer discretionary sector were aided by online retailers, including a substantial rally for Amazon.com. Consumer staples was a single-asset allocation with Costco Wholesale serving as the sole contributor. The Fund's smaller exposure to financial services and capital market companies was boosted primarily by Mastercard's strong return, while industrials sector gains were lifted foremost by an impressive rally in Axon Enterprise.

Q. What were the leading detractors from performance?

A. Across the entire portfolio, there were only three detractors at the individual security level. At the sector level, the Fund's small exposure to energy companies began to stage a comeback in February and March, but both of the Fund's related holdings—including key detractor Schlumberger—still ended the reporting period in negative territory. The only other area of weakness occurred in the consumer discretionary sector, where Tesla was a notable outlier to the downside.

Q. Were there any significant changes to the Fund during the reporting period?

A. Portfolio shifts were subtle, though we did move most of the Fund's neutral holdings in cash and equivalent short-term securities into active stock positions, thereby

reducing the balance to less than 1% of total net assets by the end of March. We also reduced industrials sector holdings, eliminating exposure to the commercial services and supplies industry with the complete sale of Veralto. Elsewhere in the industrials space, we shifted the Fund's exposure to ground transportation industry names as an existing stake in railroad operator Canadian Pacific Kansas City was sold while we initiated a new position in Uber Technologies. In the energy sector, a small investment in Hess was liquidated, thereby reducing the Fund's exposure to oil, gas and consumable fuels industry firms to zero.

The largest increases to the Fund's industry exposures occurred in semiconductors, and in interactive media and services. Among the notable reductions to industry-level allocations were life sciences tools and services; e-commerce companies in the broadline retail industry; automobiles (focused exclusively on Tesla); financial services; and oilfield services, in which Schlumberger was the Fund's only investment.

Thank you for your continued participation in Franklin Focused Growth ETF. We look forward to serving your future investment needs.

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (November 6, 2023), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
6-Month	+35.73%	+35.81%	+35.73%	+35.81%
1-Year	+47.35%	+47.44%	+47.35%	+47.44%
3-Year	+24.34%	+24.41%	+7.53%	+7.55%
5-Year	+114.71%	+114.84%	+16.51%	+16.53%
Since Inception (4/13/16)	+268.24%	+268.45%	+17.78%	+17.79%

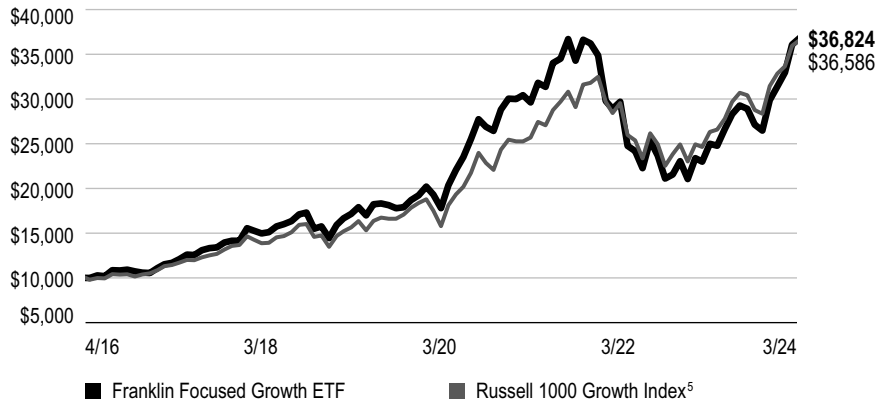
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 13 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

4/13/16-3/31/24



See page 13 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

0.55%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results

All investments involve risks, including possible loss of principal. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. The **investment style** may become out of favor, which may have a negative impact on performance. Active **management** does not ensure gains or protect against market declines. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks could be magnified in **emerging markets**. Because the Fund is **non-diversified**, it may be more sensitive to economic, business, political or other changes affecting individual issuers or investments than a diversified fund. The manager may consider **environmental, social and governance (ESG)** criteria in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. The total annual operating expenses are as of the Fund's annual report available at the time of publication. Actual expenses may be higher and may impact portfolio returns.
2. The Fund adopted the performance of the predecessor mutual fund as a result of the Reorganization. Prior to the Reorganization, the Fund had not yet commenced operations. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized. The returns shown for periods ended on or prior to November 3, 2023, are those of the predecessor mutual fund. The predecessor mutual fund's performance is represented by the performance of the predecessor mutual fund's Advisor Class Shares. Prior to the Fund's listing on November 6, 2023, the NAV performance of the Advisor Class Shares of the predecessor mutual fund is used as a proxy for market price returns. Had the predecessor mutual fund been structured as an ETF, its performance may have differed.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Source: FactSet. The Russell 1000[®] Growth Index is market capitalization weighted and measures the performance of those Russell 1000[®] Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,357.30	\$3.59	\$1,021.95	\$3.08	0.61%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Genomic Advancements ETF

This annual report for Franklin Genomic Advancements ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in equity securities of companies that are relevant to the Fund's investment theme of genomic advancements. The Fund invests predominantly in common stock.

Q. What were the overall market conditions during the Fund's reporting period?

A. For the year ended March 31, 2024, U.S. and global stock markets experienced a variety of conditions on their way to solid gains that were in the 24% to 30% range, based on broad equity indexes (in U.S. dollar terms). U.S. equities were at the high end of that range and generally outperformed their non-U.S. counterparts. The year started with concerns over the banking system, corporate profitability and multi-year high interest rates. Economic activity remained robust enough for most of the world to avoid recession despite higher borrowing costs as elevated inflation gradually subsided, and major central banks continued to hike policy rates.

As the year progressed, equity markets began to fare better than anticipated, supported by enthusiasm around artificial intelligence (AI), plenty of cash on the sidelines, and resilient (though uneven) economic growth, particularly in the U.S. However, risks were still evident with potential tipping points linked to increased pressure on corporate profits, households eating through excess savings, expanding geopolitical tensions, and sluggish economic activity in key economies such as China, Europe and Japan. By March 2024, global equities had risen for a fifth consecutive month amid reduced volatility, aided in part by several central banks signaling interest-rate cuts were likely to occur later this year. In particular, the U.S. Federal Reserve (Fed) shifted its monetary policy, moving from a tightening stance early in the period to a more neutral one in July, when it said that the post-pandemic tightening cycle was finished.

1. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 138.

Q. How did we respond to these changing market conditions?

A. We are not focused on short-term market fluctuations but rather emphasize picking the best stocks based on fundamentals.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +7.83% based on market price and +7.76% based on net asset value (NAV). In comparison, the Russell 3000® Index, which measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization, posted a +29.29% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 32.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Life Sciences Tools & Services	43.2%
Biotechnology	40.8%
Pharmaceuticals	7.8%
Software	2.3%
Chemicals	2.2%
Other	2.5%
Other Net Assets	1.2%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Medpace Holdings, Inc. <i>Life Sciences Tools & Services</i>	7.4%
Thermo Fisher Scientific, Inc. <i>Life Sciences Tools & Services</i>	4.9%
Vertex Pharmaceuticals, Inc. <i>Biotechnology</i>	4.6%
Regeneron Pharmaceuticals, Inc. <i>Biotechnology</i>	4.5%
Krystal Biotech, Inc. <i>Biotechnology</i>	4.2%
Eli Lilly & Co. <i>Pharmaceuticals</i>	4.1%
Danaher Corp. <i>Life Sciences Tools & Services</i>	3.9%
Bruker Corp. <i>Life Sciences Tools & Services</i>	3.4%
Sartorius AG, 0.39% <i>Life Sciences Tools & Services</i>	3.3%
Samsung Biologics Co. Ltd. <i>Life Sciences Tools & Services</i>	3.1%

Q. What were the leading contributors to performance?

A. Absolute returns were positive in just four out of nine industry allocations, but these included the Fund's core exposures—life sciences tools and services, and biotechnology, which at March-end covered more than four-fifths of the portfolio (when combined). Mixed results in the life sciences tools and services space were buoyed by several holdings that posted robust, double-digit percentage gains, including Charles River Laboratories, ICON, Danaher and Bruker. At the same time, Medpace Holdings—the Fund's top contributor of the year under review—eclipsed them as its equity value more than doubled. We also had some major outliers to the upside in biotech, including Krystal Biotech and 4D Molecular Therapeutics (purchased during the period). They were joined by Vertex Pharmaceuticals, Regeneron Pharmaceuticals and many others that had smaller but still-impressive gains.

Elsewhere in the portfolio, overall declines for three pharmaceuticals industry holdings were more than offset by a huge rally in Eli Lilly, while our single-asset exposure to the application software industry fared well as the shares of Cadence Design Systems vaulted to all-time highs.

Q. What were the leading detractors from performance?

A. Seed, fertilizer and agricultural chemicals companies

Corteva and FMC (sold by period-end) fared poorly, as did health care services firms such as Guardant Health. The Fund also had minimal exposure to three other industries that had a slightly negative combined impact on absolute returns: environmental facilities and services (allocation initiated and sold during the year under review), health care technology, and health care-focused office REITs (real estate investment trusts).

Nearly all of the other substantive detractors were individual stocks that reduced our overall gains in the biotech and life sciences tools industries. Biotech investments were hindered foremost by the selloffs in Avid Bioservices, Moderna, Sarepta Therapeutics, BioNTech, PTC Therapeutics (sold by period-end) and Alnylam Pharmaceuticals. Our largest detractors in life sciences tools and services, meanwhile, were PerkinElmer, Repligen, Oxford Nanopore Technologies, Bio-Rad Laboratories and Sartorius.

Q. Were there any significant changes to the Fund during the reporting period?

A. Life sciences tools and services holdings were meaningfully reduced to make way for greater investment in biotechnology and, to a much lesser extent, pharmaceuticals. Despite the trimming in life sciences tools and services, we only eliminated one existing stock (Illumina), while introducing three new ones to the portfolio (Fortrea Holdings, 10X Genomics and Pacific Biosciences of California). Trading in the biotechnology industry was even more active as we initiated 10 new holdings, partially offset by the complete sales of two existing holdings. We also reduced the Fund's small exposures to health care services, fertilizers and agricultural chemicals, and office REITs during the year under review.

Thank you for your continued participation in Franklin Genomic Advancements ETF. We look forward to serving your future investment needs.

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (2/27/20), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+7.76%	+7.83%	+7.76%	+7.83%
3-Year	-24.08%	-24.26%	-8.78%	-8.85%
Since Inception (2/25/20)	+31.52%	+31.52%	+6.92%	+6.92%

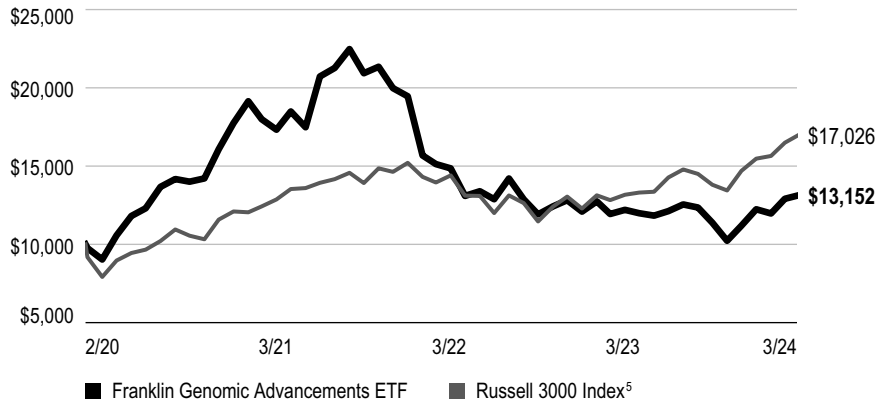
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 34 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

2/25/20-3/31/24



See page 34 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

0.50%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. The Fund's investment strategies incorporate the identification of **thematic investment opportunities**, and its performance may be negatively impacted if the investment manager does not correctly identify such opportunities or if the theme develops in an unexpected manner. By focusing its investments in health care-related industries, the Fund carries much greater risks of adverse developments and price movements in such industries than a fund that invests in a wider variety of industries. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the Fund's performance and result in greater fluctuation in the value of the Fund's shares. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Source: FactSet. The Russell 3000[®] Index is market capitalization-weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,155.10	\$2.69	\$1,022.50	\$2.53	0.50%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin High Yield Corporate ETF

This annual report for Franklin High Yield Corporate ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's Investment Strategy?

A. The Fund seeks to earn a high level of current income. Its secondary goal is to seek capital appreciation to the extent it is possible and consistent with the Fund's principal goal. Under normal market conditions, the Fund invests at least 80% of its net assets in high yield corporate debt securities and investments that provide exposure to high yield corporate debt securities. High yield debt securities are those that are rated below investment grade, also known as "junk bonds." High yield debt securities are rated at the time of purchase below the top four ratings categories by at least one independent rating agency such as S&P Global Ratings (S&P®) (rated BB+ and lower) and Moody's Investors Service (Moody's) (rated Ba1 and lower) or, if unrated, are determined to be of comparable quality by the Fund's investment manager. Corporate issuers may include corporate or other business entities in which a sovereign or governmental agency or entity may have, indirectly or directly, an interest, including a majority or greater ownership interest.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as concerns over high levels of inflation and the U.S. Federal Reserve's (Fed) policy response dominated the economic and market discussion. Yields changed rapidly in response to an evolving macroeconomic landscape and changing global monetary policies. Geopolitical risk remained an overhang to the market throughout the quarter as the war in Ukraine continued and a new conflict in the Middle East emerged, putting temporary pressure on global energy prices. Inflation, as reflected in the Consumer Price Index, moderated towards the end of 2023. While markets were unsettled, corporate fundamentals continued on a robust pace, which benefited the Fund's loan and bond holdings. The U.S. Fed paused its interest rate hikes at the September and subsequent meetings. Although 2024 began

with financial market exuberance as investors anticipated imminent rate cuts from developed market central banks, sentiments turned cautious upon the end of the first quarter as economic growth continued to be robust (especially in the U.S.) and price pressures persistent. March 2024's Fed Summary of Economic Projections continued to project three rate cuts for the year. Ten-year U.S. Treasury yields traded in a wide range, peaking at 5.0% in October before falling, ending March at 4.20%.

Q. How did we respond to these changing market conditions?

A. While debate about the likelihood of a recession was a constant theme, no matter the outcome the fact remains that the lower end consumer has faced increasing pressure from inflation and high interest rates. We positioned the portfolio to minimize exposure to the lower end consumer. Overall, we retained a keen focus on security selection, favoring higher-quality companies as defined by the sustainability of their business models, industry positioning, and financial liquidity that can withstand a higher for longer rate environment as well as any potential economic volatility in the coming years.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +10.98% based on market price and +12.13% based on net asset value (NAV). In comparison, the ICE BofA U.S. High Yield Constrained Index, which tracks the performance of U.S. dollar denominated below investment-grade corporate debt publicly issued in the U.S. domestic market, posted a +11.06% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 39.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 141.

Portfolio Composition

3/31/24

	% of Total Net Assets
Corporate Bonds & Notes	93.2%
Senior Floating Rate Interests	3.2%
Common Stocks	0.5%
Short-Term Investments & Other Net Assets	3.1%

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Energy	8.3%
Materials	6.4%
Financial Services	5.3%
Oil & Gas	5.2%
Media & Entertainment	4.9%
Diversified Financial Services	4.4%
Commercial Services	4.1%
Commercial & Professional Services	3.8%
Automobiles & Components	3.3%
Entertainment	3.1%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Federal Home Loan Bank Discount Notes, 4/01/24	2.0%
Kedrion SpA, 6.50%, 9/01/29 <i>Pharmaceuticals, Biotechnology & Life Sciences</i>	1.0%
Jaguar Land Rover Automotive PLC, 5.50%, 7/15/29 <i>Automobiles & Components</i>	1.0%
DaVita, Inc., 4.625%, 6/01/30 <i>Health Care Equipment & Services</i>	0.9%
Fortrea Holdings, Inc., 7.50%, 7/01/30 <i>Healthcare-Services</i>	0.9%
Carnival Corp., 5.75%, 3/01/27 <i>Consumer Services</i>	0.9%
Smyrna Ready Mix Concrete LLC, 8.875%, 11/15/31 <i>Construction Materials</i>	0.9%
Harbour Energy PLC, 5.50%, 10/15/26 <i>Energy</i>	0.9%
OneMain Finance Corp., 9.00%, 1/15/29 <i>Diversified Financial Services</i>	0.9%
EMRLD Borrower LP/Emerald Co.-Issuer, Inc., 6.625%, 12/15/30 <i>Construction Materials</i>	0.9%

Q. What were the leading contributors to performance?

A. Yield curve positioning, quality allocation and security selection all contributed favorably to returns. We maintained a lower duration positioning than the index, which benefited as interest rates generally rose over the course of the year. Quality allocation and security selection, which are essentially two sides of the same coin, were most pronounced in the utility, automotive, and entertainment industries.

Q. What were the leading detractors from performance?

A. Detractors included our underweight exposure to the retail sector, as several distressed retailers rebounded during the year, as well as security selection in the technology sector.

Q. Were there any significant changes to the Fund during the reporting period?

A. There were no significant changes, as our strategy continues to apply a disciplined approach to individual security selection.

Thank you for your participation in Franklin High Yield Corporate ETF. We look forward to serving your future investment needs.

Glenn I. Voyles, CFA
Patricia O'Connor, CFA
Jonathan G. Belk, CFA
Thomas Runkel, CFA
Pururav Thoutireddy, Ph.D.
Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (6/1/18), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+12.13%	+10.98%	+12.13%	+10.98%
3-Year	+8.38%	+7.98%	+2.72%	+2.59%
5-Year	+25.74%	+25.31%	+4.69%	+4.62%
Since Inception (5/30/18)	+34.63%	+34.58%	+5.23%	+5.22%

Distribution Rate ⁵	30-Day Standardized Yield ⁶
6.07%	6.88%

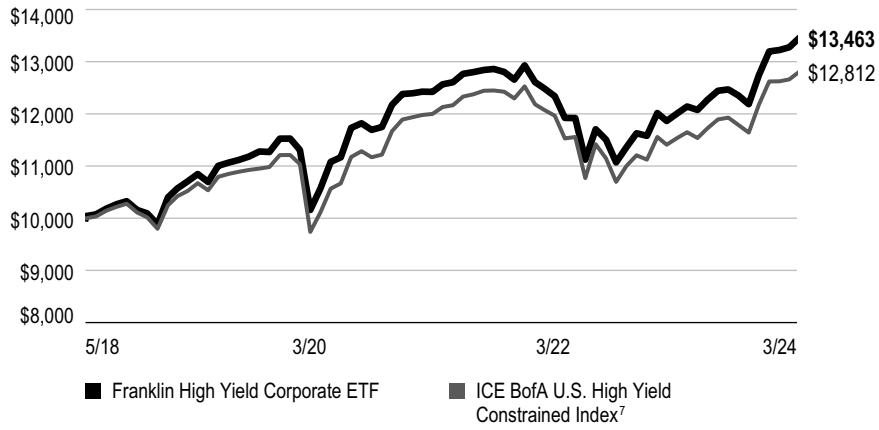
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 47 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

5/30/18-3/31/24



See page 47 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)**Net Investment
Income**

\$1.537322

Total Annual Operating Expenses⁸

0.40%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. Distributions are not guaranteed and are subject to change. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The ICE BofA U.S. High Yield Constrained Index tracks the performance of U.S. dollar-denominated below investment-grade corporate debt publicly issued in the U.S. domestic market.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,089.90	\$2.09	\$1,023.00	\$2.02	0.40%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Income Focus ETF

This inaugural annual report for Franklin Income Focus ETF (the “Fund”) covers the period since the Fund’s inception on June 6, 2023, through March 31, 2024.

Fund Overview

Q. What is the Fund’s investment strategy?

A. The Fund seeks high current income while maintaining prospects for capital appreciation. Under normal market conditions, the Fund invests in a diversified portfolio of debt and equity securities and derivatives. The Fund may dynamically shift its investments from one asset class to another based on the investment manager’s analysis of the best opportunities for the Fund’s portfolio in a given market. “Income Focus” in the Fund’s name refers to the Fund’s strategy of seeking to maximize income over a full market cycle by investing opportunistically across different asset classes, markets and sectors and utilizing income generation strategies.

Q. What were the overall market conditions during the Fund’s reporting period?

A. The Fund generated positive returns during the period, driven by strong performance from both fixed income and equities. Relative to the Fund’s blended benchmark, security selection within its overweight fixed income allocation supported absolute performance. However, stock selection and an underweight equity allocation hindered relative returns. The Fed raised interest rates in July, then held them there for the duration of the period to counteract stubborn inflation. The U.S. economy remained resilient and continued to grow with gross domestic product in excess of 2%, which was largely driven by a balanced labor market and robust consumption in goods and services.

Q. How did we respond to these changing market conditions?

A. The Fund entered the period with an equity weighting of 39.2% and a fixed income weighting of 57.4% (while holding 3.4% in cash equivalents). Interest rates were volatile during the 10-month period and the Fund shifted its asset allocation to take advantage of higher yield investment opportunities as

rates rose. By the end of the period, allocation reverted to levels similar to those at inception; equity allocation had increased to 40.8% and fixed income allocation was 58.2%, while cash equivalents comprised almost 1.0% of the Fund.

Performance Overview

During the period since the Fund’s inception on June 6, 2023, through March 31, 2024, the Fund posted cumulative total returns of +8.60% based on market price and +8.40% based on net asset value (NAV). In comparison, the blended 50% Standard & Poor’s® 500 (S&P 500®) Index + 50% Bloomberg U.S. Aggregate Index, posted a +12.94% cumulative total return.¹ Individually the S&P 500® Index, which is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance, posted a +24.2% cumulative total return, while the Bloomberg U.S. Aggregate Index, which measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, posted a +2.37% cumulative total return.² You can find more of the Fund’s performance data in the Performance Summary beginning on page 45.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Corporate Bonds & Notes	44.8%
Common Stocks	26.7%
Equity-Linked Securities	13.5%
U.S. Government & Agency Securities	12.6%
Preferred Stock	0.7%
Other Net Assets	1.7%

1. Source: FactSet. The Fund’s Blended Benchmark was calculated internally and was composed of 50% S&P 500® Index + 50% Bloomberg U.S. Aggregate Index.

2. Source: FactSet.

The indexes are unmanaged and include reinvestment of any income or distributions. They do not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund’s portfolio.

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The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund’s Schedule of Investments (SOI). The SOI begins on page 150.

Top 10 Long Positions

3/31/24

Company Sector/Industry, Country	% of Total Net Assets
U.S. Treasury STRIPS Principal, zero cpn., 2/15/2045, United States	3.1%
U.S. Treasury STRIPS Principal, zero cpn., 5/15/2053, United States	2.6%
U.S. Treasury Notes, 4.375%, 12/15/2026, United States	2.3%
U.S. Treasury Notes, 4.00%, 2/15/2034, United States	2.2%
Chevron Corp., Oil, Gas & Consumable Fuels, United States	1.8%
JPMorgan Chase Financial Co. LLC into S&P 500 Index, zero cpn., 8.00%, 8/20/24, 8/20/2024, Other, United States	1.5%
Royal Bank of Canada into S&P 500 Index, 7.00%, 5/2/24, Other, Canada	1.4%
U.S. Treasury Notes, 4.875%, 11/30/2025, United States	1.4%
Tenet Healthcare Corp., 6.125%, 10/1/2028, Health Care Providers & Services, United States	1.4%
Royal Bank of Canada into S&P 500 Index, 7.00%, 4/16/24, 7.00%, 4/16/2024, Other, Canada	1.4%

Q. What were the leading contributors to performance?

A. Fixed income holdings contributed to the Fund's returns during the period under review, led by the health care, financials, and consumer discretionary sectors. Within health care, Community Health Systems and Tenet Healthcare performed best, while Ford Motor added value within the consumer discretionary sector. Mauser Packaging Solutions also contributed to absolute performance within the materials sector. In terms of the Fund's equity allocation, the most notable contributors to Fund performance were S&P 500 Index-Linked Notes and the financials sector, followed by the consumer staples and energy sectors. JP Morgan Chase & Co. led returns within financials, while Target added value within consumer staples. AbbVie also contributed within the health care sector.

Q. What were the leading detractors from performance?

A. In aggregate, no sectors detracted from absolute returns within the Fund's fixed income or equity allocation. However, U.S. Treasuries were the largest detractors within the Fund's fixed income allocation. CommScope Holding and Ardagh Packaging also hindered returns within the information technology and materials sectors, respectively. Within equities, Bristol-Myers Squibb and Pfizer detracted within

health care, while United Parcel Service hindered returns within industrials. The Fund no longer holds a position in Bristol-Myers Squibb, as of the period-end on March 31, 2024.

Thank you for your continued participation in Franklin Income Focus ETF. We look forward to serving your future investment needs.

Edward D. Perks, CFA
Lead Portfolio Manager

Todd Brighton, CFA
Brendan Circle, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (6/8/23), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
Since Inception (6/6/23)	+8.40%	+8.60%	+8.40%	+8.60%
Distribution Rate⁵			30-Day Standardized Yield⁶	
4.81%			5.01%	

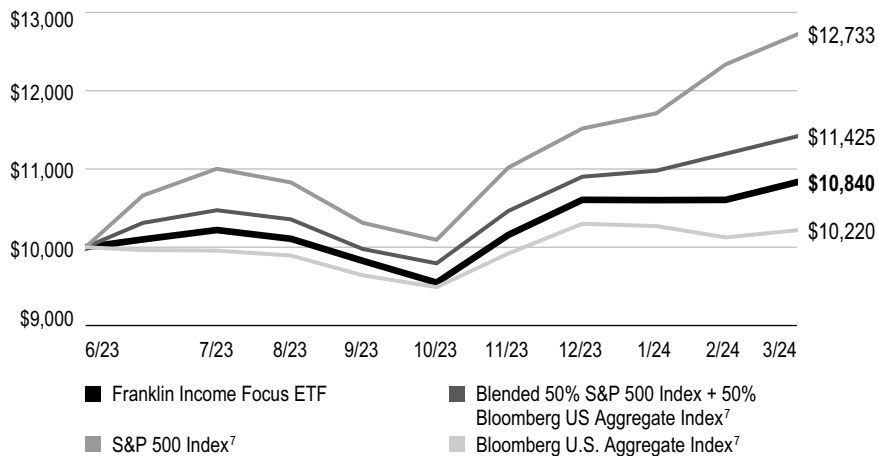
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 47 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged indexes include reinvestment of any income or distributions. They differ from the Fund in composition and do not pay management fees or expenses. One cannot invest directly in an index.

6/6/23-3/31/24



See page 47 for Performance Summary footnotes.

Distributions (6/6/23–3/31/24)**Net Investment
Income**

\$1.005643**Total Annual Operating Expenses⁸**

0.38%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. The Fund is newly organized, with a limited history of operations. **Bond prices** generally move in the opposite direction of interest rates. Thus, as the prices of bonds in the Fund adjust to a rise in interest rates, the Fund's share price may decline. **Changes in the financial strength of a bond** issuer or in a bond's credit rating may affect its value. Low-rated, high-yield bonds are subject to greater price volatility, illiquidity and possibility of default. **Stock prices** fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Investments in **equity index-linked notes** often have risks similar to their underlying securities, which could include management risk, market risk and, as applicable, foreign securities and currency risks. The allocation of assets among different strategies, asset classes and investments may not prove beneficial or produce the desired results. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risk considerations are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of Fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Fund's Blended Benchmark was calculated internally and was composed of 50% S&P 500[®] Index + 50% Bloomberg U.S. Aggregate Index. The S&P 500[®] Index is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance. The Bloomberg U.S. Aggregate Bond Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market.
8. Figures as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 6/6/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
	Ending Account Value 3/31/24	Expenses Paid During Period 6/6/23–3/31/24 ^{1,2}	Ending Account Value 3/31/24	Expenses Paid During Period 6/6/23–3/31/24 ^{1,2}	
\$1,000.00	\$1,103.10	\$2.00	\$1,023.10	\$1.92	0.38%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements.

Franklin Intelligent Machines ETF

This annual report for Franklin Intelligent Machines ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in equity securities of companies that are relevant to the Fund's investment theme of intelligent machines. The Fund invests predominantly in common stock.

Q. What were the overall market conditions during the Fund's reporting period?

A. For the year ended March 31, 2024, U.S. and global stock markets experienced a variety of conditions on their way to solid gains that were in the 24% to 30% range, based on broad equity indexes (in U.S. dollar terms). U.S. equities were at the high end of that range and generally outperformed their non-U.S. counterparts. The year started with concerns over the banking system, corporate profitability and multi-year high interest rates. Economic activity remained robust enough for most of the world to avoid recession despite higher borrowing costs as elevated inflation gradually subsided, and major central banks continued to hike policy rates.

As the year progressed, equity markets began to fare better than anticipated, supported by enthusiasm around artificial intelligence (AI), plenty of cash on the sidelines, and resilient (though uneven) economic growth, particularly in the U.S. However, risks were still evident with potential tipping points linked to increased pressure on corporate profits, households eating through excess savings, expanding geopolitical tensions, and sluggish economic activity in key economies such as China, Europe and Japan. By March 2024, global equities had risen for a fifth consecutive month amid reduced volatility, aided in part by several central banks signaling interest-rate cuts were likely to occur later this year. In particular, the U.S. Federal Reserve (Fed) shifted its monetary policy, moving from a tightening stance early in the period to a more neutral one in July, when it said that the post-pandemic tightening cycle was finished.

1. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 158.

Q. How did we respond to these changing market conditions?

A. We are not focused on short-term market fluctuations but rather emphasize picking the best stocks based on fundamentals.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +32.49% based on market price and +32.13% based on net asset value (NAV). In comparison, the Russell 3000® Index, which measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization, posted a +29.29% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 52.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Semiconductors & Semiconductor Equipment	43.5%
Software	24.1%
Health Care Equipment & Supplies	8.4%
Electronic Equipment, Instruments & Components	6.2%
Computers & Peripherals	3.6%
Aerospace & Defense	3.3%
Automobiles	2.9%
Construction & Engineering	2.9%
Other	3.3%
Other Net Assets	1.8%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
NVIDIA Corp. <i>Semiconductors & Semiconductor Equipment</i>	11.0%
ASML Holding NV <i>Semiconductors & Semiconductor Equipment</i>	5.2%
Intuitive Surgical, Inc. <i>Health Care Equipment & Supplies</i>	4.9%
Cadence Design Systems, Inc. <i>Software</i>	4.8%
Synopsys, Inc. <i>Software</i>	4.6%
Apple, Inc. <i>Computers & Peripherals</i>	3.6%
Axon Enterprise, Inc. <i>Aerospace & Defense</i>	3.3%
Taiwan Semiconductor Manufacturing Co. Ltd. <i>Semiconductors & Semiconductor Equipment</i>	3.3%
Applied Materials, Inc. <i>Semiconductors & Semiconductor Equipment</i>	3.2%
Advanced Micro Devices, Inc. <i>Semiconductors & Semiconductor Equipment</i>	3.0%

Q. What were the leading contributors to performance?

A. The Fund had exposure to 13 industry groups, 10 of which added to its absolute returns. Our two largest industry allocations—semiconductor-related companies and software developers—covered about two-thirds of the portfolio, and they were also the biggest contributors by far. Semiconductor and semiconductor fabrication equipment makers started the Fund's fiscal year on a difficult and volatile path but many of them eventually recovered their initial losses and regained strong positive momentum in the latter half of the period. NVIDIA, ASML Holding, Applied Materials and Taiwan Semiconductor Manufacturing were among those winners, with our considerable stake in NVIDIA more than tripling in value amid parabolic demand for its GPU chips in data centers and AI-related applications. Several smaller industry contributors posted large double-digit percentage gains including ASM International, Entegris and Lam Research.

Software industry investments were more consistent as all but one of them rallied solidly during the year under review, including key contributors Synopsys, Cadence Design Systems and Constellation Software. Elsewhere in the IT sector, our single-asset exposure to the technology hardware, storage and peripherals industry was focused on Apple, which ultimately posted a modest gain amid a roller-coaster year in the stock market that saw its equity

value remaining nearly unchanged from September 2023 through March 2024.

It was also a year of revived investor interest in a wide range of industrials sector companies. Most of the highly innovative industrials companies held by the Fund posted strong, double-digit percentage gains, including standout contributors Axon Enterprise (sublethal weaponry, body cams and law enforcement software), Quanta Services (tech and telecommunications infrastructure construction and engineering) and Eaton (electrical equipment). Elsewhere in the portfolio, Intuitive Surgical (minimally-invasive robotic surgery systems) was the best of three absolute contributors in the health care equipment and supplies industry.

Q. What were the leading detractors from performance?

A. Even with the stellar returns outlined above, our overall results in the semiconductors and semiconductor equipment industry were uneven. Several related holdings did not recover their initial losses by the time we either sold them (Enphase Energy and SolarEdge Technologies) or the annual period concluded (Wolfspeed, SiTime, Infineon Technologies, First Solar and more), which in the latter scenario was the case for several stocks that we intended to hold for the longer term despite recent setbacks. In another setback for the Fund's IT sector investments, our positions in electronic equipment, instruments and components industry companies failed to advance as four out of seven holdings traded lower, none more so than Samsung SDI as the company shed more than half of its equity value before we eliminated it from the portfolio.

A small portion of the portfolio was dedicated to consumer discretionary sector companies, and our results there were negative overall as a substantive position in Tesla ended a volatile period with a significant loss as sales of its electric vehicles began to cool off. In the health care sector, our overall gains were clipped by a major selloff in Insulet (sold by period-end) and smaller losses for Inspire Medical Systems and others. The Fund's industrials sector allocation also had a couple outliers to the downside, including key detractor Valmont Industries in construction and engineering.

Q. Were there any significant changes to the Fund during the reporting period?

A. The most notable portfolio shift was the increase in exposure to semiconductor-related companies, based on both appreciation and the introduction of new holdings such as Advanced Micro Devices, Broadcom and Intel. At the same time, holdings in the electronic equipment, instruments and components industry were reduced by both depreciation and security sales. In industrials, the 12-month appreciation of existing assets and a new position in the ground

transportation industry (Uber Technologies) helped bump up the portfolio's overall exposure to the sector. Meanwhile, the portfolio saw a notable drawdown in its health care holdings through a combination of partial sales in select holdings that had performed well, complete sales of select laggards, and the introduction of two new holdings (Shockwave Medical and Align Technology). Consumer discretionary names were also reduced through the depreciation of Tesla shares and the partial sale of Panasonic Holdings into strength.

Thank you for your continued participation in Franklin Intelligent Machines ETF. We look forward to serving your future investment needs.

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (2/27/20), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+32.13%	+32.49%	+32.13%	+32.49%
3-Year	+35.18%	+35.21%	+10.57%	+10.58%
Since Inception (2/25/20)	+133.84%	+134.04%	+23.05%	+23.07%

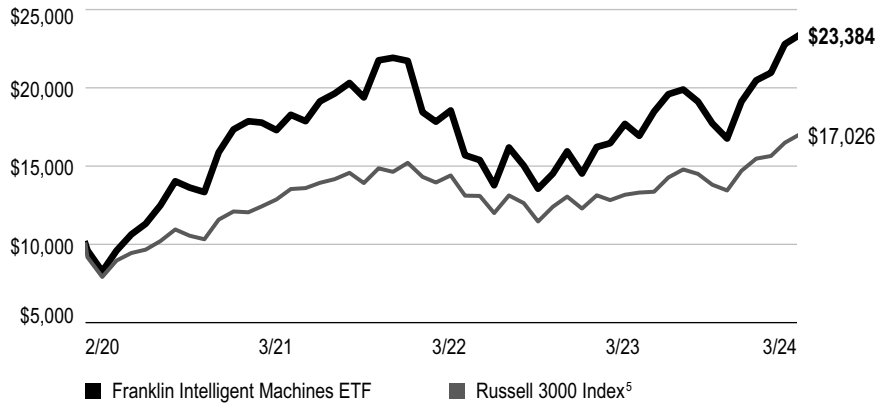
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 54 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

2/25/20-3/31/24



See page 54 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

0.50%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. The Fund's investment strategies incorporate the identification of **thematic investment opportunities**, and its performance may be negatively impacted if the investment manager does not correctly identify such opportunities or if the theme develops in an unexpected manner. By focusing its investments in technology-related industries, the Fund carries much greater risks of adverse developments and price movements in such industries than a fund that invests in a wider variety of industries. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the Fund's performance and result in greater fluctuation in the value of the Fund's shares. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Source: FactSet. The Russell 3000[®] Index is market capitalization-weighted and measures the performance of the largest 3,000 U.S. companies representing the majority of the U.S. market's total capitalization.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,318.90	\$2.90	\$1,022.50	\$2.53	0.50%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin International Aggregate Bond ETF

This annual report for Franklin International Aggregate Bond ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks total investment return, consistent with prudent investing, consisting of a combination of interest income and capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in bonds and investments that provide exposure to bonds. Bonds include debt obligations of any maturity, such as bonds, notes, bills and debentures.

Q. What were the overall market conditions during the Fund's reporting period?

A. After addressing a bout of financial sector turmoil early in the second quarter of 2023, central banks returned their focus to persistent levels of core inflation. In May, the U.S. Federal Reserve (Fed) raised the Fed funds rate by 25 basis points (bps). Subsequent economic data showed a surprisingly resilient U.S. economy, raising expectations for at least one further hike by the Fed before the autumn. Nonetheless, the Fed kept rates unchanged for the first time in over a year in June, although it signaled support for two additional hikes in 2023.

Indeed, the Fed hiked rates by 25 bps to a target range of 5.25-5.50% in July, its highest level in more than 22 years, but opted for a pause at its September meeting. However, Fed Chair Powell suggested he was hesitant to call an end to the central bank's tightening cycle until a more sustained return of inflation to its target was evident.

Nonetheless, the Fed left its policy rate unchanged over the fourth quarter of 2023. The accompanying statements of its December meeting were relatively dovish, although the Fed did highlight that, while it seemed that the peak policy rate had been reached, additional hikes could be delivered, if necessary.

In the first quarter of 2024, the Fed left rates unchanged, though Powell pushed back against exuberant market expectations of imminent rate cuts, saying that the central bank needed further confirmation of the disinflationary trend.

Against this backdrop, benchmark 10-year U.S. Treasury yields showed extreme volatility but, for the 12-month period review period overall, rose by over 70 bps.

In Europe, doggedly high inflation saw the European Central Bank (ECB) raise interest rates by 25 bps in both May and June 2023, with eurozone core inflation remaining well above the central bank's target of 2%. Economic news in the region was downbeat, as revised data showed that the eurozone had entered a technical recession.

The ECB opted for two 25-bp hikes at its July and September meetings, taking the deposit rate to 4.00%, a record high. After September's hike, the central bank stated that, whilst one more hike was possible in 2023, it considered its policy sufficiently restrictive to bring inflation back down to its 2% target, if maintained for long enough.

The ECB did, in fact, keep policy rates unchanged over the fourth quarter of 2023 but pushed back against investor expectations of imminent rate cuts. ECB President Lagarde indicated that policymakers had not discussed monetary policy easing yet, as they believed that price pressures might reaccelerate.

The ECB met twice during the first quarter of 2024 and held interest rates steady at their record highs both times. At its March meeting, the ECB released statements indicating its inflation and growth projections had been revised lower, but that the monetary authority would remain data dependent going forward.

Q. How did we respond to these changing market conditions?

A. We increased our duration exposure of the Fund in line with its benchmark, as we approached the peak of the interest rate hiking cycle, with interest rate cuts beginning to be priced into markets.

We increased the overall duration of the Fund from 5.45 years (1.72 years short of the benchmark) to 6.88 years (0.11 years short of the benchmark). During the period under review, we moved from a small underweight to a small overweight stance in eurozone bonds and from a small underweight to a broadly neutral position in Chinese bonds.

In terms of local market allocation, we moved from overweight to neutral in the U.S. market and lowered the overweight exposure to the eurozone market. We also moved further underweight in the Canadian market. Conversely, we reduced the magnitude of the underweight allocations to the Chinese and Japanese markets. We also

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 161.

raised the overweight stances in the U.K., Polish and Mexican markets.

Within currencies, we slightly reduced the moderate long positions in the euro and Chinese renminbi. In contrast, we moved from a neutral to a small long position in the Mexican peso.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +3.76% based on market price and +4.04% based on net asset value (NAV). In comparison, the Fund's benchmark, the Bloomberg Global Aggregate ex-USD Index Hedged USD, which measures global investment-grade debt from 24 local currency markets, posted a +5.92% cumulative total return.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 58.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Geographic Composition*

3/31/24

	% of Total Net Assets
Europe	55.4%
Asia	27.3%
North America	4.3%
Latin America & Caribbean	3.7%
Australia & New Zealand	3.3%
Supranationals	1.9%
Middle East & Africa	1.0%
Short-Term Investments & Other Net Assets	3.1%

*Categories within the Other category are listed in full in the Fund's Schedule of Investments (SOI), which can be found later in this report.

Portfolio Composition

3/31/24

	% of Total Net Assets
Foreign Government and Agency Securities	93.4%
Corporate Bonds & Notes	3.5%
Short-Term Investments & Other Net Assets	3.1%

Q. What were the leading contributors to performance?

A. The Fund's currency positioning contributed most to relative performance over the period under review, helped largely by hedging effects, as well as exposures to both the euro and Japanese yen.

Q. What were the leading detractors from performance?

A. The Fund's local market allocation detracted most from relative results, particularly exposure to the Chinese market. Its sector allocation and security selection also proved detrimental to relative returns, notably positioning in government bonds. The Fund's duration and yield-curve positioning further weighed on relative performance, most of all in Mexican, eurozone, Canadian and Chinese bonds.

Thank you for your participation in Franklin International Aggregate Bond ETF. We look forward to serving your future investment needs.

John W. Beck
Co-Lead Portfolio Manager

Sonal Desai, Ph.D.
Co-Lead Portfolio Manager

David Zahn, CFA
Patrick Klein, Ph.D.

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (6/1/18), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+4.04%	+3.76%	+4.04%	+3.76%
3-Year	-1.84%	-2.00%	-0.62%	-0.67%
5-Year	+2.87%	+2.87%	+0.57%	+0.57%
Since Inception (5/30/18)	+2.88%	+2.99%	+0.49%	+0.51%

Distribution Rate ⁵	30-Day Standardized Yield ⁶
0.94%	2.71%

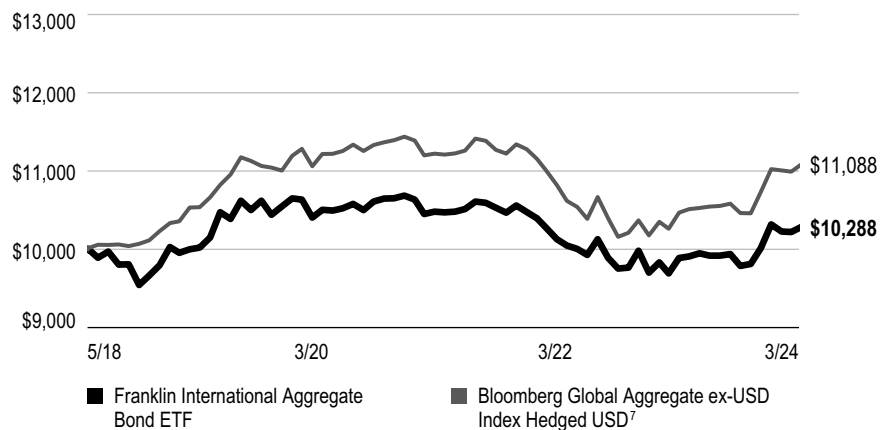
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 60 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

5/30/18-3/31/24



See page 60 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$0.190564

Total Annual Operating Expenses⁸

0.25%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. Gross expenses are the Fund's total annual operating expenses as of the Fund's prospectus available at the time of publication. Net expenses are capped under a contractual agreement, which cannot be terminated prior to 7/31/23 without Board consent. Actual expenses may be higher and may impact portfolio returns.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of Fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Bloomberg Global Aggregate ex-USD Index Hedged USD measures global investment-grade debt from 24 local currency markets. This multicurrency benchmark is 100% hedged to the U.S. dollar and includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. Bond issued in USD are excluded.
8. Figures as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,051.10	\$1.28	\$1,023.75	\$1.26	0.25%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Investment Grade Corporate ETF

This annual report for Franklin Investment Grade Corporate ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks a high level of current income as is consistent with prudent investing, while seeking preservation of capital. Under normal market conditions, the Fund invests at least 80% of its net assets in investment grade corporate debt securities and investments. Investment grade debt securities are securities that are rated at the time of purchase in the top four ratings categories by one or more independent rating organizations such as S&P Global Ratings (S&P®) (rated BBB- or better) or Moody's Investors Service (Moody's) (rated Baa3 or higher) or, if unrated, are determined to be of comparable quality by the Fund's investment manager. Corporate issuers may include corporate or other business entities in which a sovereign or governmental agency or entity may have, indirectly or directly, an interest, including a majority or greater ownership interest. The Fund invests primarily in U.S. dollar denominated corporate debt securities issued by U.S. and foreign companies. The Fund may invest in debt securities of any maturity or duration. The Fund's focus on the credit quality of its portfolio is intended to reduce credit risk and help to preserve the Fund's capital.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as yields changed rapidly in response to a developing macroeconomic landscape and changing global monetary policies. Inflation numbers in the U.S. continued to decline as supply chain disruptions improved. Market focus remained on central bank action as the U.S. Federal Reserve (Fed) continued their monetary policy tightening, raising the Fed funds rate at both their May and July 2023 meeting before pausing with their policy rate of 5.25%-5.50%. The Fed kept rates stable for the remainder of the period under review. With Fed funds rates appearing to reach their peak, market participants began to consider the number and speed

of potential rate cuts in 2024. As part of the Fed's Summary of Economic Projections (SEP) released at the March 2024 meeting, the median number of 2024 cuts was three. There was considerable volatility in the U.S. Treasury market with the benchmark 10-year trading between 3.31% to 4.99%, ending the first quarter 2024 at 4.20%. There also was great variability in investment-grade (IG) corporate bond spreads, reaching a high of 148 basis points (bps) in May 2023 before rallying much of the period, ending at 90 bps by the end of March 2024.

Q. How did we respond to these changing market conditions?

A. During the period under review, we continued to adjust our exposures in the portfolio including duration positioning. Despite indications of slowing economic growth in the U.S., index level credit spreads, which ended the period close to 10-year tights, continued to grind tighter in a beta driven rally with lower-quality IG outperforming higher quality. Yields in the IG market remained attractive to us on an all-in basis due to increased shorter interest rates associated with the Fed tightening. This brought new money into the asset class causing valuations to be based on yields and not spread levels. We continued to look to both the primary and secondary markets to identify sectors and issues that provided strong risk/return characteristics.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +3.88% based on market price and +4.13% based on net asset value (NAV).¹ In comparison, the Bloomberg U.S. Corporate Investment Grade Index, which measures the performance of the investment grade, fixed-rate, taxable corporate bond market, posted a +4.43% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 64.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 166.

figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Banks	20.8%
Electric Utilities	6.3%
Health Care Providers & Services	5.2%
Insurance	4.1%
Electric	3.8%
Biotechnology	3.2%
Financial Services	3.1%
Telecommunications	3.1%
Pipelines	3.0%
Food	3.0%

Top 10 Holdings

3/31/24

Issue/Issuer	% of Total Net Assets
Verizon Communications, Inc., 3.40%, 3/22/41	1.6%
Bank of America Corp., 5.202% to 4/25/28, FRN thereafter, 4/25/29	1.4%
Wells Fargo & Co., 4.808% to 7/25/27, FRN thereafter, 7/25/28	1.4%
Goldman Sachs Group, Inc., 2.64% to 2/24/27, FRN thereafter, 2/24/28	1.4%
Burlington Northern Santa Fe LLC, 5.75%, 5/01/40	1.3%
Citigroup, Inc., 3.668% to 7/24/27, FRN thereafter, 7/24/28	1.3%
T-Mobile USA, Inc., 2.875%, 2/15/31	1.3%
Amgen, Inc., 5.60%, 3/02/43	1.3%
Vistra Operations Co. LLC, 3.55%, 7/15/24	1.2%
Las Vegas Sands Corp., 3.20%, 8/08/24	1.2%

Q. What were the leading contributors to performance?

A. Credit quality allocations helped returns for the period, as the portfolio was overweight BBB rated credits and underweight single A rated credits on a market value basis. Underweight exposure to the capital goods and consumer cyclical sectors contributed to relative results, as did an overweight to insurance-related issues. Positive returns from security selection were widespread with selection in the communications, technology, and consumer cyclical segments contributing the most.

Q. What were the leading detractors from performance?

A. Modest exposure to UST and cash hurt returns as IG

corporate bonds outperformed over the period. Security selection in banking, electric utilities, finance companies, and real estate investment trusts curbed results for the period under review.

Q. Were there any significant changes to the Fund during the reporting period?

A. Over the course of the year, we adjusted our duration exposure and sector allocations to take advantage of opportunities arising from high levels of volatility across the fixed income universe and in corporate credit markets.

Thank you for your participation in Franklin Investment Grade Corporate ETF. We look forward to serving your future investment needs.

Marc Kremer, CFA
Shawn Lyons, CFA
Thomas Runkel, CFA
Pururav Thoutireddy, Ph.D.
Josh Lohmeier, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (10/5/16), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+4.13%	+3.88%	+4.13%	+3.88%
3-Year	-6.78%	-6.98%	-2.31%	-2.38%
5-Year	+6.11%	+5.91%	+1.19%	+1.16%
Since Inception (10/3/16)	+11.40%	+11.33%	+1.45%	+1.44%

Distribution Rate ⁵	30-Day Standardized Yield ⁶
6.92%	4.98%

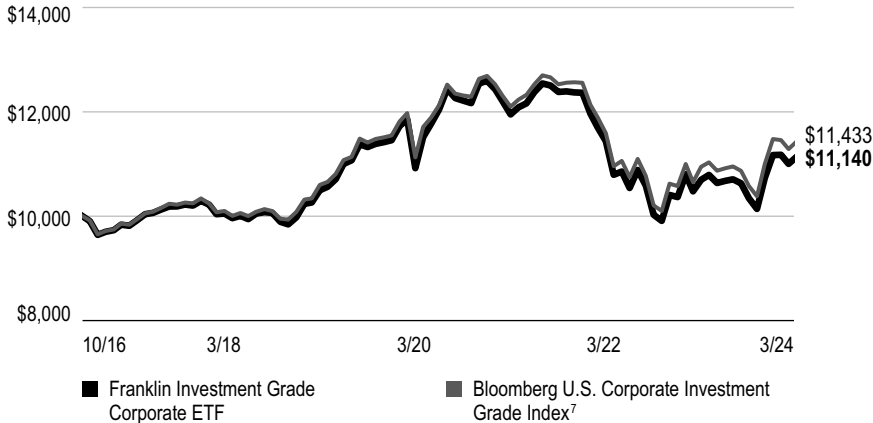
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 66 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

10/3/16-3/31/24



See page 66 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$0.929958

Total Annual Operating Expenses⁸

0.35%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Distributions** are not guaranteed and are subject to change. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Bloomberg U.S. Corporate Investment Grade Index measures the performance of the investment grade, fixed-rate, taxable corporate bond market. It includes U.S. dollar-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,076.80	\$1.82	\$1,023.25	\$1.77	0.35%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Municipal Green Bond ETF

This annual report for Franklin Municipal Green Bond ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks to maximize income exempt from federal income taxes to the extent consistent with prudent investing and the preservation of shareholders' capital. Under normal market conditions, the Fund invests at least 80% of its net assets in municipal securities whose interest is free from federal income taxes, including the federal alternative minimum tax. Although the Fund tries to invest all of its assets in tax-free securities, it is possible that up to 20% of the Fund's net assets may be invested in securities that pay interest that may be subject to the federal alternative minimum tax and, although not anticipated, in securities that pay interest subject to other federal or state income taxes.¹

Q. What were the overall market conditions during the Fund's reporting period?

A. The 12 months ended March 31, 2024, saw the U.S. Federal Reserve (Fed) turn more cautious in its monetary policy tightening campaign, in an effort to get inflation under control without tipping the economy into recession. The Fed delivered three 25-basis point hikes during the period, the last of which occurred in July 2023 and took the Fed funds target rate to a range of 5.25%–5.50%, a more than 20-year high. Since then, policymakers have maintained a restrictive stance, as the annual headline Consumer Price Index (CPI) declined from 6.0% for February 2023 to 3.2% in February 2024. At its most recent meeting (in March), the Fed still left the policy rate unchanged, and maintained its outlook for three rate cuts in 2024. Additionally, the Fed released updated economic projections, which indicated that policymakers expected the U.S. economy to grow by 2.1% this year, while inflation would continue to ease but still finish the year above its 2% target. Meanwhile, the U.S. economy remained robust, with real gross domestic product increasing at an annualized rate of 3.4% in the fourth quarter of 2023, underpinned by strong consumer spending.

The municipal (muni) bond market recorded positive total returns over the period under review, helped by a late-year rally in 2023, which was fueled by increased investor optimism that monetary policy tightening had come to an end. For most of the last 12 months, high levels of uncertainty kept fund flows into muni bond retail vehicles negative, though they did turn positive so far in 2024. Moreover, anecdotal feedback suggested that many asset allocators were retaining large cash and cash-equivalent balances, waiting to re-allocate funds to the sector.

Q. How did we respond to these changing market conditions?

A. The past 12 months witnessed high levels of uncertainty. However, market volatility was largely interest-rate driven. Credit fundamentals have remained stable, with robust balance sheets that were supported by significant "rainy-day" funds which, in turn, were bolstered by federal COVID-19 aid, increased during the post-pandemic recovery, and maintained with conservative budgeting and fiscal discipline. Considering our view of the fundamental strength in the muni market, the Fund is consequently tilted toward lower-rated investment-grade issuers. Over the period, we looked for opportunities that had the potential to improve the overall yield of the portfolio and used our rigorous bottom-up research process to help us identify credits that represented good relative value, in our view.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +3.83% based on market price and +4.31% based on net asset value (NAV). In comparison, the Bloomberg Municipal Bond Index, which is a market value-weighted index of tax-exempt, investment-grade bonds with maturities of one year or more, posted a +3.13% cumulative total return for the same period.² You can find more of the Fund's performance data in the Performance Summary beginning on page 70.

1. Dividends are generally subject to state and local taxes, if any. For investors subject to alternative minimum tax, a small portion of Fund dividends may be taxable. Distributions of capital gains are generally taxable. To avoid imposition of 28% backup withholding on all Fund distributions and redemption proceeds, U.S. investors must be properly certified on Form W-9 and non-U.S. investors on Form W-8BEN.

2. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 173.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Investments
Industrial Development Revenue and Pollution Control	16.24%
Utilities	14.49%
Transportation	13.57%
Lease	12.23%
Housing	9.03%
Special Tax	8.94%
Cash	8.13%
Education	6.33%
Local	4.77%
Health Care	4.34%
Other	1.69%
Refunded	0.14%
State	0.10%

Q. What were the leading contributors to performance?

A. The Fund recorded robust positive returns over the 12 months under review, with its overall credit quality positioning and security selection boosting relative performance over the period. Particularly, overweight allocations to bonds with no external credit rating and BBB rated issues, as well as an underweight allocation to AAA rated securities added to annual returns. Security selection within AA rated bonds also lifted relative results.

Q. What were the leading detractors from performance?

A. The Fund's yield curve positioning modestly weighed on relative returns, driven by overweight exposure to muni bonds with 10 to 20 years to maturity.

Q. Were there any significant changes to the Fund during the reporting period?

A. There were no significant changes to the Fund's overall strategy. However, as we gained more clarity around the Fed's monetary tightening path and became more comfortable that muni fundamentals were generally robust in the face of tighter financing conditions and slowing economic activity, the Fund reduced its holdings of investment-grade rated muni bonds and modestly increased its overweight to bonds with no external credit rating. The Franklin Templeton Fixed Income research team conducts an

in-depth analysis of potential investment opportunities and is therefore able to find what they deem to be attractively priced securities from muni issuers with solid underlying credit fundamentals that could weather a period of below-trend growth.

Thank you for your participation in Franklin Municipal Green Bond ETF. We look forward to serving your future investment needs.

Ben Barber, CFA
Daniel Workman, CFA
Francisco Rivera
James Conn, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (9/5/17), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24^{1,2}

	Cumulative Total Return ³		Average Annual Total Return ³	
	Based on NAV ⁴	Based on market price ⁵	Based on NAV ⁴	Based on market price ⁵
1-Year	+4.31%	+3.83%	+4.31%	+3.83%
3-Year	-3.02%	-3.50%	-1.02%	-1.18%
5-Year	+8.02%	+7.48%	+1.55%	+1.45%
Since Inception (8/31/17)	+13.24%	+12.71%	+1.91%	+1.83%

Distribution Rate ⁶	30-Day Standardized Yield ⁷	Taxable Equivalent 30-Day Standardized Yield ⁸
3.43%	3.51%	5.93%

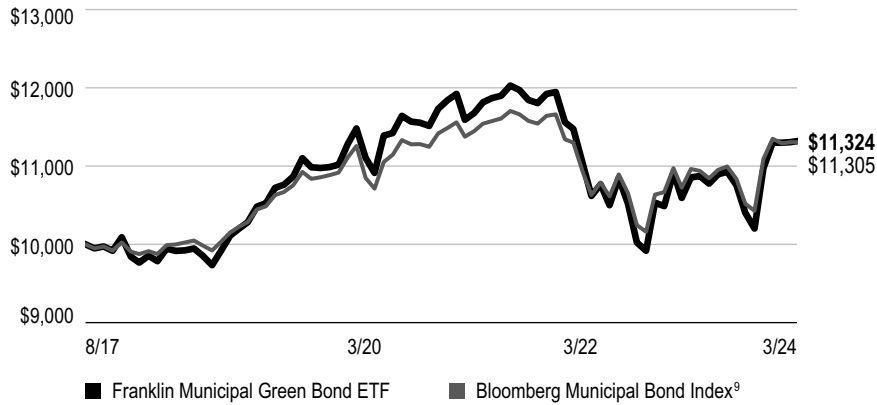
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 72 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

8/31/17-3/31/24



See page 72 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$0.864636

Total Annual Operating Expenses¹⁰

0.30%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. **Green bonds** may not result in direct environmental benefits, and the issuer may not use proceeds as intended or to appropriate new or additional projects. The managers' **environmental, social and governance (ESG) strategies** may limit the types and number of investments available and, as a result, may forgo favorable market opportunities or underperform strategies that are not subject to such criteria. There is no guarantee that the strategy's ESG directives will be successful or will result in better performance. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Effective December 1, 2022, the Fund adopted a unified fee structure whereby Management has agreed to reimburse the Fund's acquired fund fees and expenses (if any) and pay all of the ordinary operating expenses of the Fund, excluding: (i) payments under the Fund's Rule 12b-1 plan (if any); (ii) brokerage expenses (including any costs incidental to transactions in portfolio securities or instruments); (iii) taxes; (iv) interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges); (v) litigation expenses (including litigation to which the Trust or a Fund may be a party and indemnification of the Trustees and officers with respect thereto); and (vi) their non-routine or extraordinary expenses.
3. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
4. Assumes reinvestment of distributions based on net asset value.
5. Assumes reinvestment of distributions based on market price.
6. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
7. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
8. Taxable equivalent yield assumes the 2024 maximum federal income tax rate of 37.00% plus 3.80% Medicare tax.
9. Source: FactSet. The Bloomberg Municipal Bond Index is a market value-weighted index of tax-exempt, investment-grade municipal bond with maturities of one year or more.
10. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,088.50	\$1.57	\$1,023.50	\$1.52	0.30%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Senior Loan ETF

This annual report for Franklin Senior Loan ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks to provide a high level of current income. A secondary goal is preservation of capital. Under normal market conditions, the Fund invests at least 80% of its net assets in senior loans and investments that provide exposure to senior loans. Senior loans include loans referred to as leveraged loans, bank loans and/or floating rate loans. The Fund invests predominantly in income-producing senior floating interest rate corporate loans made to or issued by U.S. companies, non-U.S. entities and U.S. subsidiaries of non-U.S. entities. Floating interest rates vary with and are periodically adjusted to a generally recognized base interest rate such as the Secured Overnight Financing Rate (SOFR) or the Prime Rate. The Fund may invest in companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations or financial restructurings.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as concerns over high levels of inflation and the U.S. Federal Reserve (Fed) policy response dominated the economic and market discussion. Yields changed rapidly in response to an evolving macroeconomic landscape and changing global monetary policies. Geopolitical risk remained an overhang to the market throughout the quarter as the war in Ukraine continued and a new conflict in the Middle East emerged, putting temporary pressure on global energy prices. Inflation, as reflected in the Consumer Price Index, moderated towards the end of 2023. While markets were unsettled, corporate fundamentals continued on a robust pace, which benefited the Fund's loan and bond holdings. The U.S. Fed paused its interest rate hikes at the September and subsequent meetings. Although 2024 began with financial market exuberance as investors anticipated imminent rate cuts from developed market central banks, sentiments turned cautious upon the end of the first quarter

as economic growth continued to be robust (especially in the U.S.) and price pressures persistent. March 2024's Fed Summary of Economic Projections continued to project three rate cuts for the year. Ten-year U.S. Treasury yields traded in a wide range, peaking at 5.0% in October before falling, ending March at 4.20%.

Q. How did we respond to these changing market conditions?

A. Given our constructive view on credit, we have held onto names where we have high conviction, including issuers in cyclical industries that had declined in prior periods, but could see a recovery amid a soft-landing economic outlook. However, we have remained highly selective on lower-rated loans, including those that would be negatively impacted by persistent inflation and a longer period of higher interest rates. Our largest sells during the period included names that were expected to have weak interest coverage and tight liquidity. Our largest buys included higher-rated issuers in the aerospace sector that we expected would continue to benefit from a strong economic environment. We also modestly increased our exposure to high yield bonds, with a preference for short-dated maturities and higher quality issuers.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +12.07% based on market price and +11.80% based on net asset value (NAV). In comparison, the Fund's benchmark, the Morningstar LSTA U.S. Leveraged Loan 100 Index, which reflects the performance of the largest facilities in the leveraged loan market, posted a +12.16% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 76.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

1. Source: Morningstar.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 180.

Portfolio Composition

3/31/24

	% of Total Net Assets
Senior Floating Rate Interests	83.5%
Corporate Bonds & Notes	5.4%
Asset-Backed Securities	0.6%
Short-Term Investments & Other Net Assets	10.5%

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Software	13.5%
Commercial Services & Supplies	7.4%
Health Care Providers & Services	6.4%
Media	4.6%
Chemicals	4.0%
Insurance	3.9%
Airlines	3.6%
Financial Services	3.2%
Packaging & Containers	2.6%
Auto Parts & Equipment	2.5%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Federal Home Loan Bank Discount Notes, 4/1/2024	14.2%
Waystar Technologies, Inc., 9.33%, 10/22/2029 Software	1.2%
Verscend Holding Corp., 9.445%, 8/27/2025 IT Services	1.1%
Greeneden U.S. Holdings II LLC, 9.192%, 12/1/2027 Technology Hardware, Storage & Peripherals	1.1%
McAfee LLC, 9.176%, 3/1/2029 Computer & Electronics Retail	1.0%
Peraton Corp., 9.18%, 2/1/2028 Aerospace & Defense	1.0%
Athenahealth Group, Inc., 8.58%, 2/15/2029 Software	1.0%
Charter NEX U.S., Inc., 8.827%, 12/1/2027 Containers & Packaging	0.9%
Gainwell Acquisition Corp., 9.409%, 10/1/2027 Health Care Providers & Services	0.9%
MKS Instruments, Inc., 7.823%, 8/17/2029 Semiconductor Materials & Equipment	0.9%

Q. What were the leading contributors to performance?

A. During the performance period, our overweight in the

chemical industry and underweight in the utility and cable/wireless segments contributed to relative performance. Our loan selection in automotive transportation, information technology and food/tobacco issuers benefited results. The Fund's underweight in Upper-Tier loans relative to the benchmark contributed to performance, as did overweights in Middle- and Lower-Tier loans relative to the benchmark.

Q. What were the leading detractors from performance?

A. Our underweight in the housing and telecommunication industries and overweight in the service segment detracted from performance. Our loan selection in leisure and retail issuers hindered results.

Thank you for your participation in Franklin Senior Loan ETF. We look forward to serving your future investment needs.

Reema Agarwal, CFA
Co-Lead Portfolio Manager

Justin Ma, CFA
Co-Lead Portfolio Manager

Margaret Chiu, CFA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (6/1/18), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+11.80%	+12.07%	+11.80%	+12.07%
3-Year	+17.79%	+18.19%	+5.61%	+5.73%
5-Year	+26.64%	+26.85%	+4.84%	+4.87%
Since Inception (5/30/18)	+29.73%	+30.14%	+4.56%	+4.62%

Distribution Rate ⁵	30-Day Standardized Yield ⁶
8.44%	8.48%

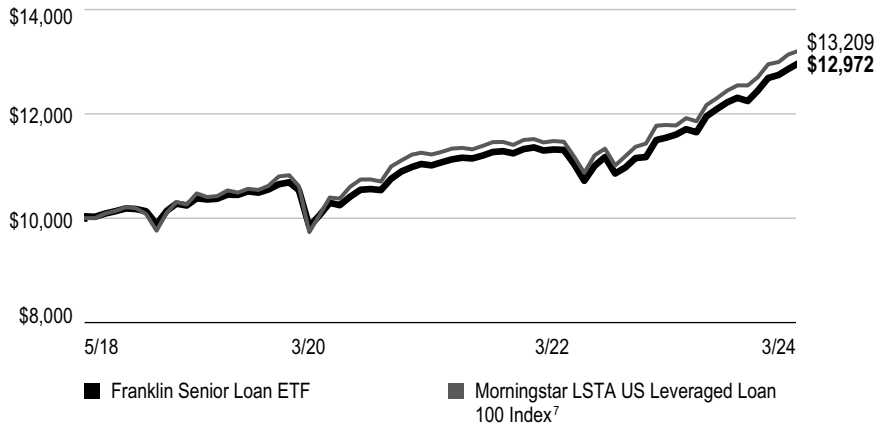
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 78 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

5/30/18-3/31/24



See page 78 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$2.085760

Total Annual Operating Expenses⁸

0.45%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Floating-rate loans and debt securities** are typically rated below investment grade and are subject to greater risk of default, which could result in loss of principal. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution rate is based on an annualization of the March dividend and the NAV per share on 3/31/24.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Morningstar LSTA U.S. Leveraged Loan 100 Index reflects the performance of the largest facilities in the leveraged loan market. This rules-based index consists of the 100 largest loan facilities in the benchmark Morningstar LSTA Leveraged Loan Index.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,054.00	\$2.31	\$1,022.75	\$2.28	0.45%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Systematic Style Premia ETF

This annual report for Franklin Systematic Style Premia ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks to provide absolute return.

Q. What were the overall market conditions during the Fund's reporting period?

A. Global equities advanced sharply during the 12 months ended March 31, 2024. While inflation remained elevated in most parts of the world, it moderated substantially, bolstering equities. A significant shift in the policies of most major central banks also supported stocks, as interest rate increases stopped early in the reporting period and investors began to anticipate future easing. While economic growth slowed in some countries, most of the world avoided recession, despite higher interest rates and borrowing costs. Equity performance varied notably by region, as the impact of changing economic conditions varied depending on local circumstances. In the U.S., the economy was strong, posting solid gross domestic product (GDP) growth in the final three quarters of 2023. The U.S. Federal Reserve (Fed) shifted from a tightening stance to a more neutral policy as the period continued and inflation decelerated. The Fed raised the federal funds target rate twice, ending the period at a range of 5.25%–5.50% and pushing borrowing costs to their highest levels since 2001. However, the Fed stopped raising rates following its July 2023 meeting, signaling that the post-pandemic tightening cycle was finished. In March 2024, Fed projections showed that its tightening cycle is set to reverse, with three interest rate cuts anticipated in 2024. Economic growth in the eurozone was tepid during the period, as higher interest rates, declining business confidence and stalled consumer spending weighed on the region. The European Central Bank (ECB) followed a similar path to the Fed, raising rates four times, then holding steady from September 2023 on. In early 2024, the ECB indicated that reductions were possible later in the year.

Q. How did we respond to these changing market conditions?

A. We follow a quantitative process, and our internal signals led us to take a risk-on position for the majority of the 12-month period. This means that we guided risk in our portfolios towards the upper end of our target risk range. This benefited us since spreads in our long/short strategies worked well, for most part, with the exception of the macro rates futures strategy.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +14.04% based on market price and +12.79% based on net asset value (NAV). In comparison, the ICE BofA U.S. 3-Month Treasury Bill Index, which tracks the performance of short-term U.S. government securities with a remaining term to final maturity of less than three months, posted a +5.24% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 83.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
Common Stocks	53.6%
Short-Term Investments & Other Net Assets	46.4%

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 192.

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Software	5.6%
Biotechnology	3.2%
Oil, Gas & Consumable Fuels	3.2%
Financial Services	2.8%
Insurance	2.5%
Capital Markets	2.5%
Semiconductors & Semiconductor Equipment	2.3%
Health Care Providers & Services	2.0%
Trading Companies & Distributors	1.6%
Metals & Mining	1.4%

Top 10 Long Positions

3/31/24

Company Sector/Industry, Country	% of Total Net Assets
State Street Institutional U.S. Government Money Market Fund, 5.26%, 12/31/2030, Money Market Funds, United States	37.6%
NVIDIA Corp., Semiconductors & Semiconductor Equipment, United States	1.2%
Mastercard, Inc., Class A, Financial Services, United States	1.0%
Meta Platforms, Inc., Class A, Interactive Media & Services, United States	1.0%
Verizon Communications, Inc., Diversified Telecommunication Services, United States	0.9%
Intuit, Inc., Software, United States	0.9%
ServiceNow, Inc., Software, United States	0.9%
Booking Holdings, Inc., Hotels, Restaurants & Leisure, United States	0.7%
Elevance Health, Inc., Health Care Providers & Services, United States	0.7%
Microsoft Corp., Software, United States	0.7%

Top 10 Short Holdings

3/31/24

Company Sector/Industry, Country	% of Total Value of Underlying Entity
Charles Schwab Corp. Financial Services, United States	1.7%
Bank of America Corp. Banks, United States	1.6%
Honeywell International, Inc. Capital Goods, United States	1.6%
Texas Instruments, Inc. Semiconductors & Semiconductor Equipment, United States	1.5%
The Boeing Co. Capital Goods, United States	1.5%
Keyence Corp. Technology Hardware & Equipment, Japan	1.5%
Pfizer, Inc. Pharmaceuticals, Biotechnology & Life Sciences, United States	1.5%
AstraZeneca PLC Pharmaceuticals, Biotechnology & Life Sciences, United Kingdom	1.5%
Schlumberger NV Energy, United States	1.4%
Enbridge, Inc. Energy, Canada	1.4%

Q. What were the leading contributors to performance?

A. The long-short single stock equities strategy contributed during the period. As equity markets advanced, gains from long positioning were significantly larger than losses from short positioning. Within our long-short single stock equities component, our positive exposure to the Momentum factor was a key driver of gains, while the Value and Quality factors also aided performance. The portfolio had a net long exposure in capital terms, which contributed to performance. Commodities strategies contributed substantially, even as commodity prices broadly weakened across a volatile period. The Value, Carry and Momentum factors all aided performance. The macro equity index futures strategy also contributed, led in part by long positioning in indexes from Europe, driven by our Equity Carry strategy. Our FX forwards long/short strategy contributed modestly.

Q. What were the leading detractors from performance?

A. Our only detractor during the past 12 months was our macro rates futures strategy where our spreads were negative with global rates rising across the board.

Thank you for your participation in Franklin Systematic Style Premia ETF. We look forward to serving your future investment needs.

Chandra Seethamraju, Ph.D.
Lead Portfolio Manager

Sundaram Chettiappan, CFA
Vaneet Chadha, CFA
Christopher W. Floyd, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance table and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (12/20/19), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+12.79%	+14.04%	+12.79%	+14.04%
3-Year	+28.05%	+27.54%	+8.59%	+8.45%
Since Inception (12/18/19)	+8.33%	+8.53%	+1.88%	+1.93%

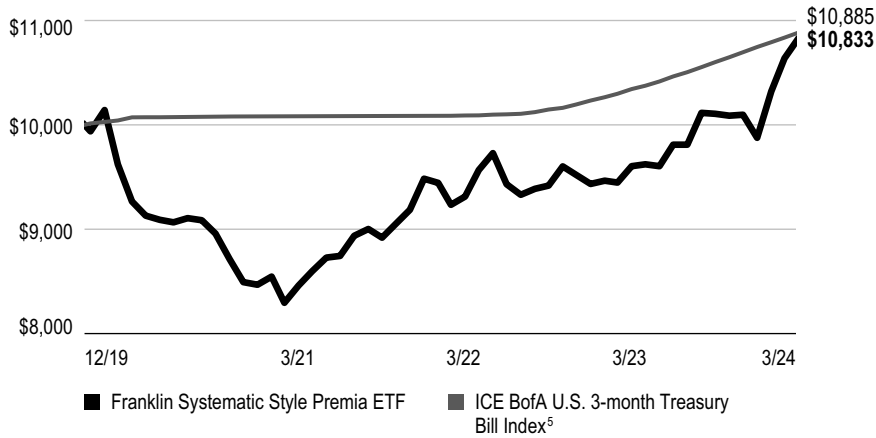
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 85 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment^{1,3}

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

12/18/19-3/31/24



See page 85 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)**Net Investment
Income**

\$0.256885

Total Annual Operating Expenses⁶

0.65%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. **Equity securities** are subject to price fluctuation and possible loss of principal. The Fund is actively managed and could experience losses if the manager's judgment about particular investments, or its evaluation of the risks, potential returns and correlation properties of the various **risk premia** in which the Fund invests, prove to be incorrect. The **allocation** of assets among different strategies, asset classes and investments may not prove beneficial or produce the desired results. **Trading models** used by the manager for securities selection and asset allocation may become outdated, and the historical patterns upon which the models are based may weaken or disappear. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. **Currency management** strategies could result in losses to the Fund if currencies do not perform as expected. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value. Total return information is based on net asset values calculated for shareholder transactions. Certain adjustments were made to the net assets of the Fund at 03/31/2024 for financial reporting purposes. Accordingly, adjusted total returns have been disclosed in the Financial Highlights and differ from those reported here.
4. Assumes reinvestment of distributions based on market price.
5. Source: Factset. The ICE BofA U.S. 3-Month Treasury Bill Index tracks the performance of short-term U.S. government securities with a remaining term to final maturity of less than three months.
6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,071.90	\$3.37	\$1,021.75	\$3.29	0.65%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin U.S. Core Bond ETF

This annual report for Franklin U.S. Core Bond ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks total return. Under normal market conditions, the Fund invests at least 80% of its net assets in bonds of U.S. issuers, including government, corporate debt, mortgage-backed and asset-backed securities. Bonds include debt obligations of any maturity, such as bonds, notes, bills and debentures.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as yields changed rapidly in response to a developing macroeconomic landscape and changing global monetary policies. Inflation numbers in the U.S. continued to decline as supply chain disruptions improved. Market focus remained on central bank action as the U.S. Federal Reserve (Fed) continued their monetary policy tightening, raising the Fed funds rate at both their May and July 2023 meeting before pausing with their policy rate of 5.25%-5.50%. The Fed kept rates stable for the remainder of the period under review. Although the Fed acknowledged the progress restrictive monetary policy had on reducing inflation, they stated that they need to see substantial movement towards reducing inflation down to its 2.0% target rate. With Fed funds rates appearing to reach their peak, market participants began to consider the number and speed of potential rate cuts in 2024. As part of the Fed's Summary of Economic Projections (SEP) released at the March 2024 meeting, the median number of 2024 cuts was three, the same number as in the December 2023 SEP. There was considerable volatility in the U.S. Treasury market with the benchmark 10-year trading between 3.31% to 4.99%, ending the first quarter 2024 at a 4.20% yield. Towards the end of the period, there was a strong risk-on shift in the market driving fixed income spreads tighter in most sectors with some reaching 10-year lows.

Q. How did we respond to these changing market conditions?

A. For most of the year, the Fund was positioned with an underweight to duration versus the index. It was our view that persistent inflation would cause the Fed to keep rates higher for longer, putting pressure on UST yields. Additionally, we focused our duration exposure on the front end of the yield curve as short-term rates reached multi-decade highs providing strong yields and income. The Fund increased its overweight to investment grade corporate credit with security selection being a key component. Agency mortgage-backed securities (MBS) were used as a tactical allocation and moved from an underweight allocation to slight overweight in the segment as spreads traded in a wide range over the period under review.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +1.74% based on market price and +1.69% based on net asset value (NAV). In comparison, the Bloomberg U.S. Aggregate Index, which measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, posted a +1.70% cumulative total return.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 89.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 208.

Portfolio Composition

3/31/24

	% of Total Net Assets
U.S. Government & Agency Securities	61.6%
Corporate Bonds & Notes	30.0%
Asset-Backed Securities	2.2%
Municipal Bonds	1.1%
Foreign Government and Agency Securities	0.8%
Mortgage-Backed Securities	0.3%
Short-Term Investments & Other Net Assets	4.0%

Top 10 Holdings

3/31/24

	% of Total Net Assets
U.S. Treasury Notes, 1.25%, 12/31/26	4.3%
U.S. Treasury Notes, 0.375%, 11/30/25	4.3%
U.S. Treasury Notes, 3.25%, 6/30/27	4.3%
U.S. Treasury Notes, 1.50%, 10/31/24	3.9%
U.S. Treasury Notes, 0.375%, 1/31/26	3.3%
U.S. Treasury Bonds, 1.375%, 8/15/50	2.0%
U.S. Treasury Notes, 0.875%, 6/30/26	1.6%
U.S. Treasury Bonds, 2.00%, 11/15/41	1.5%
U.S. Treasury Notes, 4.00%, 10/31/29	1.3%
Federal Home Loan Mortgage Corp., 2.00%, 3/01/51	1.3%

Q. What were the leading contributors to performance?

A. Duration positioning across the yield curve was a strong contributor to absolute returns for the year. The Fund benefited from strong interest rate carry from our credit spread products and exposure to investment-grade corporate bonds. We also saw accretive returns from our holdings of taxable municipal bonds and agency mortgage-backed securities (MBS). Security selection in sovereign emerging market debt and commercial MBS benefited performance.

Q. What were the leading detractors from performance?

A. Security selection within IG corporate bonds weighed on relative performance.

Q. Were there any significant changes to the Fund during the reporting period?

A. Over the course of the year, we adjusted our duration exposure and sector allocations to take advantage of opportunities arising from high levels of volatility across the fixed income universe.

Thank you for your participation in Franklin U.S. Core Bond ETF. We look forward to serving your future investment needs.

Patrick Klein, Ph.D.

Tina Chou

Joshua Lohmeier, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (9/19/19), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

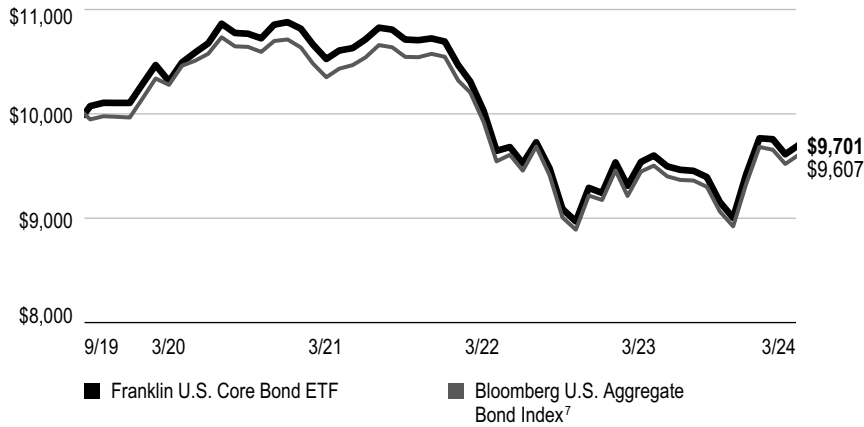
	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+1.69%	+1.74%	+1.69%	+1.74%
3-Year	-7.83%	-7.94%	-2.68%	-2.72%
Since Inception (9/17/19)	-2.99%	-2.95%	-0.67%	-0.66%
Distribution Rate⁵			30-Day Standardized Yield⁶	
3.57%			4.48%	

See page 91 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

9/17/19-3/31/24



See page 91 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)**Net Investment
Income**

\$0.759847

Total Annual Operating Expenses⁸

0.15%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Asset-backed, mortgage-backed or mortgage-related securities** are subject to prepayment and extension risks. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. The manager may consider **environmental, social and governance (ESG)** criteria in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Bloomberg U.S. Aggregate Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities (agency and nonagency).
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,059.50	\$0.77	\$1,024.25	\$0.76	0.15%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin U.S. Low Volatility ETF

This annual report for Franklin U.S. Low Volatility ETF covers the fiscal year ended March 31, 2024. On February 29, 2024, the Board of Trustees of the Trust approved changes to the Fund's name and ticker symbol, investment goal, strategies and policies (including the Fund's 80% investment policy), primary benchmark index, and other related changes. Effective on or about May 31, 2024, the Fund will be renamed the Franklin Income Equity Focus ETF (Ticker: INCE). The Fund's investment goal will change to seek income and capital appreciation with an emphasis on lower volatility. The information below reflects the Fund's investment goal, strategies, policies, risks and the Fund's primary benchmark index that were in effect during the reporting period.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation with an emphasis on lower volatility. Under normal market conditions, the Fund invests at least 80% of its net assets in U.S. investments. The Fund invests primarily in equity securities (principally common stocks) of U.S. companies.

Q. What were the overall market conditions during the Fund's reporting period?

A. U.S. equities fell for the 12-month period, with gains in the period's second half paring losses from the first half. Throughout the period, investor sentiment vacillated as to whether the U.S. Federal Reserve (Fed) can maneuver the U.S. economy into a soft landing while curtailing high inflation, or will it drive the economy into a recession. Financial market volatility surged in the second and third weeks of March as two mid-sized U.S. banks collapsed and a Swiss bank was forced into a merger. However, the Federal Deposit Insurance Corporation's backstop of deposits at the two U.S. firms and the Fed's emergency lending facility for banks calmed financial markets. In an effort to bring down inflation, the Fed raised the federal funds target rate eight times during the period to the highest level since 2007. On the economic front, the U.S. economy grew in 2022's second half after contracting in the first half. Meanwhile, manufacturing activity contracted in March for the fifth

consecutive month, while services activity expanded for the third successive month.

Q. How did we respond to these changing market conditions?

A. U.S. equity markets rallied strongly during the period. The Fund responded by taking gains in appreciating common stocks and closely managing position sizes, given increasing valuations across U.S. equity markets.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +18.15% based on market price and +18.04% based on net asset value (NAV). In comparison, the Russell 1000® Index, which measures the performance of the approximately 1,000 largest companies in the Russell 3000® Index, which represents the majority of the U.S. market's total capitalization, posted a +29.87% cumulative total return for the same period.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 96.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 219.

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Information Technology	27.4%
Financials	13.9%
Health Care	12.2%
Consumer Discretionary	11.4%
Industrials	9.6%
Communication Services	7.3%
Consumer Staples	5.8%
Energy	4.1%
Materials	2.6%
Real Estate	2.6%

Top 10 Holdings

3/31/24

Company Sector/Industry	% of Total Net Assets
Vontier Corp. <i>Information Technology</i>	1.9%
Oracle Corp. <i>Information Technology</i>	1.8%
International Business Machines Corp. <i>Information Technology</i>	1.8%
Amphenol Corp., Class A <i>Information Technology</i>	1.8%
ANSYS, Inc. <i>Information Technology</i>	1.8%
Microsoft Corp. <i>Information Technology</i>	1.7%
PTC, Inc. <i>Information Technology</i>	1.7%
Intuit, Inc. <i>Information Technology</i>	1.6%
Roper Technologies, Inc. <i>Information Technology</i>	1.6%
Texas Instruments, Inc. <i>Information Technology</i>	1.6%

Q. What were the leading contributors to performance?

A. Information technology exposure, positions in Apple, Black Knight and Vontier contributed to relative performance. Though management reported solid free cash flow and expanding profit margins, shares of Apple recently moved lower on disappointing iPhone sales in China, its largest overseas market. Our underweight relative the benchmark index in Apple supported relative returns in this environment. Meanwhile, performance benefited from an overweight position in Black Knight Financial Services. Shares of the

provider of data and analytics for the mortgage and finance industries advanced as its acquisition by Intercontinental Exchange was completed during the period. Black Knight also reported double-digit growth in net revenue, year over year, as well as record adjusted operating income. A relative overweight position in Vontier was another contributor. Though investors had their concerns, namely the impact of electric vehicles (EV) and the U.S. Eurocard, Mastercard, Visa (EMV) payment standard on Vontier's growth prospects, the industrial technology company's recent financial results outperformed expectations, with an increase in revenue growth and free cash flow, along with raised guidance for 2024.

Q. What were the leading detractors from performance?

A. The information technology sector's underperformance was due in part to stock selection, including a position in Microsoft. The enterprise software company released robust financial reports during the period, bolstered by growth in its cloud-based services and other artificial intelligence (AI) projects. Our underweight position in Microsoft relative to the benchmark detracted as a result. A lack of exposure to select benchmark names, among the semiconductor industry in particular, also pressured relative returns.

Stock selection in communication services hindered relative performance, with underperformance from Liberty Broadband. Liberty is a media holding company that includes a large investment in cable operator Charter Communications. New broadband subscriber trends for Charter tended to disappoint, and our overweight relative to the benchmark index in Liberty detracted as a result. Similarly, an overweight position in Telus had a negative impact on returns. During the period, the telecommunications company announced job cuts and restructuring plans to manage regulatory and competition headwinds. Telus, however, posted record subscriber growth in its latest quarter, along with increased free cash flow. Management also increased its quarterly dividend and operating revenue expectations for 2024.

Thank you for your participation in Franklin U.S. Low Volatility ETF. We look forward to serving your future investment needs.

Todd Brighton, CFA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (9/22/16), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+18.04%	+18.15%	+18.04%	+18.15%
3-Year	+31.55%	+31.38%	+9.57%	+9.52%
5-Year	+76.07%	+75.87%	+11.98%	+11.95%
Since Inception (9/20/16)	+148.16%	+148.25%	+12.84%	+12.84%

Distribution Rate ⁵	30-Day Standardized Yield ⁶
1.15%	1.64%

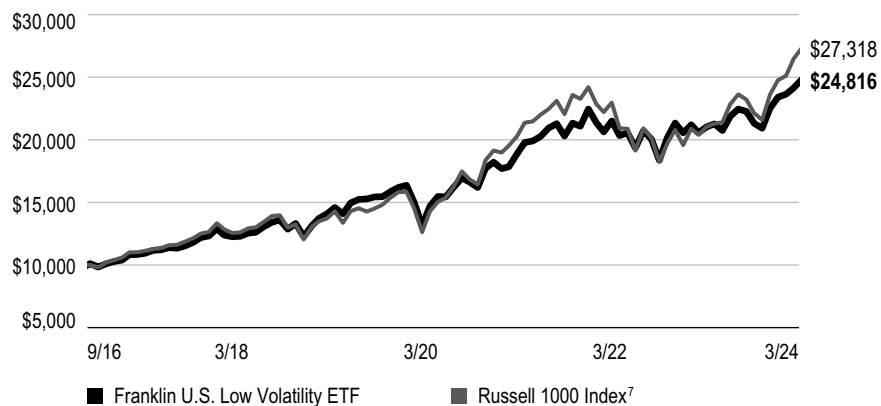
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 98 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

9/20/16-3/31/24



See page 98 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$0.939727

Total Annual Operating Expenses⁸

0.29%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. **Equity securities** are subject to price fluctuation and possible loss of principal. **Dividends** may fluctuate and are not guaranteed, and a company may reduce or eliminate its dividend at any time. Investments in **equity index-linked notes** often have risks similar to their underlying securities, which could include management risk, market risk and, as applicable, foreign securities and currency risks. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. There can be no guarantee that the fund's **volatility strategy** will be successful, and achieving the fund's volatility strategy does not mean the fund will achieve a positive or competitive return. The volatility strategy can also be expected to limit the fund's participation in market price appreciation when compared to similar funds that do not attempt this strategy. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. These and other risk considerations are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Russell 1000[®] Index is market capitalization weighted and measures the performance of the approximately 1,000 largest companies in the Russell 3000[®] Index, which represents the majority of the U.S. market's total capitalization.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,164.50	\$1.57	\$1,023.55	\$1.47	0.29%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin U.S. Treasury Bond ETF

This annual report for Franklin U.S. Treasury Bond ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks income. The Fund normally invests at least 80% of its net assets in direct obligations of the U.S. Treasury, including Treasury bonds, bills, notes and Treasury Inflation-Protection Securities (TIPS), and investments that provide exposure to direct obligations of the U.S. Treasury. The Fund may invest in U.S. Treasury securities of any maturity and intends to primarily focus on U.S. Treasury securities with a remaining maturity of between 1-30 years.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as yields changed rapidly in response to a developing macroeconomic landscape and changing global monetary policies. Inflation numbers in the U.S. continued to decline as supply chain disruptions improved. Market focus remained on central bank action as the U.S. Federal Reserve (Fed) continued their monetary policy tightening raising the Fed funds rate at both their May and July 2023 meetings before pausing with their policy rate of 5.25%-5.50%. The Fed kept rates stable for the remainder of the period under review. Although the Fed acknowledged the progress restrictive monetary policy had on reducing inflation, they stated that they need to see substantial movement towards reducing inflation down to its 2.0% target rate. With Fed funds rates appearing to reach their peak, market participants began to consider the number and speed of potential rate cuts in 2024. As part of the Fed's Summary of Economic Projections (SEP) released at the March 2024 meeting, the median number of 2024 cuts was three, the same number as in the December 2023 SEP. There was considerable volatility in the U.S. Treasury market with the benchmark 10-year trading between 3.31% to 4.99% ending the first quarter 2024 at 4.20% yield.

Q. How did we respond to these changing market conditions?

A. For most of the year, the Fund was positioned with an underweight to duration versus the index. It was our view that persistent inflation would cause the Fed to keep rates higher for longer, putting pressure on U.S. Treasury (UST) yields. Additionally, we focused our duration exposure on the front end of the yield curve as short-term rates reached multi-decade highs providing strong yields and income.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +0.01% based on market price and +0.01% based on net asset value (NAV). In comparison, the Bloomberg U.S. Treasury Index, which measures the performance of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. with at least one year until final maturity, posted a +0.05% cumulative total return.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 102.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Portfolio Composition

3/31/24

	% of Total Net Assets
U.S. Government & Agency Securities	99.1%
Short-Term Investments & Other Net Assets	0.9%

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed. The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio. Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 223.

Top 10 Holdings

3/31/24

	% of Total Net Assets
U.S. Treasury Notes, 0.75%, 1/31/28	33.2%
U.S. Treasury Notes, 0.25%, 7/31/25	15.4%
U.S. Treasury Notes, 0.625%, 12/31/27	12.3%
U.S. Treasury Bonds, 1.125%, 8/15/40	6.4%
U.S. Treasury Notes, 1.125%, 2/15/31	5.6%
U.S. Treasury Bonds, 1.125%, 5/15/40	5.3%
U.S. Treasury Bonds, 1.875%, 11/15/51	3.6%
U.S. Treasury Bonds, 4.00%, 11/15/52	2.7%
U.S. Treasury Bonds, 3.50%, 2/15/39	2.0%
U.S. Treasury Notes, 0.25%, 8/31/25	1.9%

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Q. What were the leading contributors to performance?

A. Overall duration positioning contributed to returns, led by our underweight to the 10-year portion of the yield curve throughout much of the period. A slight overweight to TIPS boosted relative results.

Q. What were the leading detractors from performance?

A. In contrast, our exposure to the longer end of the benchmark universe weighed on our results.

Q. Were there any significant changes to the Fund during the reporting period?

A. The portfolio manager actively adjusted duration during the period. Through the first half 2023, the Fund was underweight duration versus the benchmark, but as UST yields began to rise, the portfolio manager moved the duration to neutral in the fourth quarter 2023. As yields moved even higher in 2024, the portfolio manager extended duration, moving to an overweight exposure by the end of the period under review.

Thank you for your participation in Franklin U.S. Treasury Bond ETF. We look forward to serving your future investment needs.

Warren Keyser

Patrick Klein, Ph.D.

Portfolio Management Team

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (6/11/20), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+0.01%	+0.01%	+0.01%	+0.01%
3-Year	-7.16%	-7.35%	-2.44%	-2.51%
Since Inception (6/9/20)	-10.27%	-10.27%	-2.81%	-2.81%
Distribution Rate⁵			30-Day Standardized Yield⁶	
3.40%			4.43%	

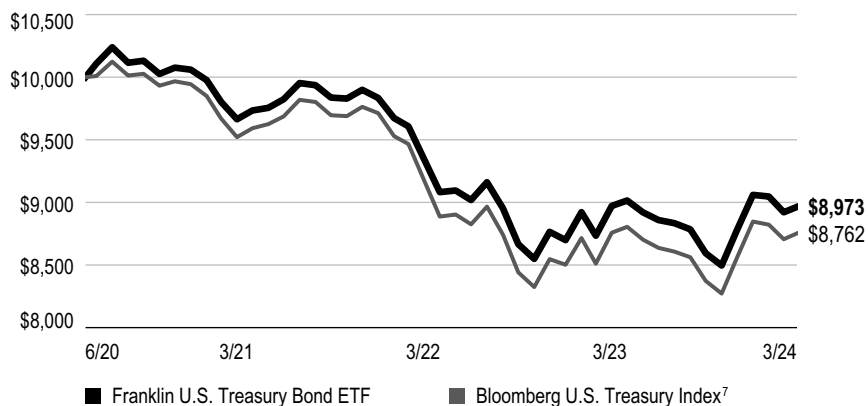
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 104 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

6/9/20-3/31/24



See page 104 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$0.732846

Total Annual Operating Expenses⁸

0.09%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Fixed income securities involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Changes in the credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of Fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The Bloomberg U.S. Treasury Index measures the performance of U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury with at least one year until final maturity. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed.
8. Figures as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,044.10	\$0.46	\$1,024.55	\$0.46	0.09%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Franklin Ultra Short Bond ETF

This annual report for Franklin Ultra Short Bond ETF covers the fiscal year ended March 31, 2024.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks to provide a high level of current income as is consistent with prudent investing, while seeking preservation of capital. Under normal market conditions, the Fund invests at least 80% of its net assets in bonds and investments that provide exposure to bonds. Bonds include, but are not limited to, a variety of fixed and variable rate debt obligations, including government and corporate debt securities; money market instruments; mortgage- and asset backed securities; and municipal securities.

Q. What were the overall market conditions during the Fund's reporting period?

A. Fixed income markets experienced a high-volatility environment as concerns over high levels of inflation and the U.S. Federal Reserve (Fed) policy response dominated the economic and market discussion. Yields changed rapidly in response to an evolving macroeconomic landscape and changing global monetary policies. Geopolitical risk remained an overhang to the market throughout the quarter as the war in Ukraine continued and a new conflict in the Middle East emerged, putting temporary pressure on global energy prices. Inflation, as reflected in the Consumer Price Index, moderated towards the end of 2023. While markets were unsettled, corporate fundamentals continued on a robust pace, which benefited the Fund's corporate holdings. The U.S. Fed paused its interest rate hikes at the September and subsequent meetings. Although 2024 began with financial market exuberance as investors anticipated imminent rate cuts from developed market central banks, sentiments turned cautious upon the end of first quarter as economic growth continued to be robust (especially in the U.S.) and price pressures persistent. March 2024's Fed Summary of Economic Projections continued to project three rate cuts for the year. Ten-year U.S. Treasury (UST) yields traded in a wide range, peaking at 5.0% in October before falling, ending March at 4.20%.

Q. How did we respond to these changing market conditions?

A. During the fourth quarter, the Fed signaled that its hiking cycle was likely over, and they would consider rate cuts in 2024. With rate hikes off the table, we began shifting from floating-rate to fixed-rate corporate securities to help lock in attractive yield in anticipation of future rate cuts.

Performance Overview

During the 12-month period, the Fund posted cumulative total returns of +6.24% based on market price and +6.41% based on net asset value (NAV). In comparison, the ICE BofA U.S. 3-Month Treasury Bill Index, which tracks the performance of short-term U.S. government securities with a remaining term to final maturity of less than three months, posted a +5.24% cumulative total return.¹ You can find more of the Fund's performance data in the Performance Summary beginning on page 108.

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

Top 10 Sectors/Industries

3/31/24

	% of Total Net Assets
Banks	22.7%
Telecommunications	6.8%
Apparel	2.7%
Insurance	2.7%
Financial Services	2.7%
Miscellaneous Manufacturing	2.7%
Transportation	2.7%
Auto Manufacturers	2.6%
Aerospace & Defense	2.6%
Real Estate Investment Trusts (REITs)	2.6%

1. Source: Morningstar. Treasuries, if held to maturity, offer a fixed rate of return and a fixed principal value; their interest payments and principal are guaranteed..

The index is unmanaged and includes reinvestment of any income or distributions. It does not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 225.

Top 10 Holdings

3/31/24

Issue/Issuer	% of Total Net Assets
Verizon Communications, Inc., 6.669%, 5/15/25	4.0%
Bank of America Corp., 6.041%, 4/22/25	4.0%
Tapestry, Inc., 7.05%, 11/27/25	2.7%
Goldman Sachs Group, Inc., 6.739%, 5/15/26	2.7%
Pacific Life Global Funding II, 6.166%, 3/30/25	2.7%
AT&T, Inc., 6.763%, 6/12/24	2.7%
Discover Card Execution Note Trust, 6.04%, 12/15/26	2.7%
Citibank Credit Card Issuance Trust, 6.063%, 4/22/26	2.7%
Westpac Banking Corp., 5.35%, 10/18/24	2.7%
Charles Schwab Corp., 5.874%, 5/13/26	2.7%

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Q. What were the leading contributors to performance?

A. Sector allocations outside of UST bills contributed to returns including investment-grade (IG) corporate holdings in banking, communications, insurance and consumer cyclicals. Additionally, our holdings of asset back securities (ABS) from credit card receivables benefited results, as did our real estate investment trust (REIT) holdings.

Q. What were the leading detractors from performance?

A. There weren't any material performance detractors from our IG corporate bond allocations. The Fund had a slightly shorter duration compared to the benchmark and our overweight allocation to cash and short-term investments slightly detracted from relative results.

Thank you for your participation in Franklin Ultra Short Bond ETF. We look forward to serving your future investment needs.

Shawn Lyons, CFA
 Thomas Runkel, CFA
 Kent Burns, CFA
 Johnson Ng, CFA

Portfolio Management Team

Performance Summary as of March 31, 2024

Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Total returns do not include brokerage commissions that may be payable on secondary market transactions. The performance tables and graph do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale or redemption of Fund shares.

Net asset value or "NAV" is the value of one share of a fund as calculated in accordance with the standard formula for valuing mutual fund shares. The price used to calculate market return (Market Price) is determined by using the midpoint between the highest bid and the lowest offer on the primary stock exchange on which shares of a fund are listed for trading, as of the time that such fund's NAV is calculated. Since shares of the Fund did not trade in the secondary market until after the Fund's inception, for the period from inception to the first day of secondary trading (7/16/20), the NAV of the Fund is used as a proxy for the Market Price to calculate market returns. Market and NAV returns assume that dividends and capital gain distributions have been reinvested at Market Price and NAV.

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 3/31/24¹

	Cumulative Total Return ²		Average Annual Total Return ²	
	Based on NAV ³	Based on market price ⁴	Based on NAV ³	Based on market price ⁴
1-Year	+6.41%	+6.24%	+6.41%	+6.24%
3-Year	+7.69%	+7.64%	+2.50%	+2.49%
Since Inception (7/14/20)	+8.66%	+8.62%	+2.26%	+2.25%
Distribution Rate⁵			30-Day Standardized Yield⁶	
4.24%			5.29%	

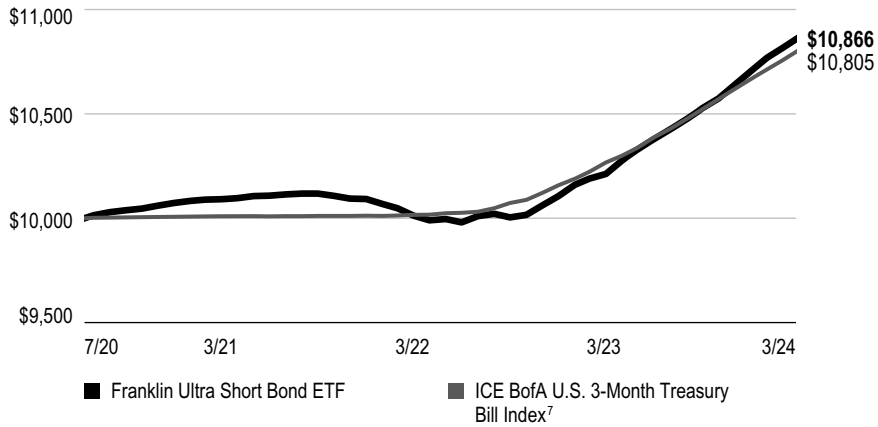
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com or call (800) 342-5236.

See page 110 for Performance Summary footnotes.

Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

Total return is calculated at net asset value and represents the change in value of an investment over the periods shown. It includes any Fund fees and expenses, and reinvested distributions. The unmanaged index include reinvestment of any income or distributions. They differ from the Fund in composition and do not pay management fees or expenses. One cannot invest directly in an index.

7/14/20-3/31/24



See page 110 for Performance Summary footnotes.

Distributions (4/1/23–3/31/24)

Net Investment Income

\$1.222585

Total Annual Operating Expenses⁸

0.15%

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results.

All investments involve risks, including possible loss of principal. Changes in the credit rating of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **The Fund should not be considered an alternative to money market funds or certificates of deposit (CDs).** To the extent the portfolio invests in a concentration of certain securities, regions or industries, it is subject to increased volatility. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

ETFs trade like stocks, fluctuate in market value and may trade at prices above or below their net asset value. Brokerage commissions and ETF expenses will reduce returns.

1. 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.
2. Total return calculations represent the cumulative and average annual changes in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
3. Assumes reinvestment of distributions based on net asset value.
4. Assumes reinvestment of distributions based on market price.
5. Distribution Rate is calculated by annualizing the most recent distribution amount paid, divided by the closing market price or NAV as of the date indicated. The Distribution Rate calculation includes income and return of capital, and includes a prorated special distribution in the month it is paid. The Distribution Rate is not guaranteed, subject to change, and is not a quotation of fund performance.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Source: FactSet. The ICE BofA U.S. 3-Month Treasury Bill Index tracks the performance of short-term U.S. government securities with a remaining term to final maturity of less than three months.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report.

Important data provider notices and terms available at www.franklintempletondatasources.com.

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including brokerage commissions on purchases and sales of Fund shares; and (2) ongoing Fund costs, including management fees and other Fund expenses. All funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the actual expenses paid this period are \$64.50.

Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 10/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio
	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	Ending Account Value 3/31/24	Expenses Paid During Period 10/1/23–3/31/24 ¹	
\$1,000.00	\$1,032.20	\$0.20	\$1,024.80	\$0.20	0.04%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/366 to reflect the one-half year period.

Financial Highlights

Franklin Disruptive Commerce ETF

	Year Ended March 31,				Period Ended March 31,
	2024	2023	2022	2021	2020 ^a
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$24.05	\$30.97	\$ 49.21	\$21.32	\$25.00
Income from investment operations ^b :					
Net investment income (loss) ^c	0.03	0.02	(0.19)	(0.21)	(0.01)
Net realized and unrealized gains (losses)	8.21	(6.94)	(17.73)	28.10	(3.67)
Total from investment operations	8.24	(6.92)	(17.92)	27.89	(3.68)
Net realized gains	—	—	(0.32)	—	—
Net asset value, end of year	\$32.29	\$24.05	\$ 30.97	\$49.21	\$21.32
Total return ^d	34.26%	(22.34)%	(36.59)%	130.82%	(14.72)%
Ratios to average net assets^e					
Expenses before waiver and payments by affiliates	0.50%	0.50%	0.62%	0.87%	12.59%
Expenses net of waiver and payments by affiliates	0.50%	0.50%	0.50%	0.50%	0.50%
Net investment income (loss)	0.11%	0.07%	(0.40)%	(0.44)%	(0.32)%
Supplemental data					
Net assets, end of year (000's)	\$11,302	\$9,619	\$18,584	\$41,827	\$2,132
Portfolio turnover rate ^f	12.69% ^g	47.01% ^g	89.85% ^g	45.81% ^g	0.94% ^g

^aFor the period February 25, 2020 (commencement of operations) to March 31, 2020.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 12.69% 47.01% 89.79% 45.81% 0.94%

Schedule of Investments, March 31, 2024

Franklin Disruptive Commerce ETF

	Country	Shares	Value
Common Stocks 99.3%			
Broadline Retail 21.6%			
^a Alibaba Group Holding Ltd., Class A	China	8,911	\$ 79,985
^b Amazon.com, Inc.	United States	6,316	1,139,280
eBay, Inc.	United States	1,753	92,523
^b Etsy, Inc.	United States	1,588	109,128
^b Global-e Online Ltd.	Israel	3,748	136,240
^b MercadoLibre, Inc.	Brazil	295	446,028
Naspers Ltd., Class N	South Africa	511	90,605
^{a,b} PDD Holdings, Inc., ADR	China	2,241	260,516
Prosus NV	Netherlands	2,759	86,635
			<u>2,440,940</u>
Commercial Services & Supplies 3.9%			
^b Copart, Inc.	United States	7,524	435,790
Consumer Staples Distribution & Retail 5.2%			
Costco Wholesale Corp.	United States	797	583,906
Containers & Packaging 1.3%			
Graphic Packaging Holding Co.	United States	1,071	31,252
Packaging Corp. of America	United States	617	117,094
			<u>148,346</u>
Entertainment 3.2%			
^b Netflix, Inc.	United States	385	233,822
Nintendo Co. Ltd., ADR	Japan	3,864	52,512
^b ROBLOX Corp., Class A	United States	2,070	79,032
			<u>365,366</u>
Financial Services 9.8%			
^b Adyen NV, ADR	Netherlands	9,316	157,534
^b Block, Inc.	United States	780	65,972
^b Dlocal Ltd.	Uruguay	1,685	24,769
Jack Henry & Associates, Inc.	United States	462	80,263
Mastercard, Inc., Class A	United States	817	393,443
^b PayPal Holdings, Inc.	United States	419	28,069
Visa, Inc., Class A	United States	1,271	354,711
			<u>1,104,761</u>
Food Products 0.9%			
^b Freshpet, Inc.	United States	900	104,274
Ground Transportation 10.1%			
Old Dominion Freight Line, Inc.	United States	648	142,113
^b Uber Technologies, Inc.	United States	11,030	849,199
^b XPO, Inc.	United States	1,229	149,975
			<u>1,141,287</u>
Hotels, Restaurants & Leisure 14.2%			
^b Airbnb, Inc., Class A	United States	1,571	259,152
Booking Holdings, Inc.	United States	117	424,462
^b DoorDash, Inc., Class A	United States	4,789	659,541
^b Expedia Group, Inc.	United States	688	94,772
^b MakeMyTrip Ltd.	India	2,394	170,094
			<u>1,608,021</u>
Industrial REITs 1.6%			
Prologis, Inc.	United States	1,407	183,220

Franklin Disruptive Commerce ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Interactive Media & Services 2.9%			
^b Alphabet, Inc., Class A	United States	661	\$ 99,765
Meta Platforms, Inc., Class A	United States	412	200,059
^a Tencent Holdings Ltd.	China	637	24,726
			<u>324,550</u>
IT Services 6.5%			
^b Shopify, Inc., Class A	Canada	9,458	729,874
Media 0.6%			
^b Trade Desk, Inc., Class A	United States	799	69,849
Professional Services 0.2%			
TransUnion	United States	343	27,371
Real Estate Management & Development 0.3%			
^b CoStar Group, Inc.	United States	308	29,753
Software 7.0%			
^b Autodesk, Inc.	United States	409	106,512
^b Descartes Systems Group, Inc.	Canada	2,450	224,248
^b Manhattan Associates, Inc.	United States	1,330	332,806
^b Sprout Social, Inc., Class A	United States	320	19,107
^b SPS Commerce, Inc.	United States	438	80,986
^b Unity Software, Inc.	United States	1,218	32,521
			<u>796,180</u>
Specialty Retail 0.1%			
ZOZO, Inc.	Japan	512	12,876
Trading Companies & Distributors 9.9%			
Fastenal Co.	United States	6,737	519,692
WW Grainger, Inc.	United States	584	594,103
			<u>1,113,795</u>
Total Common Stocks (Cost \$9,585,977)			11,220,159
Total Investments (Cost \$9,585,977) 99.3%			11,220,159
Other Assets, less Liabilities 0.7%			81,578
Net Assets 100.0%			<u>\$11,301,737</u>

^aVariable interest entity (VIE). See Note 6 regarding investments made through a VIE structure.

^bNon-income producing.

See Abbreviations on page 275.

Financial Highlights

Franklin Dynamic Municipal Bond ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$23.88	\$24.81	\$26.32	\$24.72	\$24.97
Income from investment operations ^a :					
Net investment income ^b	0.97	0.74	0.61	0.59	0.58
Net realized and unrealized gains (losses)	0.50	(0.96)	(1.56)	1.59	(0.17)
Total from investment operations	1.47	(0.22)	(0.95)	2.18	0.41
Less distributions from net investment income	(0.93)	(0.71)	(0.56)	(0.58)	(0.66)
Net asset value, end of year	\$24.42	\$23.88	\$24.81	\$26.32	\$24.72
Total return ^c	6.37%	(0.82)%	(3.70)%	8.84%	1.61%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.30%	0.57%	0.75%	1.01%	1.46%
Expenses net of waiver and payments by affiliates	0.30%	0.30%	0.30%	0.30%	0.30%
Net investment income	4.07%	3.12%	2.32%	2.29%	2.29%
Supplemental data					
Net assets, end of year (000's)	\$196,593	\$101,497	\$76,908	\$42,112	\$12,362
Portfolio turnover rate ^e	82.59% ^f	64.13% ^f	27.62% ^f	14.05% ^f	35.28% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows: 82.59% 64.13% 27.62% 14.05% 35.28%

Schedule of Investments, March 31, 2024

Franklin Dynamic Municipal Bond ETF

	Principal Amount*	Value
Corporate Bonds & Notes 0.3%		
Delaware 0.0%†		
^{a,b} Red River Biorefinery LLC, 15.00%, 4/30/24	10,000	\$ 10,000
^{a,b} Red River Biorefinery LLC, 15.00%, 4/30/24	5,000	5,000
		<u>15,000</u>
Puerto Rico 0.3%		
^{b,c} AES Puerto Rico LP, 12.50%, 12/15/25	638,904	638,904
		<u>653,904</u>
Total Corporate Bonds & Notes (Cost \$635,409)		
Municipal Bonds 98.6%		
Alabama 4.6%		
Black Belt Energy Gas District,		
^c Gas Project No 8, Series A, 4.00%, 12/01/52	500,000	494,994
^c Gas Project, Series E, 5.00%, 5/01/53	525,000	547,458
^c Refunding, 4.00%, 6/01/51	240,000	242,075
^c Series A, 5.25%, 5/01/55	1,500,000	1,622,267
^a County of Mobile, Gomesa Projects, 4.00%, 11/01/45	100,000	91,075
Energy Southeast A Cooperative District,		
^c Series A-1, 5.50%, 11/01/53	1,500,000	1,625,276
^c Series B-1, 5.75%, 4/01/54	500,000	553,460
MidCity Improvement District, Special Assessment, Series 2022, 4.25%, 11/01/32	600,000	543,958
^c Southeast Alabama Gas Supply District, Project No.1, Refunding, Series A, 5.00%, 8/01/54	2,000,000	2,139,703
^c Southeast Energy Authority A Cooperative District, Series A-1, 5.50%, 1/01/53	1,060,000	1,131,885
		<u>8,992,151</u>
Alaska 0.5%		
Northern Tobacco Securitization Corp., Series A, 4.00%, 6/01/39	1,000,000	1,006,188
Arizona 0.9%		
^c Arizona Health Facilities Authority, Banner Health Obligated Group, VRDN, Series C, 4.40%, 1/01/46	100,000	100,000
^c Chandler Industrial Development Authority, Intel Corp, AMT, 5.00%, 9/01/42	1,030,000	1,061,470
Glendale Industrial Development Authority, People of Faith Inc Obligated Group, 4.00%, 5/15/31	160,000	152,629
^a Sierra Vista Industrial Development Authority, Georgetown Community Development Authority, 9.00%, 10/01/37	250,000	237,707
Tempe Industrial Development Authority, Tempe Life Care Village Obligated Group, Refunding, 4.00%, 12/01/31	200,000	192,689
		<u>1,744,495</u>
California 11.3%		
California Community Choice Financing Authority,		
^c 5.25%, 1/01/54	5,530,000	5,830,536
^c VRDN, 5.50%, 10/01/54	1,815,000	2,002,154
^a California Community College Financing Authority, NCCD-Napa Valley Properties LLC, Series 2022A, 4.25%, 7/01/32	500,000	489,414
California Community Housing Agency,		
^a Arbors Apartments, Series A, 5.00%, 8/01/50	1,000,000	957,601
^a Aster Apartments, Series A-2, 4.00%, 2/01/43	350,000	322,887
^a Brio Apartments & Next on Lex Apartments, Series A, 4.00%, 8/01/47	285,000	235,043
^a Fountains at Emerald Park, 4.00%, 8/01/46	995,000	877,893
^a K Street Flats, 4.00%, 8/01/50	640,000	505,745
^a Verdant at Green Valley Apartments, 5.00%, 8/01/49	1,000,000	962,399
California Health Facilities Financing Authority, Episcopal Communities & Services for Seniors Obligated Group, Series A, 3.85%, 11/15/27		
	1,000,000	1,000,643
California Municipal Finance Authority,		
Biola University Inc, Refunding, 5.00%, 10/01/29	100,000	105,149
Caritas Corp, Refunding Series 2021B, 3.00%, 8/15/31	165,000	155,625
LAX Integrated Express Solutions LLC, AMT, 3.50%, 12/31/35	125,000	119,795
Series C, 5.50%, 9/01/34	25,000	26,788
Series C, 5.75%, 9/01/37	325,000	343,151
Series C, 6.00%, 9/01/42	150,000	158,357

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
California (continued)		
Series D, 6.00%, 9/01/42	265,000	\$ 281,435
^{a,d} California Pollution Control Financing Authority, CalPlant I LLC, AMT, 7.50%, 7/01/32	250,000	3,375
California School Finance Authority,		
^a 5.00%, 6/01/27	50,000	51,007
^a Classical Academy Obligated Group, Series 2020A, 3.00%, 10/01/30	180,000	167,912
^a John Adams Academies Obligated Group, Series 2022A, 4.50%, 7/01/32	250,000	248,623
^a Summit Public Schools Obligated Group, 5.00%, 6/01/27	50,000	52,583
^a City & County of San Francisco Special Tax District No., 4.00%, 9/01/36	100,000	97,844
^a CMFA Special Finance Agency, Solana at Grand, Series A-2, 4.00%, 8/01/45	500,000	420,905
^a CMFA Special Finance Agency VII, The Breakwater Apartments, 4.00%, 8/01/47	910,000	750,487
^a CMFA Special Finance Agency VIII, Junior-Elan Huntington Beach, 4.00%, 8/01/47	855,000	736,922
^a CMFA Special Finance Agency XII, Allure Apartments, 4.375%, 8/01/49	1,000,000	829,723
CSCDA Community Improvement Authority,		
^a Jefferson Anaheim Social Bonds, 2.875%, 8/01/41	155,000	140,600
^a Renaissance at City Center, 5.00%, 7/01/51	250,000	242,544
^a Waterscape Apartments, Series B, 4.00%, 9/01/46	955,000	788,118
^a Elsinore Valley Municipal Water District, Community Facilities District No 2020, Series 2021A, 4.00%, 9/01/27	100,000	98,285
^c Long Beach Bond Finance Authority, Series B, 3 mo. USD Term SOFR + 1.45%, 5.181%, 11/15/27	1,000,000	1,003,059
Perris Joint Powers Authority, Refunding, Series 2017B, 5.00%, 9/01/25	100,000	101,461
River Islands Public Financing Authority,		
Community Facilities District No 2003-, 5.00%, 9/01/32	500,000	516,849
Series 2023-1, 5.00%, 9/01/38	435,000	447,275
^c Southern California Public Power Authority, Libor-Project No 1, Series A, 3 mo. USD LIBOR + 1.47%, 5.201%, 11/01/38	1,215,000	1,120,489
		<u>22,192,676</u>
Colorado 3.0%		
Colorado Educational & Cultural Facilities Authority, Golden View Classical Academy, Refunding, 4.00%, 1/01/32	200,000	194,312
Colorado Health Facilities Authority,		
Christian Living Neighborhoods Obligated Group, Refunding, 4.00%, 1/01/29	100,000	98,256
CommonSpirit Health Obligated Group, Series A, 4.00%, 8/01/37	1,480,000	1,452,686
CommonSpirit Health Obligated Group, Series A, 4.00%, 8/01/39	1,280,000	1,252,070
CommonSpirit Health Obligated Group, Series A, Refunding, 5.00%, 8/01/39	1,650,000	1,749,483
Denver Health & Hospital Authority, Refunding, Series A, 4.00%, 12/01/37	1,000,000	947,635
Southglenn Metropolitan District, Refunding, 5.00%, 12/01/30	100,000	99,966
Southlands Metropolitan District No. 1, Refunding, Series 2017A-1, 3.50%, 12/01/27	200,000	191,822
		<u>5,986,230</u>
Connecticut 0.3%		
Connecticut State Health & Educational Facilities Authority,		
Masonicare Corp Obligated Group, Series F, Refunding, 5.00%, 7/01/24	275,000	275,005
^a McLean Affiliates Obligated Group, Series A, 5.00%, 1/01/30	150,000	146,912
Sacred Heart University Inc, 5.00%, 7/01/29	5,000	5,272
^c Yale University, Series V-2, 4.20%, 7/01/36	100,000	100,000
		<u>527,189</u>
Delaware 0.1%		
County of Kent, CHF-Dover LLC, 5.00%, 7/01/29	100,000	103,231
Florida 15.5%		
Abbott Square Community Development District, 2022 Project, Special Assessment, 5.00%, 6/15/32	200,000	205,120
^a Artisan Lakes East Community Development District, Special Assessment, Series 2021-2, 2.30%, 5/01/26	100,000	95,979
^a Astonia Community Development District, Assessment Area One Project, Special Assessment, Series 2020, 3.375%, 5/01/30	145,000	140,927
Avalon Groves Community Development District, Assessment Area 3, Special Assessment, 2.375%, 5/01/26	95,000	91,851

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Florida (continued)		
^a Avalon Park West Community Development District, 2020 Project Area, Special Assessment, Refunding, 3.25%, 5/01/30	100,000	\$ 98,155
Avenir Community Development District, 2021A Project, Assessment Area Two, Special Assessment, 2.75%, 5/01/31	90,000	81,147
Babcock Ranch Community Independent Special District, Assessment Area 2C, Special Assessment, 3.00%, 5/01/30	50,000	48,119
Assessment Area 3B, Special Assessment, 3.00%, 5/01/30	145,000	138,540
Assessment Area, Special Assessment, Refunding, Series 2022, 4.125%, 5/01/27	290,000	288,294
Belmond Reserve Community Development District, 2020 Project, Special Assessment, 3.25%, 5/01/30	100,000	96,931
Berry Bay Community Development District, Assessment Area One, Special Assessment, 3.125%, 5/01/31	100,000	92,255
Black Creek Community Development District, Expansion Area Project, Special Assessment, Series 2022, 5.125%, 6/15/32	100,000	102,858
Capital Projects Finance Authority, Florida UniversityProject, Refunding, Series A-1, 5.00%, 10/01/34	1,000,000	1,030,532
University Project, Series 2020A-1, 5.00%, 10/01/32	455,000	472,076
Capital Trust Agency, Inc., ^a AcadeMir Charter School West, 3.00%, 7/01/31	125,000	111,999
^a Educational Growth Fund LLC, 3.375%, 7/01/31	100,000	94,947
Liza Jackson Preparatory School Inc, 4.00%, 8/01/30	275,000	270,582
^a WFCS Holdings II LLC, Series 2021A, 3.30%, 1/01/31	300,000	270,439
^a Capital Trust Authority, zero cpn., 3/01/29	855,000	662,995
^{a,e} Caymas Community Development District, Assessment Area One, Special Assessment, 4.45%, 5/01/31	270,000	270,414
Celebration Community Development District, Assessment Area One Project, Special Assessment, Series 2021, 3.125%, 5/01/41	50,000	43,421
Coddington Community Development District, Special Assessment, Series 2022, 5.00%, 5/01/32	275,000	285,711
Connerton East Community Development District, Assessment Area One, Special Assessment, Series 2023, 4.25%, 6/15/30	185,000	187,027
Coral Keys Homes Community Development District, Special Assessment, Series 2020, 3.125%, 5/01/30	165,000	157,272
Cordoba Ranch Community Development District, Special Assessment, Refunding, 3.00%, 5/01/31	100,000	94,655
Cordova Palms Community Development District, Assessment Area 1, Special Assessment, 4.80%, 5/01/27	125,000	125,619
Special Assessment, Series 2021, 2.80%, 5/01/31	100,000	89,997
County of Osceola Transportation Revenue, zero cpn., 10/01/32	150,000	105,020
^a Cypress Bluff Community Development District, Special Assessment, Series 2020A, 3.125%, 5/01/30	55,000	53,634
Cypress Park Estates Community Development District, Special Assessment, Series 2022, 4.375%, 5/01/27	100,000	99,883
Cypress Ridge Community Development District, Assessment Area One Project, Special Assessment, 4.875%, 5/01/30	500,000	506,223
Darby Community Development District, Special Assessment, Series A-2, 5.875%, 5/01/35	500,000	511,004
Del Webb Oak Creek Community Development District, 2023 Project, Special Assessment, 4.125%, 5/01/30	140,000	140,648
^a Downtown Doral South Community Development District, Assessment Area 2, Special Assessment, 4.25%, 12/15/28	195,000	195,494
^a DW Bayview Community Development District, Special Assessment, Series 2021, 3.00%, 5/01/32	100,000	95,215
East 547 Community Development District, Assessment Area 2, Special Assessment, 5.50%, 5/01/30	100,000	102,818
East Bonita Beach Road Community Development District, Assessment Area Two, Special Assessment, 3.00%, 5/01/32	100,000	93,944
Edgewater East Community Development District, Assessment Area One, Special Assessment, 3.10%, 5/01/31	100,000	91,247
Assessment Area Two, Special Assessment, 3.00%, 5/01/27	185,000	176,481
^a Enbrook Community Development District, Special Assessment, Series 2020, 3.00%, 5/01/30	100,000	92,297

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Florida (continued)		
Epperson North Community Development District, Assessment Area 2, Special Assessment, 3.00%, 5/01/31	80,000	\$ 72,428
Escambia County Health Facilities Authority, Baptist Hospital Inc Obligated Group, Refunding, 5.00%, 8/15/34	1,000,000	1,054,030
Everlands Community Development District, Assessment Area Two, Special Assessment, 5.25%, 6/15/44	275,000	277,792
Florida Development Finance Corp.,		
^{a,c} Brightline Florida Holdings LLC, AMT, Refunding, VRDN, 7.50%, 7/01/57	250,000	248,608
^{a,c} Brightline Florida Holdings LLC, AMT, Refunding, VRDN, 8.00%, 7/01/57	500,000	530,000
^a Brightline Trains Florida LLC, AMT, 7.375%, 1/01/49	500,000	521,883
^{a,c} Brightline Trains Florida LLC, AMT, VRDN, 6.375%, 1/01/49	175,000	175,060
^a Glenridge on Palmer Ranch Obligated Group, Refunding, 5.00%, 6/01/31	200,000	197,736
^a Mayflower Retirement Community, Refunding, 4.00%, 6/01/31	100,000	89,836
Shands Jacksonville Medical Center Obligated Group, Refunding, 5.00%, 2/01/38	1,400,000	1,403,926
^a Forest Lake Community Development District, Assessment Area 1 Project, Special Assessment, 3.25%, 5/01/30	145,000	139,634
Grand Oaks Community Development District, Assessment Area 2, Special Assessment, 4.00%, 5/01/30	150,000	147,437
Grande Pines Community Development District, Assessment Area Two, Special Assessment, 4.65%, 5/01/34	515,000	517,667
Hacienda North Community Development District, Special Assessment, Series 2023, 5.50%, 5/01/33	210,000	219,391
Hammock Reserve Community Development District, Assessment Area One Project, Special Assessment, 3.25%, 5/01/30	100,000	95,724
Hawkstone Community Development District, Assessment Area 4, Special Assessment, 4.375%, 5/01/30	110,000	110,689
Herons Glen Recreation District, Special Assessment, Refunding, 3.00%, 5/01/32	100,000	98,061
Highland Trails Community Development District, Assessment Area One, Special Assessment, 4.70%, 5/01/31	220,000	221,251
Hills of Minneola Community Development District,		
South Parcel Assessment Area, Special Assessment, 2.375%, 5/01/26	60,000	57,757
^a South Parcel Assessment Area, Special Assessment, 3.50%, 5/01/31	100,000	94,644
Holly Hill Road East Community Development District, Assessment Area 3 Project, Special Assessment, 4.00%, 11/01/25	45,000	44,896
Indigo Community Development District, 2021 Assessment Area, Phase A1, Special Assessment, 2.70%, 5/01/31	100,000	92,051
Kelly Park Community Development District, Assessment Area One Project, Special Assessment, 5.125%, 11/01/30	280,000	284,953
Kindred Community Development District II,		
Special Assessment, 5.65%, 5/01/43	315,000	329,550
Special Assessment, Series 2020, 3.00%, 5/01/30	155,000	147,769
Special Assessment, Series 2021, 2.20%, 5/01/26	50,000	48,223
Kingman Gate Community Development District,		
Special Assessment, Series 2020, 3.125%, 6/15/30	110,000	107,354
Special Assessment, Series 2021, 2.50%, 6/15/26	65,000	63,238
Lakes at Bella Lago Community Development District, Special Assessment, 5.75%, 5/01/43	165,000	170,169
Lakes of Sarasota Community Development District,		
Assessment Area One, Special Assessment, 3.40%, 5/01/31	135,000	127,647
Assessment Area Two, Special Assessment, 3.00%, 5/01/26	115,000	112,816
Lakewood Ranch Stewardship District,		
Azario Project, Special Assessment, Series 2020, 3.20%, 5/01/30	175,000	163,652
^a Lorraine Lakes Project, Special Assessment, Series 2020, 3.125%, 5/01/30	60,000	55,985
^a Northeast Sector Project, Special Assessment, Refunding, 3.20%, 5/01/30	100,000	93,603
Star Farms at Lakewood Ranch Proj-Phase 1/2, Special Assessment, 2.70%, 5/01/31	100,000	88,403
Taylor Ranch Project, Special Assessment, 6.125%, 5/01/43	500,000	529,587
Villages Lakewood Ranch South, Special Assessment, Series 2016, 4.25%, 5/01/26	1,415,000	1,415,858
Lawson Dunes Community Development District, Special Assessment, Series 2022, 4.375%, 5/01/27	130,000	130,109
^a Longleaf Community Development District, Neighborhood 4 Assessment Area One, Special Assessment, 4.50%, 5/01/31	140,000	141,178

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Florida (continued)		
Los Cayos Community Development District, 2024 Project, Special Assessment, 4.40%, 6/15/31	300,000	\$ 301,298
LT Ranch Community Development District, Phase IIA Assessment Area, Special Assessment, 5.00%, 5/01/27	105,000	105,966
^a Magnolia Park Community Development District, Special Assessment, Refunding, 4.00%, 5/01/31	47,000	48,007
Meadow View at Twin Creeks Community Development District, Phase 4, Special Assessment, 3.00%, 5/01/31	75,000	68,248
Miami Health Facilities Authority, Miami Jewish Health Systems Obligated Group, Refunding, 5.00%, 7/01/28	150,000	145,362
Middleton Community Development District A, Special Assessment, Series 2022, 5.20%, 5/01/27	40,000	40,437
Special Assessment, Series 2022, 5.45%, 5/01/32	200,000	211,149
Mirada II Community Development District, 2021 Project Area, Special Assessment, 3.125%, 5/01/31	100,000	89,652
^a North Powerline Road Community Development District, Special Assessment, Series 2022, 4.75%, 5/01/27	165,000	165,532
North River Ranch Improvement Stewardship District, Special Assessment, Series A, 5.70%, 5/01/29	145,000	148,379
North-1 Pasco Community Development District, Assessment Area Two, Special Assessment, Series A, 3.25%, 5/01/31	100,000	92,844
Old Hickory Community Development District, Special Assessment, Series 2020, 3.00%, 6/15/30	100,000	94,393
Palermo Community Development District, 2023 Project, Special Assessment, 4.125%, 6/15/30	85,000	85,502
Palm Beach County Health Facilities Authority, Jupiter Medical Center Obligated Group, 5.00%, 11/01/32	300,000	322,920
Jupiter Medical Center Obligated Group, 5.00%, 11/01/40	230,000	237,354
Lifespace Communities Inc Obligated Group, Refunding, Series C, 5.00%, 5/15/27	292,000	291,650
Palm Coast Park Community Development District, Sawmill Branch Phase 2, Special Assessment, 4.15%, 5/01/27	200,000	200,007
Parkview at Long Lake Ranch Community Development District, Special Assessment, Series 2020, 3.125%, 5/01/30	100,000	92,964
Parrish Lakes Community Development District, Assessment Area One Project, Special Assessment, 4.00%, 5/01/30	300,000	297,436
Parrish Plantation Community Development District, Assessment Area One, Special Assessment, 3.125%, 5/01/31	100,000	92,190
Peace Creek Village Community Development District, Special Assessment, Series 2024, 4.625%, 5/01/31	370,000	372,030
Pine Ridge Plantation Community Development District, Subordinate Lien, Special Assessment, Refunding, Series 2020A-2, 3.30%, 5/01/30	150,000	145,375
Preserve at South Branch Community Development District, Phase 3, Special Assessment, Series 2021, 3.00%, 5/01/31	100,000	95,914
Reunion East Community Development District, Special Assessment, Series 2021, 2.85%, 5/01/31	100,000	90,031
River Hall Community Development District, Special Assessment, Series A, 6.25%, 5/01/43	170,000	180,312
Rivers Edge II Community Development District, Special Assessment, Series 2021, 3.00%, 5/01/31	100,000	91,282
^a Rivers Edge III Community Development District, Special Assessment, Series 2021, 2.40%, 5/01/26	100,000	96,349
^a Rye Ranch Community Development District, Assessment Area One, Special Assessment, Refunding, 5.00%, 11/01/30	45,000	45,675
Saddle Creek Preserve of Polk County Community Development District, Assessment Area One, Special Assessment, 3.00%, 6/15/30	80,000	76,362
Sanctuary Cove Community Development District, Special Assessment, Series 2018, 2.125%, 5/01/26	135,000	129,434
Sandmine Road Community Development District, ^a Assessment Area One, Special Assessment, 3.125%, 5/01/30	100,000	97,478
Assessment Area Two, Special Assessment, 2.30%, 11/01/26	35,000	33,732

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Florida (continued)		
Sandridge Community Development District, Special Assessment, Series 2021A1, 2.875%, 5/01/26	100,000	\$ 98,135
Sawgrass Village Community Development District, Assessment Area Two, Special Assessment, 6.125%, 11/01/43	155,000	162,910
Sawyers Landing Community Development District, Special Assessment, Series 2021, 3.75%, 5/01/31	150,000	138,845
Scenic Terrace North Community Development District, 2023 Assessment Area, Special Assessment, 5.125%, 5/01/30	500,000	508,252
^a Seaton Creek Reserve Community Development District, Assessment Area One, Special Assessment, 4.625%, 6/15/30	30,000	30,346
Sherwood Manor Community Development District, Assessment Area Two, Special Assessment, 4.625%, 5/01/30	125,000	126,391
Shingle Creek at Bronson Community Development District, Special Assessment, Series 2021, 3.10%, 6/15/31	100,000	96,849
Silver Oaks Community Development District, Special Assessment, 4.70%, 5/01/31	235,000	236,530
Six Mile Creek Community Development District, Assessment Area 2, Phase 3, Special Assessment, 3.10%, 5/01/31	75,000	68,777
Sorrento Pines Community Development District, Assessment Area One, 4.375%, 5/01/30	55,000	55,405
South Fork East Community Development District, Special Assessment, Refunding, Series 2005, 4.00%, 5/01/31	1,255,000	1,227,572
Southern Groves Community Development District No. 5, Special Assessment, Series 2022, 5.80%, 5/01/42	200,000	214,363
^e Special Assessment, Series 2024, 5.45%, 5/01/44	350,000	353,517
St. Augustine Lakes Community Development District, 2022 Project, Special Assessment, 4.70%, 6/15/29	425,000	429,002
2022 Project, Special Assessment, 5.375%, 6/15/42	60,000	61,525
^a Stillwater Community Development District, 2021 Project, Special Assessment, 3.00%, 6/15/31	100,000	91,091
^a Stuart Crossing Community Development District, Assessment Area One Project, Special Assessment, 4.375%, 5/01/31	195,000	195,150
Summer Woods Community Development District, Assessment Area Three Project, Special Assessment, 3.15%, 5/01/31	75,000	69,132
Summit View Community Development District, Assessment Area Two, Special Assessment, 4.75%, 5/01/31	480,000	479,965
Sunbridge Stewardship District, Special Assessment, Series 2022, 4.50%, 5/01/27	135,000	135,734
Tamarindo Community Development District, Special Assessment, Series 2021, 3.00%, 5/01/31	100,000	91,210
Timber Creek Southwest Community Development District, Special Assessment, Series 2020, 3.00%, 6/15/30	150,000	138,343
Tohoqua Community Development District, Phase 2 Project, Special Assessment, 2.875%, 5/01/31	100,000	93,769
Phase 4A/5A Project, Special Assessment, Series 2021, 2.50%, 5/01/26	140,000	135,532
Tradition Community Development District No. 9, Special Assessment, Series 2021, 2.70%, 5/01/31	100,000	89,187
^a Trevesta Community Development District, Assessment Area Two, Special Assessment, 3.25%, 5/01/30	100,000	97,461
Twisted Oaks Pointe Community Development District, Assessment Area Two Project, Special Assessment, 5.875%, 5/01/43	170,000	175,923
Two Rivers West Community Development District, Special Assessment, Series 2, 5.25%, 5/01/28	255,000	258,038
Special Assessment, Series 2, 5.375%, 5/01/33	150,000	155,550
V-Dana Community Development District, Assessment Area One-2021 Project, Special Assessment, Series 2021P, 3.125%, 5/01/31	100,000	92,376
Veranda Community Development District II, Assessment Area 5, Special Assessment, Refunding, 4.50%, 5/01/31	360,000	363,055
^a Special Assessment, Refunding, 3.10%, 5/01/31	70,000	64,217
Viera Stewardship District, Village 2, Special Assessment, Series 2021, 2.80%, 5/01/31	130,000	116,430
Village Community Development District No. 13, Limited Offering, Special Assessment, Series 2019, 3.00%, 5/01/29	100,000	97,326

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Florida (continued)		
Villamar Community Development District, Assessment Area Five Project, Special Assessment, 5.625%, 5/01/43	60,000	\$ 62,114
Assessment Area Six Project, Special Assessment, 4.625%, 5/01/31	210,000	212,212
West Villages Improvement District, Unit of Development No 7, Special Assessment, 3.125%, 5/01/31	100,000	92,149
Unit of Development No 8, Special Assessment, 4.625%, 5/01/29	140,000	141,397
Windward Community Development District, Special Assessment, Series 2020A-1, 3.65%, 5/01/30	100,000	95,746
Special Assessment, Series A-1, 3.00%, 5/01/25	60,000	59,153
Wiregrass II Community Development District, Assessment Area Two, Special Assessment, 4.50%, 5/01/27	225,000	225,286
		<u>30,553,594</u>
Georgia 4.8%		
^a Development Authority of Rockdale County, AHPC Terraces at Fieldstone LLC, Series 2021B-S, 4.50%, 12/01/36	100,000	87,464
^a George L Smith II Congress Center Authority, Signia Hotel Management LLC, 3.625%, 1/01/31 Main Street Natural Gas, Inc., ^{a,c} Gas Supply Revenue, VRDN, Series C, 4.00%, 8/01/52	350,000	329,580
^c Series A, 5.00%, 6/01/53	2,000,000	1,946,619
^c Series B, 5.00%, 12/01/54	3,550,000	3,741,448
^c Series E, 5.00%, 12/01/53	1,000,000	1,074,166
^c Series E-2, SOFR + 1.70%, 5.264%, 12/01/53	1,250,000	1,336,008
	1,000,000	1,013,860
		<u>9,529,145</u>
Idaho 0.5%		
Idaho Housing & Finance Association, ^a College of Idaho Inc, Refunding, 5.00%, 11/01/25	750,000	755,725
White Pine Charter School Project, 5.25%, 5/01/38	300,000	323,112
		<u>1,078,837</u>
Illinois 7.2%		
Chicago Board of Education, Refunding, Series A, zero cpn., 12/01/25	500,000	466,587
Chicago Board of Education Dedicated Capital Improvement Tax, 5.00%, 4/01/38	2,155,000	2,351,789
5.25%, 4/01/39	1,000,000	1,103,819
Chicago Midway International Airport, AMT, Refunding, Series A, 5.50%, 1/01/38	750,000	857,508
City of Chicago, Refunding, Series A, 5.00%, 1/01/34	1,100,000	1,198,584
Series A, 5.50%, 1/01/40	1,820,000	1,999,096
Illinois Finance Authority, ^a Acero Charter Schools Inc Obligated Group, VRDN, 4.00%, 10/01/31	180,000	173,106
^c Field Museum of Natural History, Refunding, VRDN, SOFR + 1.20%, 4.924%, 11/01/34	390,000	389,112
Lifespace Communities Inc Obligated Group, Refunding, Series 2015A, 5.00%, 5/15/24	245,000	244,750
^c OSF Healthcare System Obligated Group, VRDN, Refunding, 5.00%, 5/15/50	760,000	780,533
Westminster Village Inc Obligated Group, Series A, Refunding, 5.25%, 5/01/38	1,000,000	978,545
Metropolitan Pier & Exposition Authority, McCormick Place Expansion, Refunding, 3.00%, 6/15/25	1,000,000	986,323
zero cpn., 12/15/30	300,000	238,671
Southwestern Illinois Development Authority, Madison County Community Unit School District No 7 Edwardsville, 12/01/24	155,000	151,197
Madison County Community Unit School District No 7 Edwardsville, 12/01/24	95,000	92,368
St. Clair County Community Unit School District No. 187 Cahokia, Series A, 5.00%, 1/01/40	325,000	350,041
Series B, 5.00%, 1/01/40	210,000	226,180
State of Illinois, 6.00%, 11/01/26	975,000	1,003,367
Series 2021B, 3.00%, 12/01/41	500,000	412,069
^a Upper Illinois River Valley Development Authority, 2018 IAVF Timber Oaks & Prairie View Obligated Group, Refunding, 3.50%, 12/01/32	113,296	100,548

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Illinois (continued)		
Village of Villa Park, Garden Station Redevelopment Area, 12/31/38	100,000	\$ 80,923
		<u>14,185,116</u>
Indiana 1.2%		
^a City of Goshen, Green Oaks of Goshen LLC, 4.75%, 8/01/24	130,000	128,997
^a City of Jeffersonville, Vivera Senior Living of Columbus LLC, Series 2020A, 4.75%, 11/01/30	100,000	89,410
Indiana Finance Authority,		
Ohio Valley Electric Corp, Series 2012C, 3.00%, 11/01/30	150,000	139,566
University of Evansville, 7.00%, 9/01/32	180,000	170,294
^a Indiana Housing & Community Development Authority, Vita of Marion LLC, Series 2021A, 5.00%, 4/01/31	765,000	703,317
Indianapolis Local Public Improvement Bond Bank, Convention Center Hotel, 5.50%, 3/01/38	1,000,000	1,097,797
		<u>2,329,381</u>
Iowa 2.6%		
Iowa Finance Authority,		
^c Iowa Fertilizer Co LLC, Refunding, 5.00%, 12/01/50	2,425,000	2,569,966
Lifespace Communities Inc Obligated Group, Refunding, 6.75%, 5/15/33	770,000	855,121
Lifespace Communities Inc Obligated Group, Series A, 4.125%, 5/15/38	125,000	110,636
Lifespace Communities Inc Obligated Group, Series A, 5.00%, 5/15/32	500,000	500,968
Lifespace Communities Inc Obligated Group, Series A, 5.00%, 5/15/41	60,000	56,824
^c Lifespace Communities Inc Obligated Group, Series B, SOFR + 0.55%, 4.274%, 5/15/56	500,000	465,531
Iowa Tobacco Settlement Authority, Refunding, Series 2021B-1, 4.00%, 6/01/49	610,000	615,933
		<u>5,174,979</u>
Kentucky 0.9%		
^c County of Owen, American Water Capital Corp, Refunding, VRDN, Series A, 2.45%, 6/01/39	100,000	93,160
Kentucky Economic Development Finance Authority, CommonSpirit Health Obligated Group, Series A, 5.00%, 8/01/29	280,000	307,148
^c Kentucky Public Energy Authority, Kentucky Public Energy Authority, VRDN, Series A-2, SOFR + 1.20%, 4.764%, 8/01/52	1,285,000	1,254,358
Louisville/Jefferson County Metropolitan Government, Bellarmine University Inc, Refunding, 4.00%, 5/01/29	100,000	92,647
		<u>1,747,313</u>
Louisiana 1.1%		
Lakeshore Villages Master Community Development District, Special Assessment, Series 2022, 5.00%, 6/01/32	245,000	249,980
Louisiana Local Government Environmental Facilities & Community Development Authority,		
^a Parish of St John the Baptist LA, 3.90%, 11/01/44	175,000	155,807
^a Patriot Services Group Obligated Group, 5.25%, 10/01/32	145,000	126,306
Westlake Corp, Refunding, 3.50%, 11/01/32	1,600,000	1,545,729
		<u>2,077,822</u>
Maryland 0.9%		
City of Baltimore,		
Harbor Point Special Taxing District, 4.25%, 6/01/26	560,000	555,532
^a Harbor Point Special Taxing District, Refunding, 3.25%, 6/01/31	100,000	92,644
County of Frederick, Oakdale-Lake Linganore Development District, 3.25%, 7/01/29	140,000	132,231
^c Maryland Health & Higher Educational Facilities Authority, University of Maryland Medical System Obligated Group, VRDN, 4.50%, 7/01/41	300,000	300,000
^a Town of La Plata MD, Heritage Green Special Taxing District, 5.75%, 2/15/35	680,000	690,286
		<u>1,770,693</u>
Massachusetts 0.4%		
Massachusetts Development Finance Agency,		
Foxborough Regional Charter School, Refunding, 5.00%, 7/01/27	80,000	80,632
Salem Community Corp Obligated Group, Refunding, 5.00%, 1/01/28	200,000	197,501
Massachusetts Educational Financing Authority, AMT, Series B, 4.25%, 7/01/44	500,000	493,679
		<u>771,812</u>

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Michigan 2.0%		
City of Detroit,		
Series A, 5.00%, 4/01/35	350,000	\$ 375,497
Series C, 6.00%, 5/01/43	375,000	422,009
Grand Rapids Economic Development Corp., Michigan Christian Home Obligated Group,		
Refunding, 4.00%, 11/01/27	285,000	274,577
°Green Lake Township Economic Development Corp., Interlochen Center for the Arts, VRDN,		
4.40%, 6/01/34	700,000	700,000
ªKalamazoo Economic Development Corp., Friendship Village of Kalamazoo Obligated Group,		
Refunding, 5.00%, 8/15/31	110,000	105,923
Michigan Finance Authority,		
Lawrence Technological University Obligated Group, Refunding, 4.00%, 2/01/27	145,000	141,292
Lawrence Technological University Obligated Group, Refunding, 4.00%, 2/01/32	285,000	271,724
°Provident Group - HFH Energy LLC, 4.125%, 2/29/44	330,000	321,011
University of Detroit Mercy Obligated Group, 5.25%, 11/01/35	750,000	777,851
University of Detroit Mercy Obligated Group, Refunding, 5.25%, 11/01/39	500,000	505,524
Michigan Strategic Fund, State of Michigan Department of Transportation, AMT, 5.00%,		
6/30/48	100,000	101,414
		<u>3,996,822</u>
Minnesota 0.7%		
Duluth Economic Development Authority, Benedictine Health System Obligated Group,		
Refunding, 4.00%, 7/01/31	125,000	116,030
°Minnesota Municipal Gas Agency, VRDN, Series B, SOFR + 1.00%, 4.564%, 12/01/52		
	1,300,000	1,292,384
		<u>1,408,414</u>
Mississippi 0.2%		
ªMississippi Development Bank, Magnolia Regional Health Center, Refunding, 5.00%, 10/01/31		
Mississippi Home Corp.,	150,000	156,230
ªPatriot Services Group Obligated Group, Series 2021D-8, 3.50%, 6/01/33	100,000	85,366
Patriot Services Group Pascagoula Portfolio II Obligated Group, Series 2021A, 3.65%,		
6/01/33	100,000	86,442
		<u>328,038</u>
Missouri 0.0%†		
City of Maryland Heights, Westport Plaza Redevelopment, 3.625%, 11/01/31		
	35,000	34,645
Nevada 0.4%		
City of Las Vegas Special Improvement District No. 611, Special Improvement District No 611,		
Special Assessment, 3.50%, 6/01/31	160,000	144,395
City of Las Vegas Special Improvement District No. 816, Special Assessment, 2.50%, 6/01/29		
	200,000	174,652
ªCity of North Las Vegas, NV Special Improvement District No 66, Special Assessment, 5.00%,		
6/01/28	140,000	142,515
Tahoe-Douglas Visitors Authority, 5.00%, 7/01/31		
	250,000	267,061
		<u>728,623</u>
New Jersey 0.9%		
New Jersey Economic Development Authority,		
°American Water Co Inc, AMT, Refunding, VRDN, 2.20%, 10/01/39	100,000	88,513
Provident Group-Kean Properties LLC, 5.00%, 7/01/32	100,000	101,117
United Airlines Inc, 5.25%, 9/15/29	250,000	250,557
°New Jersey Health Care Facilities Financing Authority, Virtua Health Obligated Group, VRDN,		
Series B, 3.80%, 7/01/43	300,000	300,000
New Jersey Higher Education Student Assistance Authority, AMT, Series B, 4.00%, 12/01/44		
	1,000,000	978,162
		<u>1,718,349</u>
New York 6.8%		
Metropolitan Transportation Authority,		
Green Bond, Series 2017C-1, 5.00%, 11/15/28	935,000	1,005,424
Green Bond, Series 2017C-1, 5.00%, 11/15/30	530,000	567,575

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
New York (continued)		
New York City Municipal Water Finance Authority,		
^c Second Generation Resolution Revenue Bonds, 4.55%, 6/15/50	430,000	\$ 430,000
^c VRDN, 4.50%, 6/15/45	1,300,000	1,300,000
New York State Dormitory Authority, St Joseph's College, 5.00%, 7/01/30	65,000	66,636
^{a,c} New York State Environmental Facilities Corp., Casella Waste Systems Inc, AMT, VRDN, 5.125%, 9/01/50	250,000	256,424
New York Transportation Development Corp.,		
American Airlines Inc, AMT, Refunding, 2.25%, 8/01/26	90,000	87,192
American Airlines Inc, AMT, Refunding, 3.00%, 8/01/31	210,000	197,884
American Airlines Inc, AMT, Refunding, 5.25%, 8/01/31	80,000	85,174
Delta Air Lines Inc, AMT, 5.00%, 1/01/25	250,000	251,979
Delta Air Lines Inc, AMT, 6.00%, 4/01/35	1,790,000	2,033,453
Delta Air Lines, Inc, AMT, 4.00%, 1/01/36	1,480,000	1,481,459
Delta Air Lines, Inc, AMT, 5.00%, 10/01/40	3,500,000	3,631,570
JFK NTO LLC, AMT, 5.50%, 6/30/38	250,000	278,302
^a Oneida Indian Nation of New York, Series B, 6.00%, 9/01/43	250,000	266,836
Port Authority of New York & New Jersey, Refunding, Series 230TH, 3.00%, 12/01/31	500,000	494,704
^e Suffolk Regional Off-Track Betting Co., 5.75%, 12/01/44	1,000,000	1,020,255
		<u>13,454,867</u>
North Carolina 0.2%		
North Carolina Medical Care Commission, United Methodist Retirement Homes Inc Obligated Group, 4.25%, 10/01/28		
	350,000	351,866
North Dakota 0.4%		
City of Horace, Refunding, Series B, 5.125%, 7/01/25		
	500,000	501,329
County of Burleigh, University of Mary, 5.10%, 4/15/36		
	250,000	250,904
^{a,d} County of Grand Forks, Red River Biorefinery LLC, AMT, 6.625%, 12/15/31	125,000	3,750
		<u>755,983</u>
Ohio 1.5%		
Akron Bath Copley Joint Township Hospital District, Summa Health System Obligated Group, Refunding, 4.00%, 11/15/33		
	550,000	544,811
County of Cuyahoga, Eliza Jennings Obligated Group, Refunding, 5.00%, 5/15/32		
	555,000	548,414
County of Franklin,		
Ohio Living Obligated Group, Refunding, 4.00%, 7/01/33	200,000	188,295
Wesley Communities Obligated Group, Refunding, 5.00%, 11/15/30	100,000	100,610
Franklin County Convention Facilities Authority, Hotel Project Revenue, 5.00%, 12/01/30		
	100,000	102,715
^c Ohio Air Quality Development Authority, Duke Energy Corp, AMT, Refunding, VRDN, 4.25%, 11/01/39	1,000,000	1,010,668
Ohio Higher Educational Facility Commission, Cleveland Institute of Music/The, 5.00%, 12/01/32		
	300,000	313,233
Ohio Housing Finance Agency, Middletown Phase I Project, 8.00%, 8/01/34		
	100,000	103,179
		<u>2,911,925</u>
Oregon 1.0%		
^c Oregon State Facilities Authority, 4.50%, 8/01/34	100,000	100,000
State of Oregon,		
^c VRDN, 4.50%, 6/01/39	1,600,000	1,600,000
^c VRDN, 4.50%, 12/01/44	200,000	200,000
		<u>1,900,000</u>
Pennsylvania 1.9%		
Allegheny County Higher Education Building Authority, Robert Morris University, 5.00%, 10/15/26		
	70,000	69,982
Allentown Neighborhood Improvement Zone Development Authority,		
^a City Center Project, 5.00%, 5/01/28	100,000	102,933
^a City Center Project, 5.25%, 5/01/42	200,000	199,073
Berks County Industrial Development Authority,		
Tower Health Obligated Group, Refunding, 5.00%, 11/01/29	250,000	135,050
Tower Health Obligated Group, Tower Health Project, Refunding, 4.00%, 11/01/31	560,000	295,816

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Pennsylvania (continued)		
Chester County Industrial Development Authority, Avon Grove Charter School, 5.00%, 3/01/27 . . .	1,000,000	\$ 1,016,953
Franklin County Industrial Development Authority, Menno-Haven Inc Obligated Group, Refunding, 5.00%, 12/01/28	100,000	97,759
° Luzerne County Industrial Development Authority, Pennsylvania-American Water Co., AMT, Refunding, VRDN, 2.45%, 12/01/39	100,000	90,665
Pennsylvania Economic Development Financing Authority, Philadelphia Water Department, Refunding, 4.00%, 1/01/31	425,000	422,962
UPMC Obligated Group, Series 2017A, 3.375%, 11/15/33	150,000	150,035
Pennsylvania Economic Development Financing Authority Parking System Revenue, Refunding, 5.00%, 1/01/26	710,000	724,125
Redevelopment Authority of the City of Philadelphia, Social Bond, Series 2021A, 2.799%, 9/01/33	500,000	423,337
		3,728,690
Puerto Rico 2.2%		
Commonwealth of Puerto Rico, Series 2021A1, 4.00%, 7/01/33	359,628	359,059
Series 2021A1, 4.00%, 7/01/35	8,654	8,507
Series 2021A1, 4.00%, 7/01/37	7,428	7,190
Series 2021A1, 4.00%, 7/01/41	38,099	35,960
Series 2021A1, 5.625%, 7/01/27	102,626	109,227
Series 2021A1, 5.625%, 7/01/29	447,074	489,759
Series 2021A1, 5.75%, 7/01/31	1,232,508	1,390,926
° VRDN, 11/01/43	42,678	24,721
zero cpn., 7/01/24	1,570	1,554
zero cpn., 7/01/33	12,391	8,147
GDB Debt Recovery Authority of Puerto Rico, 7.50%, 8/20/40	1,231,964	1,182,685
HTA HRRB Custodial Trust, 5.25%, 7/01/32	38,486	38,286
Puerto Rico Commonwealth Aqueduct & Sewer Authority, Series A, 6.125%, 7/01/24	5,000	5,028
Puerto Rico Electric Power Authority, Refunding, 5.25%, 7/01/32	175,000	173,325
Refunding, Series V, 5.25%, 7/01/27	170,000	170,388
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, Hospital Auxilio Mutuo Obligated Group, Refunding, 4.00%, 7/01/37	100,000	95,216
Hospital Auxilio Mutuo Obligated Group, Refunding, 4.00%, 7/01/39	100,000	93,240
Hospital Auxilio Mutuo Obligated Group, Refunding, 4.00%, 7/01/40	100,000	92,691
		4,285,909
South Carolina 1.9%		
County of Dorchester, SC Summers Corner Improvement District, Special Assessment, 4.50%, 10/01/33	415,000	415,905
° County of Richland, Village at Sandhill Improvement District, Special Assessment, Refunding, 3.00%, 11/01/26	100,000	93,789
Patriots Energy Group Financing Agency, ° VRDN, Refunding, SOFR + 1.90%, 5.458%, 2/01/54	50,000	51,323
° VRDN, Series A1, 5.25%, 10/01/54	2,640,000	2,828,314
South Carolina Jobs-Economic Development Authority, AHPC Vista Towers 2021 LLC, 3.65%, 12/01/36	100,000	85,579
° Columbia Portfolio Obligated Group, 6/01/37	315,000	242,667
° Orchard Pk and Willowbrook Apartment, 3.65%, 12/01/36	100,000	85,579
		3,803,156
Tennessee 5.1%		
Chattanooga Health Educational & Housing Facility Board, CommonSpirit Health Obligated Group, Series A, 4.00%, 8/01/38	1,125,000	1,105,298
Cleveland Housing Authority, ° Cleveland Forward Phase One LLC, 6.25%, 4/01/41	300,000	299,322
° Cleveland Forward Phase Two LLC, 6.25%, 4/01/41	100,000	99,774
Knox County Health Educational & Housing Facility Board, 5.00%, 7/01/38	425,000	470,262
° Tennergy Corp., Series A, 5.50%, 10/01/53	2,535,000	2,710,388

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Tennessee (continued)		
°Tennessee Energy Acquisition Corp., Series A, 5.00%, 5/01/52	5,000,000	\$ 5,283,982
		<u>9,969,026</u>
Texas 12.6%		
Cedar Port Navigation & Improvement District, 4.00%, 9/01/38	1,450,000	1,468,760
^a City of Anna, Hurricane Creek Public Improvement District Impt Area No 2, Special Assessment, 5.00%, 9/01/28	583,000	585,000
City of Aubrey, Jackson Ridge Public Improvement District, Special Assessment, 5.00%, 9/01/25	505,000	512,045
^a City of Austin, Whisper Valley Public Improvement District Improvement Area 2, Special Assessment, 4.75%, 11/01/29	164,000	164,363
^a City of Boyd, Public Improvement District No 1 Improvement Area No 1, Special Assessment, 4.25%, 9/15/30	189,000	188,890
City of Celina,		
^a Celina Hills Public Improvement District, Special Assessment, 4.375%, 9/01/27	75,000	73,758
^a Chalk Hill Public Improvement District No 2, Special Assessment, 5.00%, 9/01/30	185,000	186,139
^a Creeks of Legacy Public Improvement District Phase No 3, Special Assessment, 3.625%, 9/01/30	100,000	91,965
^a Edgewood Creek Public Improvement District, Special Assessment, 3.75%, 9/01/31	180,000	165,917
^a Pravin Public Improvement District, Special Assessment, 6.50%, 9/01/43	103,000	104,317
^a Sutton Fields II Public Improvement District, Special Assessment, 2.875%, 9/01/27	75,000	68,671
^a The Parks at Wilson Creek Public Improvement District, Special Assessment, 3.25%, 9/01/31	110,000	100,312
^a Wells North Public Improvement District, Special Assessment, 3.25%, 9/01/30	180,000	162,900
^a City of Crandall, Cartwright Ranch Public Improvement District Major Impt Are, Special Assessment, 4.75%, 9/15/31	100,000	96,950
City of Fate,		
^a Monterra Public Improvement District, Special Assessment, 2.75%, 8/15/26	59,000	55,700
^a Williamsburg East Public Improvement District, Special Assessment, 3.375%, 8/15/30	145,000	131,147
City of Horseshoe Bay, Escondido Public Improvement District, Special Assessment, Refunding, 3.00%, 10/01/30	140,000	125,628
^a City of Hutto, Emory Crossing Public Improvement District Impt Area No 2, Special Assessment, 4.50%, 9/01/30	270,000	273,441
City of Kyle,		
^a 6 Creeks Public Improvement District Improvement Area No 4, Special Assessment, 4.50%, 9/01/33	550,000	558,703
^a Creeks Public Improvement District, Special Assessment, 2.75%, 9/01/26	100,000	96,071
Kyle 57 Public Improvement District, Series 2022, 4.75%, 9/01/32	133,000	133,405
^a Plum Creek North Public Improvement District, Special Assessment, 4.375%, 9/01/32	215,000	210,695
^a Southwest Kyle Public Improvement District No 1 Impt Area No 2, Special Assessment, 5.75%, 9/01/30	100,000	102,617
City of Lago Vista,		
^a Tessera on Lake Travis Public Improvement District, Special Assessment, Refunding, 5.00%, 9/01/30	140,000	131,885
Tessera on Lake Travis Public Impt Dist Impt Area No 1, Special Assessment, Refunding, 3.125%, 9/01/30	130,000	119,450
City of Lavon,		
^a Lakepointe Public Improvement District, Special Assessment, 5.25%, 9/15/28	251,000	252,815
^a Lakepointe Public Improvement District, Special Assessment, 5.875%, 9/15/42	355,000	366,482
City of Leander, Oak Creek Public Improvement District, Special Assessment, Refunding, 3.25%, 9/01/32	100,000	90,920
^a City of Liberty Hill, Summerlyn West Public Improvement District, Special Assessment, 3.125%, 9/01/30	75,000	68,011
^a City of Manor, Manor Heights Public Improvement District Area No 3, Special Assessment, 5.25%, 9/15/43	200,000	200,376
^a City of McLendon-Chisholm, Sonoma Public Improvement District, Special Assessment, 5.375%, 9/15/32	155,000	157,729

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Texas (continued)		
City of Mesquite,		
^a Heartland Town Center Public Improvement District Phase 2, Special Assessment, 4.00%, 9/01/30	130,000	\$ 130,341
^a Solterra Public Improvement District Improvement Area C-1, Special Assessment, 5.375%, 9/01/43	102,000	102,806
City of Pilot Point,		
^a Creekview Public Improvement District, Special Assessment, Series 2022, 5.25%, 9/15/32	150,000	153,116
^a Creekview Public Improvement District, Special Assessment, Series 2022, 5.75%, 9/15/32	145,000	147,241
City of Princeton,		
^a TX Whitewing Trails Public Improvement District No 2 Phase 2, Special Assessment, 4.25%, 9/01/30	125,000	124,857
^a Winchester Public Improvement District, Special Assessment, 2.875%, 9/01/31	100,000	87,973
^a Winchester Public Improvement District, Special Assessment, 3.25%, 9/01/30	100,000	91,269
^a City of Royse City, Creekshaw Public Improvement District, Special Assessment, 3.125%, 9/15/25	135,000	130,924
City of Sachse,		
^a Sachse Public Improvement District No 1 Improvement Area No 1, Special Assessment, 5.00%, 9/15/28	278,000	280,700
^a Sachse Public Improvement District No 1 Improvement Area No 1, Special Assessment, 5.625%, 9/15/42	100,000	102,991
^a Sachse Public Improvement District No 1, Special Assessment, 6.00%, 9/15/28	100,000	101,102
^a TX Sachse Public Improvement District No 1, Special Assessment, 6.875%, 9/15/42	165,000	170,341
City of Tomball,		
^a Raburn Reserve Public Improvement District Area No 2, Special Assessment, 4.875%, 9/15/33	145,000	147,673
^a Raburn Reserve Public Improvement District, Special Assessment, 3.375%, 9/15/30	100,000	92,534
^a City of Umland, Watermill Public Improvement District, Special Assessment, 5.75%, 9/01/27	100,000	101,104
County of Hays,		
^a La Cima Public Improvement District Neighborhood Impt Area 3, Special Assessment, 4.75%, 9/15/27	398,000	397,180
^a La Cima Public Improvement District Neighborhood Impt Area 3, Special Assessment, 4.875%, 9/15/32	325,000	329,163
^a La Cima Public Improvement District, Special Assessment, 3.25%, 9/15/30	150,000	134,325
^a County of Medina, Woodlands Public Improvement District IA#1 Project, Special Assessment, 3.50%, 9/01/26	100,000	93,760
Fulshear Municipal Utility District No. 3A, 4.25%, 9/01/41	1,005,000	1,005,074
Harris County Municipal Utility District No. 171,		
4.75%, 12/01/40	1,215,000	1,253,358
6.75%, 12/01/26	1,015,000	1,089,070
Harris County Municipal Utility District No. 502, 4.75%, 9/01/37	1,060,000	1,112,514
Harris-Waller Counties Municipal Utility District No. 4,		
5.00%, 11/01/36	310,000	315,606
5.50%, 11/01/44	225,000	227,846
Lakes Fresh Water Supply District of Denton County, 4.375%, 9/01/42	1,350,000	1,362,289
Matagorda County Navigation District No. 1, CenterPoint Energy Inc, Refunding, 5.125%, 11/01/28	1,000,000	1,041,883
New Hope Cultural Education Facilities Finance Corp.,		
CHF-Collegiate Housing College Station I LLC, 5.00%, 4/01/29	100,000	100,024
CHF-Collegiate Housing Corpus Christi II LLC, 5.00%, 4/01/31	30,000	31,022
NCCD-College Station Properties LLC, Series A, 5.00%, 7/01/47	100,000	92,750
Wesleyan Homes Obligated Group, Refunding, 4.00%, 1/01/29	100,000	92,186
North Parkway Municipal Management District No. 1,		
^a Legacy Hills Public Improvement District, Special Assessment, 3.625%, 9/15/31	50,000	45,477
^a Major Improvements Project, Special Assessment, 4.25%, 9/15/31	152,000	147,095
Northlake Municipal Management District No. 1, 5.00%, 3/01/40	925,000	959,777
^a Northwood Municipal Utility District No. 1, Refunding, 4.00%, 8/01/31	250,000	246,495
South Manvel Development Authority, City of Manvel TX Tax Increment Reinvestment Zone		
Number 3, 5.00%, 4/01/38	275,000	275,754
Texas Municipal Gas Acquisition & Supply Corp. III, Refunding, 5.00%, 12/15/32	1,750,000	1,883,851
^c Texas Municipal Gas Acquisition & Supply Corp. IV, Series B, 5.50%, 1/01/54	2,500,000	2,800,201

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Texas (continued)		
Travis County Municipal Utility District No. 22, Series A, 5.75%, 9/01/38	275,000	\$ 280,986
Series B, 6.00%, 9/01/42	165,000	168,534
Viridian Municipal Management District, 5.00%, 12/01/25	100,000	102,106
Special Assessment, 2.875%, 12/01/30	100,000	87,861
Viridian Public Improvement District, Special Assessment, 2.375%, 12/01/25	27,000	25,694
		24,711,915
Utah 0.4%		
Military Installation Development Authority, Series 2021A-2, 4.00%, 6/01/36	250,000	219,442
^a Utah Charter School Finance Authority, Wallace Stegner Academy, Series 2022A, 5.25%, 6/15/32	230,000	233,752
Utah Infrastructure Agency, 5.00%, 10/15/32	250,000	265,936
		719,130
Virginia 0.8%		
^a Peninsula Town Center Community Development Authority, Special Assessment, Refunding, 4.50%, 9/01/28	100,000	99,313
Virginia Beach Development Authority, Westminster-Canterbury on Chesapeake Bay Obligated Group, 5.75%, 9/01/30	1,000,000	1,040,550
^c Virginia Small Business Financing Authority, VRDN, 5.00%, 11/01/52	500,000	499,997
		1,639,860
Washington 2.2%		
Jefferson County Public Hospital District No. 2, Refunding, Series A, 5.75%, 12/01/33	500,000	507,877
Skagit County Public Hospital District No. 1, Refunding, 5.00%, 12/01/29	100,000	101,956
Washington Health Care Facilities Authority, CommonSpirit Health Obligated Group, Refunding, Series A, 5.00%, 8/01/34	1,000,000	1,089,388
^a Fred Hutchinson Cancer Center Obligated Group, 3.00%, 12/01/34	125,000	118,636
^a Fred Hutchinson Cancer Center Obligated Group, 5.00%, 12/01/32	250,000	274,728
Washington State Housing Finance Commission, ^a eliseo Obligated Group, Series 2021A, 4.00%, 1/01/31	100,000	92,646
Emerald Heights Project, Refunding, Series A, 5.00%, 7/01/38	1,300,000	1,382,964
^a Madison at Rivers Edge Apartments LLC, 3.65%, 1/01/37	100,000	85,511
^a Presbyterian Retirement Communities Northwest Obligated Group, Series 2019A, 5.00%, 1/01/34	100,000	94,098
^a Seattle Academy of Arts & Sciences, Refunding, 5.625%, 7/01/38	430,000	475,724
^a Spokane United Methodist Homes Obligated Group, 5.00%, 1/01/32	100,000	97,610
		4,321,138
West Virginia 0.1%		
^c West Virginia Economic Development Authority, Appalachian Power Co., VRDN, 3.75%, 12/01/42	250,000	249,936
Wisconsin 1.5%		
Public Finance Authority, ^a Coral Academy of Science Reno, 5.375%, 6/01/37	335,000	338,560
^a Estancia Valley Classical Academy, Refunding, 4.00%, 7/01/31	100,000	92,311
^a Friends Homes Obligated Group, Refunding, 4.00%, 9/01/29	100,000	96,407
^a Masonic & Eastern Star Home of NC Inc Obligated Group, Refunding, 4.00%, 3/01/27	35,000	34,923
^a Ocean Academy Charter School, 4.00%, 10/15/31	100,000	92,066
^a Series 2023-B, 7.125%, 7/25/34	500,000	523,287
^a Signature Preparatory, 5.00%, 6/15/31	120,000	118,848
^a UMA Education Inc, Refunding, 5.00%, 10/01/24	100,000	100,330
^a UMA Education Inc, Refunding, 5.00%, 10/01/29	600,000	629,045
^a Whitestone-Retirement Facilities, Refunding,, 5.00%, 3/01/37	385,000	360,114
^{a,c} WV 2020 Holdings LLC Obligated Group, VRDN, 3.50%, 12/01/50	100,000	83,350

Franklin Dynamic Municipal Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Wisconsin (continued)		
Wisconsin Health & Educational Facilities Authority,		
^e Wisconsin Masonic Home Obligated Group, 4.20%, 8/15/28	250,000	\$ 250,286
^e Wisconsin Masonic Home Obligated Group, 5.50%, 8/15/44	305,000	314,706
		<u>3,034,233</u>
Total Municipal Bonds (Cost \$190,622,285)		<u>193,823,377</u>
^cSenior Floating Rate Interests 0.5%		
Household Products 0.2%		
TBG Hillcrest Senior LP, 2 mo. USD Term SOFR + 1.55%, 6.722%, 8/01/24	372,332	<u>372,332</u>
Real Estate Development 0.3%		
Centennial Gardens LP, 1 mo. USD Term SOFR + 1.55%, 6.874%, 8/01/24	500,000	502,997
Total Floating Rate Loans (Cost \$872,332)		<u>875,329</u>
Total Investments (Cost \$192,130,026) 99.4%		195,352,610
Other Assets, less Liabilities 0.6%		<u>1,240,589</u>
Net Assets 100.0%		<u>\$196,593,199</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

†Rounds to less than 0.1% of net assets.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$34,387,142, representing 17.5% of net assets.

^bFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.

^cVariable rate security. The rate shown represents the yield at period end.

^dDefaulted security or security for which income has been deemed uncollectible. See Note 7.

^eSecurity purchased on a when-issued basis. See Note 1(d).
See Abbreviations on page 275.

Financial Highlights

Franklin Exponential Data ETF

	Year Ended March 31,			Period Ended March 31,
	2024	2023	2022	2021 ^a
Per share operating performance				
(for a share outstanding throughout the year)				
Net asset value, beginning of year	\$16.86	\$22.78	\$23.34	\$25.00
Income from investment operations ^b :				
Net investment income (loss) ^c	0.03	(0.01)	(0.05)	(—) ^d
Net realized and unrealized gains (losses)	5.82	(5.91)	(0.51)	(1.66)
Total from investment operations	5.85	(5.92)	(0.56)	(1.66)
Net asset value, end of year	\$22.71	\$16.86	\$22.78	\$23.34
Total return ^e	34.70%	(25.99)%	(2.40)%	(6.64)%
Ratios to average net assets^f				
Expenses before waiver and payments by affiliates	0.50%	0.50%	1.73%	5.95%
Expenses net of waiver and payments by affiliates	0.49%	0.50%	0.38%	0.25%
Net investment income (loss)	0.16%	(0.07)%	(0.20)%	(0.07)%
Supplemental data				
Net assets, end of year (000's)	\$6,814	\$3,372	\$3,417	\$2,334
Portfolio turnover rate ^g	6.63% ^h	20.94% ^h	49.72% ^h	23.20% ^h

^aFor the period January 12, 2021 (commencement of operations) to March 31, 2021.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dAmount rounds to less than \$0.01 per share.

^eTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^fRatios are annualized for periods less than one year.

^gPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^hPortfolio turnover rate excluding cash creations was as follows:

6.63% 20.94% 49.72% 23.20%

Schedule of Investments, March 31, 2024

Franklin Exponential Data ETF

	Country	Shares	Value
Common Stocks 98.3%			
Capital Markets 5.8%			
FactSet Research Systems, Inc.	United States	228	\$ 103,601
Moody's Corp.	United States	98	38,517
MSCI, Inc.	United States	223	124,980
S&P Global, Inc.	United States	294	125,082
			392,180
Communications Equipment 3.8%			
^a Arista Networks, Inc.	United States	889	257,792
Electronic Equipment, Instruments & Components 1.0%			
^a Keysight Technologies, Inc.	United States	415	64,898
Health Care Equipment & Supplies 1.3%			
^a Dexcom, Inc.	United States	631	87,520
Interactive Media & Services 8.9%			
^a Alphabet, Inc., Class A	United States	2,023	305,331
Meta Platforms, Inc., Class A	United States	596	289,406
^a ZoomInfo Technologies, Inc., Class A	United States	722	11,574
			606,311
IT Services 17.1%			
Accenture PLC, Class A	United States	373	129,285
^a Akamai Technologies, Inc.	United States	326	35,456
^a Cloudflare, Inc., Class A	United States	1,785	172,842
^a Endava PLC, ADR	United Kingdom	314	11,945
^a Gartner, Inc.	United States	338	161,114
^a Globant SA	United States	116	23,420
^a MongoDB, Inc.	United States	1,142	409,567
^a Snowflake, Inc., Class A	United States	1,375	222,200
			1,165,829
Media 1.8%			
^a Trade Desk, Inc., Class A	United States	1,440	125,885
Professional Services 0.4%			
TransUnion	United States	219	17,476
Verisk Analytics, Inc.	United States	55	12,965
			30,441
Software 49.1%			
^a Adobe, Inc.	United States	49	24,725
^a Confluent, Inc., Class A	United States	1,994	60,857
^a CrowdStrike Holdings, Inc., Class A	United States	1,177	377,335
^a Datadog, Inc., Class A	United States	2,797	345,709
^a Fair Isaac Corp.	United States	218	272,415
^a Fortinet, Inc.	United States	1,713	117,015
^a Gitlab, Inc., Class A	United States	948	55,287
^a HubSpot, Inc.	United States	200	125,312
Microsoft Corp.	United States	1,424	599,105
^a Monday.com Ltd.	United States	757	170,984
^a Palo Alto Networks, Inc.	United States	1,159	329,307
^a Qualys, Inc.	United States	170	28,368
Salesforce, Inc.	United States	410	123,484
^a SentinelOne, Inc., Class A	United States	3,853	89,813
^a ServiceNow, Inc.	United States	476	362,902
^a Sprinklr, Inc., Class A	United States	2,468	30,282
^a Sprout Social, Inc., Class A	United States	428	25,556
Trend Micro, Inc.	Japan	1,809	93,603

Franklin Exponential Data ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
^a Zscaler, Inc.	United States	602	\$ 115,963
			<u>3,348,022</u>
Specialized REITs 6.3%			
Crown Castle, Inc.	United States	804	85,087
Equinix, Inc.	United States	326	269,058
SBA Communications Corp.	United States	351	76,062
			<u>430,207</u>
Wireless Telecommunication Services 2.8%			
T-Mobile U.S., Inc.	United States	1,154	188,356
			<u>6,697,441</u>
Total Common Stocks (Cost \$5,618,353)			<u>6,697,441</u>
Total Investments before Short-Term Investments (Cost \$5,618,353)			<u>6,697,441</u>
Short-Term Investments 1.6%			
Money Market Funds 1.6%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	United States	112,222	112,222
			<u>112,222</u>
Total Short-Term Investments (Cost \$112,222)			<u>112,222</u>
Total Investments (Cost \$5,730,575) 99.9%			6,809,663
Other Assets, less Liabilities 0.1%			<u>4,372</u>
Net Assets 100.0%			<u>\$6,814,035</u>

^aNon-income producing.

^bThe rate shown is the annualized seven-day effective yield at period end.

^cSee Note 3(e) regarding investments in affiliated management investment companies.

See Abbreviations on page 275.

Financial Highlights

Franklin Focused Growth ETF^a

	Period Ended	Year Ended September 30,				
	March 31, 2024 [†]	2023	2022	2021	2020	2019
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	\$24.99	\$19.43	\$ 31.75	\$25.10	\$17.62	\$17.24
Income from investment operations ^a :						
Net investment income (loss) ^b	0.02	(0.04)	(0.13)	(0.16)	(0.09)	(0.06)
Net realized and unrealized gains (losses)	8.91	5.60	(12.01)	7.02	8.66	0.52
Total from investment operations	8.93	5.56	(12.14)	6.86	8.57	0.46
Less distributions from:						
Net investment income	—	—	—	—	—	(0.01)
Net realized gains	—	—	(0.18)	(0.21)	(1.09)	(0.07)
Total distributions	—	—	(0.18)	(0.21)	(1.09)	(0.08)
Net asset value, end of period	\$33.92	\$24.99	\$ 19.43	\$31.75	\$25.10	\$17.62
Total return ^{c,d}	35.73%	28.55%	(38.44)%	27.47%	51.20%	2.80%
Ratios to average net assets^e						
Expenses before waiver and payments by affiliates	0.63%	1.11%	1.12%	1.12%	2.04%	2.41%
Expenses net of waiver and payments by affiliates	0.61%	0.85% ^f	0.85% ^f	0.85% ^f	0.88%	1.00%
Net investment income (loss)	0.14%	(0.18)%	(0.47)%	(0.53)%	(0.41)%	(0.36)%
Supplemental data						
Net assets, end of period (000's)	\$67,785	\$14,135	\$9,519	\$25,041	\$16,747	\$4,404
Portfolio turnover rate ^g	9.87% ^h	27.22%	39.93%	22.77%	33.93%	28.65%

^aEffective after the market close on November 3, 2023, the Fund's predecessor mutual fund, Franklin Focused Growth Fund, reorganized into this Fund (the "Reorganization"). See Note 1 in the Notes to Financial Statements for additional information about the Reorganization.

[†]For the period October 1, 2023 through March 31, 2024.

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dThe Fund adopted the performance of the predecessor mutual fund as the result of the Reorganization. Prior to the Reorganization, the Fund had not yet commenced operations. The returns shown for periods ending on or prior to November 3, 2023, are those of the predecessor mutual fund. The predecessor mutual fund's performance is represented by the performance of the predecessor mutual fund's Advisor Class Shares. Had the predecessor mutual fund been structured as an ETF, its performance may have differed.

^eRatios are annualized for periods less than one year.

^fBenefit of expense reduction rounds to less than 0.01%.

^gPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^hPortfolio turnover rate excluding cash creations was as follows:

9.82% — — — —

Schedule of Investments, March 31, 2024

Franklin Focused Growth ETF

	Country	Shares	Value
Common Stocks 99.7%			
Aerospace & Defense 1.1%			
^a Axon Enterprise, Inc.	United States	2,400	\$ 750,912
Automobiles 2.3%			
^a Tesla, Inc.	United States	9,000	1,582,110
Broadline Retail 10.4%			
^a Amazon.com, Inc.	United States	34,900	6,295,262
^a MercadoLibre, Inc.	Brazil	512	774,123
			<u>7,069,385</u>
Capital Markets 1.0%			
MSCI, Inc.	United States	1,200	672,540
Consumer Staples Distribution & Retail 5.0%			
Costco Wholesale Corp.	United States	4,600	3,370,098
Energy Equipment & Services 0.5%			
Schlumberger NV	United States	6,381	349,743
Financial Services 4.3%			
Mastercard, Inc., Class A	United States	6,100	2,937,577
Ground Transportation 1.1%			
^a Uber Technologies, Inc.	United States	9,300	716,007
Health Care Equipment & Supplies 4.3%			
^a IDEXX Laboratories, Inc.	United States	2,400	1,295,832
^a Intuitive Surgical, Inc.	United States	4,000	1,596,360
			<u>2,892,192</u>
Health Care Technology 0.4%			
^a Veeva Systems, Inc., Class A	United States	1,200	278,028
Interactive Media & Services 11.1%			
^a Alphabet, Inc., Class A	United States	19,000	2,867,670
Meta Platforms, Inc., Class A	United States	9,567	4,645,544
			<u>7,513,214</u>
IT Services 3.0%			
^a MongoDB, Inc.	United States	2,500	896,600
^a Shopify, Inc., Class A	Canada	15,000	1,158,323
			<u>2,054,923</u>
Life Sciences Tools & Services 3.1%			
Danaher Corp.	United States	5,500	1,373,460
Thermo Fisher Scientific, Inc.	United States	1,200	697,452
			<u>2,070,912</u>
Metals & Mining 0.8%			
Freeport-McMoRan, Inc.	United States	11,100	521,922
Pharmaceuticals 3.2%			
Eli Lilly & Co.	United States	2,800	2,178,288
Semiconductors & Semiconductor Equipment 22.8%			
^a Advanced Micro Devices, Inc.	United States	5,617	1,013,812
Analog Devices, Inc.	United States	6,930	1,370,685
ASML Holding NV	Netherlands	3,100	3,008,457
NVIDIA Corp.	United States	10,400	9,397,024
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	4,900	666,645
			<u>15,456,623</u>

Franklin Focused Growth ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software 25.3%			
^a Cadence Design Systems, Inc.	United States	9,200	\$ 2,863,776
^a HubSpot, Inc.	United States	1,743	1,092,094
Intuit, Inc.	United States	1,800	1,170,000
Microsoft Corp.	United States	19,708	8,291,550
Salesforce, Inc.	United States	3,100	933,658
^a ServiceNow, Inc.	United States	3,700	2,820,880
			17,171,958
Total Common Stocks (Cost \$37,996,437)			67,586,432
Total Investments before Short-Term Investments (Cost \$37,996,437)			67,586,432
Short-Term Investments 0.3%			
Money Market Funds 0.3%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	United States	223,033	223,033
Total Short-Term Investments (Cost \$223,033)			223,033
Total Investments (Cost \$38,219,470) 100.0%			67,809,465
Other Assets, less Liabilities (0.0)%[†]			(23,999)
Net Assets 100.0%			\$67,785,466

[†]Rounds to less than 0.1% of net assets.

^aNon-income producing.

^bThe rate shown is the annualized seven-day effective yield at period end.

^cSee Note 3(e) regarding investments in affiliated management investment companies.

See Abbreviations on page 275.

Financial Highlights

Franklin Genomic Advancements ETF

	Year Ended March 31,				Period Ended March 31,
	2024	2023	2022	2021	2020 ^a
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$30.40	\$37.00	\$43.26	\$22.58	\$25.00
Income from investment operations ^b :					
Net investment income (loss) ^c	(0.05)	(0.05)	(0.15)	(0.18)	(0.01)
Net realized and unrealized gains (losses)	2.40	(6.55)	(5.99)	20.92	(2.41)
Total from investment operations	2.35	(6.60)	(6.14)	20.74	(2.42)
Less distributions from:					
Net investment income	—	—	(0.12)	(0.01)	—
Net realized gains	—	—	—	(0.05)	—
Total distributions	—	—	(0.12)	(0.06)	—
Net asset value, end of year	\$32.75	\$30.40	\$37.00	\$43.26	\$22.58
Total return ^d	7.76%	(17.84)%	(14.26)%	91.81%	(9.68)%
Ratios to average net assets^e					
Expenses before waiver and payments by affiliates	0.50%	0.50%	0.66%	1.84%	12.22%
Expenses net of waiver and payments by affiliates	0.50%	0.50%	0.50%	0.50%	0.50%
Net investment income (loss)	(0.15)%	(0.16)%	(0.32)%	(0.45)%	(0.37)%
Supplemental data					
Net assets, end of year (000's)	\$9,826	\$10,641	\$14,799	\$15,140	\$2,258
Portfolio turnover rate ^f	19.19% ^g	32.63% ^g	61.43% ^g	46.58% ^g	2.20% ^g

^aFor the period February 25, 2020 (commencement of operations) to March 31, 2020.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 18.18% 31.65% 59.54% 44.75% 2.20%

Schedule of Investments, March 31, 2024

Franklin Genomic Advancements ETF

	Country	Shares	Value
Common Stocks 95.5%			
Biotechnology 40.8%			
^a 4D Molecular Therapeutics, Inc.	United States	5,013	\$ 159,714
^a Alnylam Pharmaceuticals, Inc.	United States	832	124,342
^a Avid Bioservices, Inc.	United States	7,643	51,208
^a Bavarian Nordic AS	Denmark	995	22,323
^a Beam Therapeutics, Inc.	United States	2,442	80,684
^a BioNTech SE, ADR	Germany	1,790	165,127
^a Bridgebio Pharma, Inc.	United States	1,714	52,997
^a CRISPR Therapeutics AG	Switzerland	1,305	88,949
^a Dynavax Technologies Corp.	United States	3,847	47,741
^a Exact Sciences Corp.	United States	2,846	196,545
^a Insmed, Inc.	United States	2,740	74,336
^a Intellia Therapeutics, Inc.	United States	5,274	145,088
^a Ionis Pharmaceuticals, Inc.	United States	5,135	222,602
^a Krystal Biotech, Inc.	United States	2,320	412,798
^a Moderna, Inc.	United States	1,775	189,144
^a Natera, Inc.	United States	2,749	251,424
^a Neurocrine Biosciences, Inc.	United States	533	73,511
^a Recursion Pharmaceuticals, Inc., Class A	United States	4,318	43,050
^a Regeneron Pharmaceuticals, Inc.	United States	461	443,708
^a Rocket Pharmaceuticals, Inc.	United States	8,201	220,935
^a Sarepta Therapeutics, Inc.	United States	1,209	156,517
^a Twist Bioscience Corp.	United States	2,112	72,463
^a Ultragenyx Pharmaceutical, Inc.	United States	1,558	72,743
^a United Therapeutics Corp.	United States	197	45,255
^a Veracyte, Inc.	United States	687	15,224
^a Vertex Pharmaceuticals, Inc.	United States	1,087	454,377
^a Voyager Therapeutics, Inc.	United States	13,364	124,419
			4,007,224
Chemicals 2.2%			
Corteva, Inc.	United States	3,710	213,956
Health Care Providers & Services 1.1%			
^a Guardant Health, Inc.	United States	532	10,975
Laboratory Corp. of America Holdings	United States	436	95,249
			106,224
Health Care Technology 1.1%			
^a Doximity, Inc., Class A	United States	1,065	28,659
^a Schrodinger, Inc.	United States	1,901	51,327
Simulations Plus, Inc.	United States	861	35,430
			115,416
Life Sciences Tools & Services 39.9%			
^a 10X Genomics, Inc., Class A	United States	342	12,835
Agilent Technologies, Inc.	United States	1,461	212,590
^a Avantor, Inc.	United States	1,945	49,734
^a Azenta, Inc.	United States	1,900	114,532
^a Bio-Rad Laboratories, Inc., Class A	United States	205	70,903
Bio-Techne Corp.	United States	1,252	88,128
Bruker Corp.	United States	3,576	335,930
^a Charles River Laboratories International, Inc.	United States	953	258,215
Danaher Corp.	United States	1,546	386,067
^a Evotec SE	Germany	1,697	26,520
^a Fortrea Holdings, Inc.	United States	436	17,501
^a ICON PLC, ADR	Ireland	470	157,897
^a IQVIA Holdings, Inc.	United States	466	117,847
Lonza Group AG	Switzerland	188	112,754

Franklin Genomic Advancements ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Life Sciences Tools & Services (continued)			
^a Medpace Holdings, Inc.	United States	1,804	\$ 729,087
^a Olink Holding AB, ADR	Sweden	480	11,285
^{a,b} OmniAb, Inc., 12.5 Earnout	United States	240	—
^{a,b} OmniAb, Inc., 15.0 Earnout	United States	240	—
^a Oxford Nanopore Technologies PLC	United Kingdom	14,588	22,390
^a Pacific Biosciences of California, Inc.	United States	2,325	8,719
^a Qiagen NV	United States	4,189	180,085
^a Repligen Corp.	United States	565	103,915
Revvity, Inc.	United States	1,202	126,210
^{a,c} Samsung Biologics Co. Ltd.	South Korea	489	301,845
Thermo Fisher Scientific, Inc.	United States	820	476,592
			3,921,581
Office REITs 0.3%			
Alexandria Real Estate Equities, Inc.	United States	242	31,196
Pharmaceuticals 7.8%			
AstraZeneca PLC, ADR	United Kingdom	3,314	224,524
Bristol-Myers Squibb Co.	United States	1,380	74,837
Eli Lilly & Co.	United States	523	406,873
^a Ligand Pharmaceuticals, Inc.	United States	805	58,846
			765,080
Software 2.3%			
^a Cadence Design Systems, Inc.	United States	726	225,989
Total Common Stocks (Cost \$10,073,244)			9,386,666
Preferred Stock 3.3%			
Life Sciences Tools & Services 3.3%			
^d Sartorius AG, 0.39%, pfd.	Germany	801	318,868
Total Preferred Stocks (Cost \$512,401)			318,868
Total Investments (Cost \$10,585,645) 98.8%			9,705,534
Other Assets, less Liabilities 1.2%			119,998
Net Assets 100.0%			\$9,825,532

^aNon-income producing.

^bFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.

^cSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$301,845, representing 3.1% of net assets.

^dVariable rate security. The rate shown represents the yield at period end.

See Note 9 regarding other derivative information.

See Abbreviations on page 275

Financial Highlights

Franklin High Yield Corporate ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$22.63	\$24.76	\$26.16	\$22.67	\$25.45
Income from investment operations ^a :					
Net investment income ^b	1.46	1.25	1.20	1.23	1.33
Net realized and unrealized gains (losses)	1.17	(1.95)	(1.34)	3.73	(2.51)
Total from investment operations	2.63	(0.70)	(0.14)	4.96	(1.18)
Less distributions from:					
Net investment income	(1.54)	(1.36)	(1.18)	(1.47)	(1.56)
Net realized gains	—	(0.07)	(0.08)	—	(0.04)
Total distributions	(1.54)	(1.43)	(1.26)	(1.47)	(1.60)
Net asset value, end of year	\$23.72	\$22.63	\$24.76	\$26.16	\$22.67
Total return ^c	12.13%	(2.68)%	(0.69)%	22.28%	(5.12)%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.40%	0.40%	0.47%	0.64%	0.86%
Expenses net of waiver and payments by affiliates	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income	6.39%	5.51%	4.62%	4.84%	5.29%
Supplemental data					
Net assets, end of year (000's)	\$269,196	\$208,167	\$334,286	\$346,586	\$130,362
Portfolio turnover rate ^e	30.40% ^f	17.13% ^f	43.83% ^f	53.18% ^f	129.98% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

30.40% 17.13% 43.83% 53.18% 129.98%

Schedule of Investments, March 31, 2024

Franklin High Yield Corporate ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 93.2%			
Advertising 0.9%			
Outfront Media Capital LLC/Outfront Media Capital Corp.,			
^a 7.375%, 2/15/31	United States	1,000,000	\$ 1,048,244
^a 4.625%, 3/15/30	United States	1,500,000	1,346,295
			<u>2,394,539</u>
Airlines 1.3%			
^a American Airlines, Inc./AAdvantage Loyalty IP Ltd., 5.50%, 4/20/26	United States	1,650,000	1,639,794
^a United Airlines, Inc., 4.375%, 4/15/26	United States	1,800,000	1,741,344
			<u>3,381,138</u>
Apparel 0.5%			
^a Hanesbrands, Inc., 9.00%, 2/15/31	United States	1,400,000	1,439,543
Automobiles & Components 3.3%			
Adient Global Holdings Ltd.,			
^a 7.00%, 4/15/28	United States	600,000	613,633
^a 8.25%, 4/15/31	United States	1,600,000	1,689,661
^a Dornoch Debt Merger Sub, Inc., 6.625%, 10/15/29	United States	1,900,000	1,690,748
Goodyear Tire & Rubber Co.,			
4.875%, 3/15/27	United States	1,000,000	967,047
5.00%, 7/15/29	United States	1,300,000	1,215,064
^a Jaguar Land Rover Automotive PLC, 5.50%, 7/15/29	United Kingdom	2,700,000	2,601,037
			<u>8,777,190</u>
Capital Goods 2.2%			
^a ATS Corp., 4.125%, 12/15/28	Canada	1,400,000	1,284,757
^a Cornerstone Building Brands, Inc., 6.125%, 1/15/29	United States	1,400,000	1,254,951
^a Stericycle, Inc., 3.875%, 1/15/29	United States	1,900,000	1,724,272
^a Vertiv Group Corp., 4.125%, 11/15/28	United States	1,900,000	1,769,987
			<u>6,033,967</u>
Chemicals 1.1%			
Celanese U.S. Holdings LLC, 6.33%, 7/15/29	United States	1,000,000	1,037,465
^a Rain Carbon, Inc., 12.25%, 9/01/29	United States	1,900,000	1,973,277
			<u>3,010,742</u>
Commercial & Professional Services 3.8%			
^a APX Group, Inc., 5.75%, 7/15/29	United States	1,200,000	1,155,079
Gartner, Inc.,			
^a 3.625%, 6/15/29	United States	1,000,000	906,362
^a senior note, 4.50%, 7/01/28	United States	1,800,000	1,716,789
Grand Canyon University, 5.125%, 10/01/28	United States	1,900,000	1,723,053
^a MPH Acquisition Holdings LLC, 5.75%, 11/01/28	United States	1,600,000	1,263,467
^a Prime Security Services Borrower LLC/Prime Finance, Inc., first lien, 3.375%, 8/31/27	United States	2,300,000	2,114,882
^a PROG Holdings, Inc., 6.00%, 11/15/29	United States	1,400,000	1,309,784
			<u>10,189,416</u>
Commercial Services 4.1%			
^a Allied Universal Holdco LLC, 7.875%, 2/15/31	United States	2,000,000	2,028,094
^a Ashtead Capital, Inc., 5.80%, 4/15/34	United Kingdom	700,000	699,610
^a EquipmentShare.com, Inc., 9.00%, 5/15/28	United States	1,900,000	1,959,359
^a H&E Equipment Services, Inc., senior note, 3.875%, 12/15/28	United States	2,300,000	2,108,429
United Rentals North America, Inc.,			
5.50%, 5/15/27	United States	800,000	798,320
^a 6.125%, 3/15/34	United States	1,500,000	1,503,740
^a Wand NewCo 3, Inc., 7.625%, 1/30/32	United States	1,900,000	1,966,627
			<u>11,064,179</u>

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Construction Materials 2.9%			
^a AmeriTex HoldCo Intermediate LLC, 10.25%, 10/15/28	United States	1,800,000	\$ 1,934,831
^a EMRLD Borrower LP/Emerald Co.-Issuer, Inc., 6.625%, 12/15/30	United States	2,300,000	2,324,939
^a Miter Brands Acquisition Holdco, Inc./MIWD Borrower LLC, 6.75%, 4/01/32	United States	1,100,000	1,104,447
^a Smyrna Ready Mix Concrete LLC, 8.875%, 11/15/31	United States	2,200,000	2,353,353
			<u>7,717,570</u>
Consumer Discretionary Distribution & Retail 0.8%			
^a Fertitta Entertainment LLC/Fertitta Entertainment Finance Co., Inc., 6.75%, 1/15/30	United States	2,400,000	2,156,957
Consumer Durables & Apparel 0.5%			
^a Ashton Woods USA LLC/Ashton Woods Finance Co., 4.625%, 4/01/30	United States	1,400,000	1,280,529
Consumer Services 2.6%			
^{a,b,c} 24 Hour Fitness Worldwide, Inc., senior note, 8.00%, 6/01/22 Carnival Corp.,	United States	800,000	—
^a 7.625%, 3/01/26	United States	500,000	506,220
^a senior note, 5.75%, 3/01/27	United States	2,400,000	2,376,865
^a NCL Corp. Ltd., 5.875%, 3/15/26	United States	1,700,000	1,679,278
^a Royal Caribbean Cruises Ltd., 5.50%, 8/31/26	United States	600,000	595,098
^a Station Casinos LLC, 4.50%, 2/15/28	United States	1,900,000	1,791,178
			<u>6,948,639</u>
Distribution/Wholesale 0.1%			
^a Ritchie Bros Holdings, Inc., 6.75%, 3/15/28	Canada	400,000	408,518
Diversified Financial Services 4.4%			
^a Encore Capital Group, Inc., 9.25%, 4/01/29	United States	600,000	615,376
^a Freedom Mortgage Holdings LLC, 9.25%, 2/01/29 GGAM Finance Ltd.,	United States	500,000	512,174
^a 8.00%, 2/15/27	Ireland	1,000,000	1,033,145
^a 8.00%, 6/15/28	Ireland	1,600,000	1,671,990
^a Jane Street Group/JSG Finance, Inc., 4.50%, 11/15/29	United States	500,000	463,037
^a Jefferson Capital Holdings LLC, 9.50%, 2/15/29 Macquarie Airfinance Holdings Ltd.,	United States	1,300,000	1,332,191
^a 6.40%, 3/26/29	United Kingdom	300,000	304,970
^a 6.50%, 3/26/31	United Kingdom	400,000	407,434
^a Nationstar Mortgage Holdings, Inc., 5.75%, 11/15/31	United States	2,000,000	1,846,612
OneMain Finance Corp., 9.00%, 1/15/29	United States	2,200,000	2,336,052
^a PRA Group, Inc., 8.375%, 2/01/28	United States	300,000	298,748
^a StoneX Group, Inc., 7.875%, 3/01/31	United States	1,000,000	1,015,441
			<u>11,837,170</u>
Electric 1.2%			
^a Talen Energy Supply LLC, 8.625%, 6/01/30	United States	1,300,000	1,391,141
^a Vistra Operations Co. LLC, 7.75%, 10/15/31	United States	1,800,000	1,886,418
			<u>3,277,559</u>
Energy 8.3%			
^a Antero Resources Corp., 7.625%, 2/01/29	United States	601,000	617,755
^a Atlantica Sustainable Infrastructure PLC, 4.125%, 6/15/28	Spain	1,600,000	1,471,405
^a Calumet Specialty Products Partners LP/Calumet Finance Corp., 8.125%, 1/15/27	United States	500,000	487,955
Cheniere Energy Partners LP, 4.50%, 10/01/29	United States	800,000	762,181
^a Chesapeake Energy Corp., 6.75%, 4/15/29	United States	1,500,000	1,517,286
^a CrownRock LP/CrownRock Finance, Inc., 5.00%, 5/01/29	United States	1,100,000	1,087,555
^a CSI Compressco LP/CSI Compressco Finance, Inc., first lien, 7.50%, 4/01/25	United States	1,400,000	1,400,000
^a DT Midstream, Inc., 4.125%, 6/15/29	United States	700,000	644,169
^a Enerflex Ltd., 9.00%, 10/15/27	Canada	1,200,000	1,233,850

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Energy (continued)			
EnLink Midstream Partners LP, 4.15%, 6/01/25	United States	2,300,000	\$ 2,251,293
^a EQM Midstream Partners LP, 7.50%, 6/01/27	United States	1,600,000	1,641,864
^a Harbour Energy PLC, 5.50%, 10/15/26	United Kingdom	2,400,000	2,344,823
Hilcorp Energy I LP/Hilcorp Finance Co., ^a senior note, 5.75%, 2/01/29	United States	1,000,000	974,922
^a 6.00%, 2/01/31	United States	1,100,000	1,073,680
^a Kinetik Holdings LP, 5.875%, 6/15/30	United States	1,200,000	1,174,867
^a Nabors Industries Ltd., senior note, 7.25%, 1/15/26	United States	500,000	497,240
^a Nabors Industries, Inc., 7.375%, 5/15/27	United States	500,000	499,484
^a SunCoke Energy, Inc., 4.875%, 6/30/29	United States	600,000	543,869
Sunoco LP/Sunoco Finance Corp., 6.00%, 4/15/27	United States	700,000	697,725
Venture Global Calcasieu Pass LLC, ^a 4.125%, 8/15/31	United States	800,000	711,964
^a 3.875%, 8/15/29	United States	900,000	810,951
			22,444,838
Entertainment 3.1%			
^a Allwyn Entertainment Financing U.K. PLC, 7.875%, 4/30/29	Czech Republic	2,100,000	2,162,779
^a Banijay Entertainment SASU, 8.125%, 5/01/29	France	1,700,000	1,754,723
Caesars Entertainment, Inc., ^a 4.625%, 10/15/29	United States	600,000	547,603
^a 7.00%, 2/15/30	United States	700,000	718,977
^a 6.50%, 2/15/32	United States	1,200,000	1,211,317
^a Wynn Resorts Finance LLC/Wynn Resorts Capital Corp., 7.125%, 2/15/31	United States	2,000,000	2,071,042
			8,466,441
Financial Services 5.3%			
^a Apollo Commercial Real Estate Finance, Inc., 4.625%, 6/15/29	United States	2,000,000	1,681,958
^a Global Net Lease, Inc./Global Net Lease Operating Partnership LP, senior note, 3.75%, 12/15/27	United States	1,400,000	1,199,103
Iron Mountain, Inc., ^a 5.625%, 7/15/32	United States	800,000	756,388
^a 7.00%, 2/15/29	United States	1,400,000	1,428,212
^a Jefferson Capital Holdings LLC, 6.00%, 8/15/26	United States	700,000	687,492
^a Ladder Capital Finance Holdings LLLP/Ladder Capital Finance Corp., 4.75%, 6/15/29	United States	1,600,000	1,455,886
^a Necessity Retail REIT, Inc./American Finance Operating Partner LP, 4.50%, 9/30/28	United States	1,500,000	1,285,223
^a PRA Group, Inc., 5.00%, 10/01/29	United States	1,500,000	1,265,464
RHP Hotel Properties LP/RHP Finance Corp., ^a 7.25%, 7/15/28	United States	1,000,000	1,031,119
^a 6.50%, 4/01/32	United States	1,500,000	1,506,000
^a VICI Properties LP/VICI Note Co., Inc., 3.875%, 2/15/29	United States	2,000,000	1,842,417
			14,139,262
Food 2.6%			
^a Albertsons Cos., Inc./Safeway, Inc./New Albertsons LP/Albertsons LLC, 3.50%, 3/15/29	United States	1,700,000	1,527,450
^a Chobani LLC/Chobani Finance Corp., Inc., 7.625%, 7/01/29	United States	1,800,000	1,827,000
Pilgrim's Pride Corp., 6.875%, 5/15/34	United States	1,700,000	1,813,817
^a Post Holdings, Inc., 6.25%, 2/15/32	United States	1,000,000	1,008,538
^a U.S. Foods, Inc., 7.25%, 1/15/32	United States	900,000	937,781
			7,114,586
Food, Beverage & Tobacco 0.7%			
^a Primo Water Holdings, Inc., 4.375%, 4/30/29	Canada	2,000,000	1,841,071

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Hand/Machine Tools 0.6%			
Regal Rexnord Corp.,			
^a 6.30%, 2/15/30	United States	600,000	\$ 614,711
^a 6.40%, 4/15/33	United States	1,000,000	1,038,127
			<u>1,652,838</u>
Health Care Equipment & Services 1.5%			
CHS/Community Health Systems, Inc.,			
^a 6.875%, 4/15/29	United States	900,000	674,669
^a senior secured note, 6.00%, 1/15/29	United States	1,100,000	962,272
^a DaVita, Inc., 4.625%, 6/01/30	United States	2,700,000	2,419,049
			<u>4,055,990</u>
Healthcare-Products 0.6%			
^a Neogen Food Safety Corp., 8.625%, 7/20/30	United States	1,600,000	1,725,197
Healthcare-Services 2.5%			
CHS/Community Health Systems, Inc.,			
^a 8.00%, 3/15/26	United States	247,000	246,692
^a 10.875%, 1/15/32	United States	1,000,000	1,031,271
^a Fortrea Holdings, Inc., 7.50%, 7/01/30	United States	2,300,000	2,377,128
Tenet Healthcare Corp.,			
^a 6.75%, 5/15/31	United States	500,000	509,740
6.125%, 10/01/28	United States	1,000,000	997,251
6.125%, 6/15/30	United States	1,500,000	1,498,434
			<u>6,660,516</u>
Home Builders 1.1%			
^a Dream Finders Homes, Inc., 8.25%, 8/15/28	United States	1,300,000	1,358,292
^a LGI Homes, Inc., 8.75%, 12/15/28	United States	1,400,000	1,478,061
			<u>2,836,353</u>
Household & Personal Products 0.6%			
^a VM Consolidated, Inc., 5.50%, 4/15/29	United States	1,800,000	1,728,307
Household Products 0.4%			
^a Coty, Inc./HFC Prestige Products, Inc./HFC Prestige International U.S. LLC, 6.625%, 7/15/30	United States	1,100,000	1,117,920
Insurance 1.7%			
Alliant Holdings Intermediate LLC/Alliant Holdings Co-Issuer,			
^a 6.75%, 4/15/28	United States	700,000	705,658
^a 7.00%, 1/15/31	United States	1,300,000	1,314,006
^a HUB International Ltd., 7.25%, 6/15/30	United States	900,000	925,566
^a Jones Deslauriers Insurance Management, Inc., 10.50%, 12/15/30	Canada	1,500,000	1,586,528
			<u>4,531,758</u>
Iron/Steel 0.4%			
ATI, Inc., 7.25%, 8/15/30	United States	1,000,000	1,034,748
Leisure Time 1.5%			
^a Carnival Holdings Bermuda Ltd., 10.375%, 5/01/28	United States	600,000	654,890
^a NCL Corp. Ltd., 7.75%, 2/15/29	United States	1,200,000	1,247,035
Viking Cruises Ltd.,			
^a 5.875%, 9/15/27	United States	500,000	490,908
^a 7.00%, 2/15/29	United States	1,700,000	1,708,741
			<u>4,101,574</u>

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Machinery-Diversified 0.5%			
^a Esab Corp., 6.25%, 4/15/29	United States	1,100,000	\$ 1,106,526
^a Titan Acquisition Ltd./Titan Co.-Borrower LLC, 7.75%, 4/15/26	Canada	300,000	299,897
			1,406,423
Materials 5.6%			
^a Advanced Drainage Systems, Inc., 6.375%, 6/15/30	United States	1,000,000	1,006,105
^a Arcosa, Inc., 4.375%, 4/15/29	United States	1,700,000	1,568,298
Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc., ^a senior note, 5.25%, 8/15/27	Luxembourg	200,000	126,215
^a first lien, 5.25%, 4/30/25	Luxembourg	1,700,000	1,644,198
^a Consolidated Energy Finance SA, 5.625%, 10/15/28	Luxembourg	400,000	336,148
^a Constellium SE, 3.75%, 4/15/29	France	2,000,000	1,801,565
^a Eco Material Technologies, Inc., 7.875%, 1/31/27	United States	1,300,000	1,320,189
^a Glatfelter Corp., 4.75%, 11/15/29	United States	900,000	767,760
^a GPD Cos., Inc., senior secured note, 10.125%, 4/01/26	United States	550,000	516,541
^a Novelis Corp., 4.75%, 1/30/30	United States	2,000,000	1,846,915
^a OI European Group BV, 4.75%, 2/15/30	United States	1,200,000	1,105,958
^a Pactiv Evergreen Group Issuer, Inc./Pactiv Evergreen Group Issuer LLC, 4.00%, 10/15/27	United States	1,500,000	1,400,994
^a Rain CII Carbon LLC/CII Carbon Corp., 7.25%, 4/01/25	United States	22,000	21,558
^a Trivium Packaging Finance BV, senior note, 5.50%, 8/15/26	Netherlands	1,600,000	1,578,980
			15,041,424
Media 0.6%			
^a CSC Holdings LLC, 3.375%, 2/15/31	United States	2,500,000	1,701,209
Media & Entertainment 4.3%			
CCO Holdings LLC/CCO Holdings Capital Corp., ^a 5.375%, 6/01/29	United States	1,400,000	1,282,621
^a 4.50%, 8/15/30	United States	1,900,000	1,593,477
Clear Channel Outdoor Holdings, Inc., ^a 7.875%, 4/01/30	United States	600,000	596,868
^a 7.50%, 6/01/29	United States	2,100,000	1,738,624
Diamond Sports Group LLC/Diamond Sports Finance Co., ^{a,b} senior note, 6.625%, 8/15/27	United States	900,000	25,312
^{a,b} 5.375%, 8/15/26	United States	900,000	25,313
^a Directv Financing LLC/Directv Financing Co.-Obligor, Inc., 5.875%, 8/15/27	United States	2,100,000	1,987,989
^a Northwest Fiber LLC/Northwest Fiber Finance Sub, Inc., senior note, 6.00%, 2/15/28	United States	800,000	824,024
^a Sirius XM Radio, Inc., 4.00%, 7/15/28	United States	1,900,000	1,739,519
^a Univision Communications, Inc., senior note, 6.625%, 6/01/27	United States	800,000	783,136
^a Virgin Media Secured Finance PLC, 4.50%, 8/15/30	United Kingdom	1,100,000	949,453
			11,546,336
Miscellaneous Manufacturing 1.3%			
^a Calderys Financing LLC, 11.25%, 6/01/28	France	2,100,000	2,261,826
Hillenbrand, Inc., 6.25%, 2/15/29	United States	1,100,000	1,110,812
			3,372,638
Oil & Gas 5.2%			
^a Calumet Specialty Products Partners LP/Calumet Finance Corp., 9.25%, 7/15/29	United States	1,400,000	1,442,495
^a CITGO Petroleum Corp., 8.375%, 1/15/29	United States	1,200,000	1,261,813
Civitas Resources, Inc., ^a 8.75%, 7/01/31	United States	900,000	964,179
^a 8.375%, 7/01/28	United States	1,400,000	1,475,547
^a Endeavor Energy Resources LP/EER Finance, Inc., 5.75%, 1/30/28	United States	2,000,000	2,017,462
^a Matador Resources Co., 6.50%, 4/15/32	United States	700,000	701,928
^a Nabors Industries, Inc., 9.125%, 1/31/30	United States	900,000	936,447

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Oil & Gas (continued)			
^a PBF Holding Co. LLC/PBF Finance Corp., 7.875%, 9/15/30	United States	500,000	\$ 519,087
^a Transocean Titan Financing Ltd., 8.375%, 2/01/28	United States	100,000	104,457
^a Transocean, Inc., 8.75%, 2/15/30	United States	810,000	845,102
^a Viper Energy, Inc., 7.375%, 11/01/31	United States	1,000,000	1,040,481
Vital Energy, Inc.,			
^a 7.875%, 4/15/32	United States	600,000	609,992
10.125%, 1/15/28	United States	700,000	735,020
9.75%, 10/15/30	United States	1,200,000	1,313,296
			<u>13,967,306</u>
Oil & Gas Services 0.7%			
^a Kodiak Gas Services LLC, 7.25%, 2/15/29	United States	1,300,000	1,325,029
Oceaneering International, Inc., 6.00%, 2/01/28	United States	500,000	493,002
			<u>1,818,031</u>
Packaging & Containers 1.1%			
Mauser Packaging Solutions Holding Co.,			
^a 9.25%, 4/15/27	United States	500,000	496,582
^a 7.875%, 8/15/26	United States	1,600,000	1,631,202
^a Owens-Brockway Glass Container, Inc., senior note, 7.25%, 5/15/31	United States	300,000	305,926
^a Sealed Air Corp./Sealed Air Corp. U.S., 6.125%, 2/01/28	United States	600,000	601,758
			<u>3,035,468</u>
Pharmaceuticals 1.1%			
^a 1375209 BC Ltd., 9.00%, 1/30/28	Canada	1,561,000	1,531,478
Bausch Health Cos., Inc.,			
^a 14.00%, 10/15/30	Canada	92,000	53,387
^a 11.00%, 9/30/28	Canada	465,000	311,550
Teva Pharmaceutical Finance Netherlands III BV,			
7.875%, 9/15/29	Israel	500,000	537,330
8.125%, 9/15/31	Israel	600,000	658,829
			<u>3,092,574</u>
Pharmaceuticals, Biotechnology & Life Sciences 1.8%			
^a Bausch Health Cos., Inc., 4.875%, 6/01/28	United States	1,000,000	546,679
^a Kedrion SpA, 6.50%, 9/01/29	Italy	2,900,000	2,646,027
^{a,b} Par Pharmaceutical, Inc., senior secured note, 7.50%, 4/01/27	United States	400,000	264,444
Teva Pharmaceutical Finance Netherlands III BV, 4.75%, 5/09/27	Israel	1,300,000	1,260,122
			<u>4,717,272</u>
Pipelines 1.8%			
^a Martin Midstream Partners LP/Martin Midstream Finance Corp., 11.50%, 2/15/28	United States	2,100,000	2,232,737
Venture Global LNG, Inc.,			
^a 8.375%, 6/01/31	United States	600,000	619,136
^a 8.125%, 6/01/28	United States	700,000	714,568
^a 9.50%, 2/01/29	United States	1,200,000	1,294,185
			<u>4,860,626</u>
Real Estate Management & Development 0.4%			
^a Greystar Real Estate Partners LLC, 7.75%, 9/01/30	United States	1,100,000	1,139,552
Retail 1.6%			
^a Bausch & Lomb Corp., 8.375%, 10/01/28	United States	1,400,000	1,450,274
^a Evergreen Acqco 1 LP/TVI, Inc., 9.75%, 4/26/28	United States	810,000	871,446
^a FirstCash, Inc., 6.875%, 3/01/32	United States	1,900,000	1,901,489
			<u>4,223,209</u>

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Software & Services 0.3%			
^a Rocket Software, Inc., 6.50%, 2/15/29	United States	800,000	\$ 686,167
Technology Hardware & Equipment 0.5%			
^a McAfee Corp., 7.375%, 2/15/30	United States	1,500,000	1,377,212
Telecommunication Services 1.2%			
^a Altice France Holding SA, senior note, 10.50%, 5/15/27	Luxembourg	600,000	225,055
^a Altice France SA, first lien, 8.125%, 2/01/27	France	1,000,000	782,538
^a CommScope Technologies LLC, 5.00%, 3/15/27	United States	1,800,000	699,732
^a Iliad Holding SASU, 6.50%, 10/15/26	France	1,600,000	1,586,198
			3,293,523
Telecommunications 0.3%			
^a Viasat, Inc., 7.50%, 5/30/31	United States	1,000,000	725,838
Transportation 1.5%			
^a First Student Bidco, Inc./First Transit Parent, Inc., 4.00%, 7/31/29	United States	2,100,000	1,863,265
^a XPO, Inc., 7.125%, 2/01/32	United States	2,100,000	2,163,309
			4,026,574
Utilities 2.8%			
Calpine Corp.,			
^a senior note, 5.125%, 3/15/28	United States	1,200,000	1,152,706
^a first lien, 4.50%, 2/15/28	United States	1,400,000	1,328,954
^a Leeward Renewable Energy Operations LLC, 4.25%, 7/01/29	United States	1,900,000	1,632,175
^a TTM Technologies, Inc., 4.00%, 3/01/29	United States	2,400,000	2,179,032
^a Vistra Operations Co. LLC, senior note, 5.50%, 9/01/26	United States	1,300,000	1,280,920
			7,573,787
Total Corporate Bonds & Notes (Cost \$256,216,878)			250,974,224
		Shares	
Common Stocks 0.5%			
Electric 0.4%			
^d Talen Energy Supply LLC	United States	12,208	1,151,825
Utilities 0.1%			
^d Talen Energy Corp.	United States	2,827	266,727
Total Common Stocks (Cost \$510,768)			1,418,552
		Principal Amount*	
Senior Floating Rate Interests 3.2%			
Materials 0.8%			
Hexion Holdings Corp.,			
2022 USD Term Loan, SOFR + 4.50%, 9.976%, 3/15/29	United States	1,080,750	1,065,700
2022 USD 2nd Lien Term Loan, SOFR + 7.44%, 12.868%, 3/15/30	United States	1,186,047	1,060,326
			2,126,026
Software & Services 1.1%			
Athenahealth Group, Inc., 2022 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.58%, 2/15/29	United States	1,489,005	1,478,656
McAfee LLC, 2022 USD Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.176%, 3/01/29	United States	1,375,500	1,377,096
			2,855,752
Chemicals 0.6%			
PMHC II, Inc., 2022 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.723%, 4/23/29	United States	1,674,500	1,659,765

Franklin High Yield Corporate ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
Media & Entertainment 0.6%			
Diamond Sports Group LLC, 2022 First Priority Term Loan, SOFR + 10.00%, 15.426%, 5/25/26	United States	88,404	85,089
Fertitta Entertainment LLC, 2022 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.077%, 1/27/29	United States	1,666,000	1,671,990
			<u>1,757,079</u>
Media 0.1%			
Diamond Sports Group LLC, 2024 DIP PIK Term Loan, 5.00%, 12/02/24	United States	99,489	166,022
Total Floating Rate Loans (Cost \$8,589,802)			<u>8,564,644</u>
Total Investments before Short-Term Investments (Cost \$265,317,448)			<u>260,957,420</u>
Short-Term Investments 2.0%			
U.S. Government & Agency Securities 2.0%			
^f Federal Home Loan Bank Discount Notes, 04/01/24	United States	5,255,000 \$	5,251,981
Total Short-Term Investments (Cost \$5,255,000)			<u>5,251,981</u>
Total Investments (Cost \$270,572,448) 98.9%			266,209,401
Other Assets, less Liabilities 1.1%			<u>2,987,046</u>
Net Assets 100.0%			<u>\$269,196,447</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$227,733,363, representing 84.6% of net assets.

^bDefaulted security or security for which income has been deemed uncollectible. See Note 7.

^cFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.

^dNon-income producing.

^eVariable rate security. The rate shown represents the yield at period end.

^fThe security was issued on a discount basis with no stated coupon rate.

See Note 9 regarding other derivative information.

See Abbreviations on page 275

Financial Highlights

Franklin Income Focus ETF *

	Period Ended March 31, 2024
Per share operating performance	
(for a share outstanding throughout the period)	
Net asset value, beginning of period	\$25.00
Income from investment operations ^a :	
Net investment income ^b	1.12
Net realized and unrealized gains (losses)	0.92
Total from investment operations	2.04
Less distributions from net investment income	(1.01)
Net asset value, end of period	\$26.03
 Total return ^c	 8.40%
Ratios to average net assets^d	
Total expenses	0.38%
Net investment income	5.49%
Supplemental data	
Net assets, end of period (000's)	\$177,033
Portfolio turnover rate ^e	46.93% ^f

*For the period June 06, 2023 (commencement of operations) to March 31, 2024.

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

46.93%

Schedule of Investments, March 31, 2024

Franklin Income Focus ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 44.8%			
Advertising 0.3%			
^a Clear Channel Outdoor Holdings, Inc., 5.125%, 8/15/27	United States	545,000	\$ 514,142
Aerospace & Defense 1.5%			
Boeing Co., 5.15%, 5/01/30	United States	1,150,000	1,113,196
^a Bombardier, Inc., 7.25%, 7/01/31	Canada	600,000	601,971
TransDigm, Inc., 5.50%, 11/15/27	United States	925,000	906,077
			2,621,244
Agriculture 0.7%			
BAT Capital Corp.,			
7.75%, 10/19/32	United Kingdom	450,000	508,253
6.421%, 8/02/33	United Kingdom	250,000	261,696
Philip Morris International, Inc., 5.375%, 2/15/33	United States	500,000	504,322
			1,274,271
Airlines 2.3%			
^a American Airlines, Inc., 8.50%, 5/15/29	United States	1,150,000	1,215,645
^a Delta Air Lines, Inc./SkyMiles IP Ltd., 4.75%, 10/20/28	United States	1,375,000	1,345,285
^a Mileage Plus Holdings LLC/Mileage Plus Intellectual Property Assets Ltd., 6.50%, 6/20/27	United States	812,500	817,624
^a United Airlines, Inc., 4.625%, 4/15/29	United States	715,000	665,747
			4,044,301
Apparel 0.2%			
^a Hanesbrands, Inc., 9.00%, 2/15/31	United States	350,000	359,886
Auto Manufacturers 1.7%			
Ford Motor Co., 6.10%, 8/19/32	United States	1,000,000	1,013,950
Ford Motor Credit Co. LLC, 7.35%, 3/06/30	United States	960,000	1,024,131
General Motors Financial Co., Inc., 6.40%, 1/09/33	United States	715,000	749,837
5.80%, 1/07/29	United States	300,000	305,412
			3,093,330
Banks 3.1%			
Barclays PLC, 7.437% to 11/02/32, FRN thereafter, 11/02/33	United Kingdom	985,000	1,094,979
Citigroup, Inc., 6.174% to 5/25/33, FRN thereafter, 5/25/34	United States	495,000	502,925
Fifth Third Bank NA, 5.852% to 10/27/24, FRN thereafter, 10/27/25	United States	500,000	499,666
Goldman Sachs Group, Inc., 6.561% to 10/24/33, FRN thereafter, 10/24/34	United States	600,000	654,860
JPMorgan Chase & Co., 5.04% to 1/23/27, FRN thereafter, 1/23/28	United States	500,000	498,432
KeyBank NA, 4.90%, 8/08/32	United States	615,000	552,589
Morgan Stanley, 6.342% to 10/18/32, FRN thereafter, 10/18/33	United States	698,000	747,130
PNC Financial Services Group, Inc., 5.068% to 1/24/33, FRN thereafter, 1/24/34	United States	510,000	494,237
Truist Financial Corp., 4.916% to 7/28/32, FRN thereafter, 7/28/33	United States	540,000	503,276
			5,548,094
Banks 0.6%			
U.S. Bancorp, 5.836% to 6/10/33, FRN thereafter, 6/12/34	United States	300,000	305,891
Wells Fargo & Co., 5.389% to 4/24/33, FRN thereafter, 4/24/34	United States	751,000	746,588
			1,052,479
Biotechnology 0.3%			
Royalty Pharma PLC, 2.20%, 9/02/30	United Kingdom	620,000	515,423
Building Products 0.1%			
^a AmeriTex HoldCo Intermediate LLC, 10.25%, 10/15/28	United States	250,000	268,726

Franklin Income Focus ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Chemicals 1.2%			
Celanese U.S. Holdings LLC, 6.379%, 7/15/32	United States	725,000	\$ 752,731
^a Rain Carbon, Inc., 12.25%, 9/01/29	United States	500,000	519,284
^a SCIH Salt Holdings, Inc., 4.875%, 5/01/28	United States	830,000	774,091
			2,046,106
Commercial Services & Supplies 0.9%			
^a Ashtead Capital, Inc., 4.25%, 11/01/29	United Kingdom	550,000	513,250
^a MPH Acquisition Holdings LLC, 5.50%, 9/01/28	United States	600,000	510,871
^a United Rentals North America, Inc., 6.00%, 12/15/29	United States	485,000	488,747
			1,512,868
Construction Materials 0.7%			
Carrier Global Corp., 2.722%, 2/15/30	United States	850,000	751,987
^a EMRLD Borrower LP/Emerald Co.-Issuer, Inc., 6.625%, 12/15/30	United States	500,000	505,421
			1,257,408
Electric 2.9%			
American Electric Power Co., Inc., 5.625%, 3/01/33	United States	300,000	304,716
^a Calpine Corp., senior note, 5.125%, 3/15/28	United States	600,000	576,353
Dominion Energy, Inc., Series C, 3.375%, 4/01/30	United States	300,000	272,809
NextEra Energy Capital Holdings, Inc., 5.25%, 3/15/34	United States	500,000	499,086
^a NRG Energy, Inc., 3.625%, 2/15/31	United States	945,000	816,449
Pacific Gas & Electric Co., 3.15%, 1/01/26	United States	1,225,000	1,178,361
Southern Co., 5.70%, 10/15/32	United States	480,000	495,270
Vistra Operations Co. LLC,			
^a 3.70%, 1/30/27	United States	535,000	508,589
^a 7.75%, 10/15/31	United States	500,000	524,005
			5,175,638
Entertainment 0.4%			
Caesars Entertainment, Inc.,			
^a 8.125%, 7/01/27	United States	475,000	486,787
^a 4.625%, 10/15/29	United States	280,000	255,548
			742,335
Financial Services 1.9%			
AerCap Ireland Capital DAC/AerCap Global Aviation Trust, 5.75%, 6/06/28	Ireland	500,000	506,894
Capital One Financial Corp.,			
3.75%, 7/28/26	United States	600,000	578,211
5.817% to 2/01/33, FRN thereafter, 2/01/34	United States	760,000	759,385
Charles Schwab Corp.,			
5.853% to 5/19/33, FRN thereafter, 5/19/34	United States	490,000	502,099
6.196% to 11/17/28, FRN thereafter, 11/17/29	United States	500,000	519,930
^a Macquarie Airfinance Holdings Ltd., 6.40%, 3/26/29	United Kingdom	500,000	508,283
			3,374,802
Food 1.0%			
JBS USA LUX SA/JBS USA Food Co./JBS USA Finance, Inc., 5.75%,			
4/01/33	United States	530,000	522,480
Pilgrim's Pride Corp., 6.25%, 7/01/33	United States	500,000	511,568
^a Post Holdings, Inc., 6.25%, 2/15/32	United States	700,000	705,977
			1,740,025
Hand/Machine Tools 0.3%			
^a Regal Rexnord Corp., 6.40%, 4/15/33	United States	500,000	519,063

Franklin Income Focus ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Health Care Providers & Services 5.4%			
Centene Corp., 2.50%, 3/01/31	United States	1,380,000	\$ 1,136,268
CHS/Community Health Systems, Inc., ^a 8.00%, 12/15/27	United States	800,000	785,644
^a 8.00%, 3/15/26	United States	741,000	740,074
^a 6.875%, 4/01/28	United States	705,000	495,102
^a 10.875%, 1/15/32	United States	1,500,000	1,546,907
^a DaVita, Inc., 4.625%, 6/01/30	United States	1,145,000	1,025,856
^a Fresenius Medical Care U.S. Finance III, Inc., 2.375%, 2/16/31	Germany	645,000	508,696
HCA, Inc., 5.625%, 9/01/28	United States	735,000	744,360
Tenet Healthcare Corp., 6.125%, 10/01/28	United States	2,500,000	2,493,127
			9,476,034
Healthcare-Products 0.9%			
GE HealthCare Technologies, Inc., 5.905%, 11/22/32	United States	475,000	498,990
^a Medline Borrower LP, 3.875%, 4/01/29	United States	1,135,000	1,033,828
			1,532,818
Insurance 0.6%			
Brown & Brown, Inc., 2.375%, 3/15/31	United States	615,000	510,257
^a Five Corners Funding Trust III, 5.791%, 2/15/33	United States	490,000	505,637
			1,015,894
Internet 0.7%			
Expedia Group, Inc., 3.80%, 2/15/28	United States	525,000	499,599
Netflix, Inc., 5.875%, 11/15/28	United States	720,000	748,737
			1,248,336
Iron/Steel 0.5%			
ArcelorMittal SA, 6.80%, 11/29/32	Luxembourg	485,000	519,095
^a Cleveland-Cliffs, Inc., 6.75%, 4/15/30	United States	400,000	401,663
			920,758
IT Services 0.8%			
Dell International LLC/EMC Corp., 5.75%, 2/01/33	United States	300,000	310,670
HP, Inc., 5.50%, 1/15/33	United States	500,000	505,796
^a McAfee Corp., 7.375%, 2/15/30	United States	565,000	518,750
			1,335,216
Leisure Time 0.6%			
^a Carnival Corp., 7.625%, 3/01/26	United States	1,015,000	1,027,626
Lodging 0.7%			
^a Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., 5.25%, 5/15/27	United States	525,000	514,528
^a Wynn Macau Ltd., 5.50%, 1/15/26	Macau	780,000	760,972
			1,275,500
Media 0.8%			
^a CCO Holdings LLC/CCO Holdings Capital Corp., 5.00%, 2/01/28	United States	1,000,000	931,560
^a Univision Communications, Inc., senior note, 6.625%, 6/01/27	United States	520,000	509,038
			1,440,598
Mining 1.3%			
^a Alcoa Nederland Holding BV, 4.125%, 3/31/29	United States	550,000	505,479
^a First Quantum Minerals Ltd., 8.625%, 6/01/31	Zambia	500,000	486,666
^a FMG Resources August 2006 Pty. Ltd., 6.125%, 4/15/32	Australia	520,000	514,719
Freeport-McMoRan, Inc., 5.40%, 11/14/34	United States	775,000	766,240
			2,273,104

Franklin Income Focus ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Oil & Gas 1.0%			
Calumet Specialty Products Partners LP/Calumet Finance Corp.,			
^a 8.125%, 1/15/27	United States	800,000	\$ 780,728
^a 9.25%, 7/15/29	United States	300,000	309,106
Occidental Petroleum Corp., 6.625%, 9/01/30	United States	700,000	742,392
			<u>1,832,226</u>
Oil & Gas Services 0.4%			
^a Weatherford International Ltd., 8.625%, 4/30/30	United States	740,000	773,148
Packaging & Containers 1.4%			
^a Ardagh Metal Packaging Finance USA LLC/Ardagh Metal Packaging Finance PLC, 4.00%, 9/01/29			
	United States	500,000	403,568
^a Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc., senior note, 5.25%, 8/15/27			
	Luxembourg	1,385,000	874,039
Mauser Packaging Solutions Holding Co.,			
^a 7.875%, 8/15/26	United States	735,000	749,333
^a 9.25%, 4/15/27	United States	525,000	521,412
			<u>2,548,352</u>
Pharmaceuticals 2.0%			
^a 1375209 BC Ltd., 9.00%, 1/30/28	Canada	1,125,000	1,103,724
AbbVie, Inc., 4.55%, 3/15/35	United States	520,000	502,839
^a Bausch Health Cos., Inc., 5.50%, 11/01/25	United States	830,000	784,350
CVS Health Corp., 5.25%, 2/21/33	United States	500,000	500,340
Teva Pharmaceutical Finance Netherlands III BV, 6.75%, 3/01/28	Israel	600,000	615,071
			<u>3,506,324</u>
Pipelines 1.5%			
Cheniere Corpus Christi Holdings LLC, 3.70%, 11/15/29			
	United States	500,000	465,329
Kinder Morgan, Inc.,			
5.20%, 6/01/33	United States	515,000	507,453
5.40%, 2/01/34	United States	500,000	498,182
^a Venture Global LNG, Inc., 8.125%, 6/01/28	United States	740,000	755,400
Williams Cos., Inc., 3.50%, 11/15/30	United States	550,000	500,235
			<u>2,726,599</u>
Real Estate Management & Development 1.2%			
American Tower Corp., 5.55%, 7/15/33			
	United States	495,000	499,062
Crown Castle, Inc., 5.10%, 5/01/33			
	United States	300,000	292,730
Healthpeak OP LLC, 5.25%, 12/15/32			
	United States	500,000	496,252
VICI Properties LP, 5.125%, 5/15/32			
	United States	800,000	765,990
			<u>2,054,034</u>
Retail 1.1%			
^a Bausch & Lomb Corp., 8.375%, 10/01/28			
	United States	675,000	699,239
^a Fertitta Entertainment LLC/Fertitta Entertainment Finance Co., Inc., 4.625%, 1/15/29			
	United States	840,000	771,079
Lowe's Cos., Inc., 5.00%, 4/15/33			
	United States	500,000	498,306
			<u>1,968,624</u>
Semiconductors 0.9%			
^a Broadcom, Inc., 3.469%, 4/15/34			
	United States	915,000	784,393
Micron Technology, Inc., 5.327%, 2/06/29			
	United States	350,000	353,311
NXP BV/NXP Funding LLC, 5.55%, 12/01/28			
	China	500,000	508,046
			<u>1,645,750</u>
Software 1.3%			
^a Cloud Software Group, Inc., 6.50%, 3/31/29			
	United States	600,000	569,875
Fiserv, Inc., 5.60%, 3/02/33			
	United States	400,000	407,963

Franklin Income Focus ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Software (continued)			
Oracle Corp.,			
2.875%, 3/25/31	United States	350,000	\$ 304,488
6.25%, 11/09/32	United States	470,000	503,094
Workday, Inc., 3.80%, 4/01/32	United States	550,000	501,097
			<u>2,286,517</u>
Telecommunications 1.6%			
^a CommScope Technologies LLC, 6.00%, 6/15/25	United States	500,000	435,475
^a CommScope, Inc., 6.00%, 3/01/26	United States	1,500,000	1,374,375
Sprint LLC, 7.625%, 3/01/26	United States	470,000	485,886
T-Mobile USA, Inc., 5.05%, 7/15/33	United States	500,000	494,811
			<u>2,790,547</u>
Total Corporate Bonds & Notes (Cost \$78,473,996)			<u>79,338,146</u>
U.S. Government & Agency Securities 12.6%			
U.S. Treasury Bonds, 3.625%, 5/15/53	United States	2,000,000	1,757,773
U.S. Treasury Notes,			
4.00%, 2/15/34	United States	4,000,000	3,934,375
4.375%, 12/15/26	United States	4,000,000	3,990,781
4.875%, 11/30/25	United States	2,500,000	2,504,004
U.S. Treasury STRIPS Principal,			
^b zero cpn., 2/15/45	United States	14,000,000	5,537,363
^b zero cpn., 5/15/53	United States	15,500,000	4,556,796
			<u>22,281,092</u>
Total U.S. Government & Agency Securities (Cost \$22,376,445)			<u>22,281,092</u>
		Shares	
Common Stocks 26.7%			
Aerospace & Defense 1.3%			
Lockheed Martin Corp.	United States	3,019	1,373,253
RTX Corp.	United States	8,755	853,875
			<u>2,227,128</u>
Air Freight & Logistics 0.4%			
United Parcel Service, Inc. Class B	United States	4,840	719,369
Banks 4.1%			
Bank of America Corp.	United States	46,829	1,775,756
Citigroup, Inc.	United States	18,050	1,141,482
JPMorgan Chase & Co.	United States	11,860	2,375,558
Truist Financial Corp.	United States	26,150	1,019,327
U.S. Bancorp	United States	20,000	894,000
			<u>7,206,123</u>
Beverages 1.3%			
Coca-Cola Co.	United States	22,076	1,350,609
PepsiCo, Inc.	United States	5,083	889,576
			<u>2,240,185</u>
Biotechnology 0.8%			
AbbVie, Inc.	United States	8,052	1,466,269
Building Products 0.6%			
Johnson Controls International PLC	United States	16,835	1,099,662
Capital Markets 0.9%			
Morgan Stanley	United States	16,660	1,568,706

Franklin Income Focus ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Chemicals 0.5%			
Air Products & Chemicals, Inc.	United States	3,620	\$ 877,017
Communications Equipment 0.7%			
Cisco Systems, Inc.	United States	26,774	1,336,290
Consumer Staples Distribution & Retail 0.6%			
Target Corp.	United States	6,190	1,096,930
Diversified Telecommunication Services 0.8%			
Verizon Communications, Inc.	United States	32,963	1,383,127
Electric Utilities 2.8%			
Duke Energy Corp.	United States	18,725	1,810,895
Edison International	United States	6,423	454,299
Southern Co.	United States	24,125	1,730,727
Xcel Energy, Inc.	United States	17,169	922,834
			4,918,755
Health Care Providers & Services 0.4%			
CVS Health Corp.	United States	8,439	673,095
Hotels, Restaurants & Leisure 0.5%			
Starbucks Corp.	United States	9,140	835,305
Household Products 1.0%			
Procter & Gamble Co.	United States	11,512	1,867,822
Industrial Conglomerates 0.5%			
Honeywell International, Inc.	United States	4,165	854,866
Metals & Mining 0.7%			
Rio Tinto PLCADR	Australia	19,236	1,226,103
Multi-Utilities 0.5%			
Sempra	United States	12,596	904,771
Oil, Gas & Consumable Fuels 3.1%			
Chevron Corp.	United States	19,864	3,133,347
Exxon Mobil Corp.	United States	7,945	923,527
TotalEnergies SEADR	France	20,282	1,396,010
			5,452,884
Pharmaceuticals 1.2%			
Merck & Co., Inc.	United States	7,900	1,042,405
Roche Holding AGADR	United States	35,716	1,140,055
			2,182,460
Semiconductors & Semiconductor Equipment 2.7%			
Analog Devices, Inc.	United States	8,545	1,690,116
Intel Corp.	United States	29,847	1,318,342
Texas Instruments, Inc.	United States	9,740	1,696,805
			4,705,263
Specialty Retail 0.6%			
Home Depot, Inc.	United States	2,815	1,079,834
Tobacco 0.7%			
Philip Morris International, Inc.	United States	13,508	1,237,603
Total Common Stocks (Cost \$43,865,182)			47,159,567

Franklin Income Focus ETF (continued)

	Country	Shares	Value
Preferred Stock 0.7%			
Chemicals 0.7%			
Albemarle Corp., 7.250%, pfd.	United States	21,413	\$ 1,263,367
Total Preferred Stocks (Cost \$1,077,680)			<u>1,263,367</u>
Equity-Linked Securities 13.5%			
Other 13.5%			
^a BofA Finance LLC into S&P 500 Index, 6.00%, 6/28/24	United States	350	1,605,653
^a JPMorgan Chase Bank NA into Alphabet Inc., Class A, 7.00%, 3/28/25	United States	12,000	1,746,502
^a JPMorgan Chase Financial Co. LLC into S&P 500 Index, 8.00%, 8/20/24	United States	500	2,562,666
^a Morgan Stanley Finance LLC into S&P 500 Index, 6.00%, 5/24/24	United States	350	1,599,434
^a Royal Bank of Canada into S&P 500 Index, 7.00%, 4/16/24	Canada	500	2,485,767
^a Royal Bank of Canada into S&P 500 Index, 7.00%, 7/16/24	Canada	383	2,011,163
^a Royal Bank of Canada into S&P 500 Index, 7.00%, 5/2/24	Canada	478	2,510,945
^a UBS AG into Apple Inc., 7.00%, 4/2/24	Switzerland	6,000	1,032,148
^a UBS AG into S&P 500 Index, 6.00%, 6/4/24	Switzerland	450	2,269,315
^a UBS AG into S&P 500 Index, 7.00%, 7/23/24	United Kingdom	460	2,379,390
^a Wells Fargo Bank NA into S&P 500 Index, 6.00%, 4/24/24	United States	350	1,599,257
^a Wells Fargo Bank NA into S&P 500 Index, 7.00%, 5/10/24	United States	479	2,130,512
			<u>23,932,752</u>
Total Equity-Linked Securities (Cost \$23,179,754)			<u>23,932,752</u>
Total Investments (Cost \$168,973,057) 98.3%			173,974,924
Other Assets, less Liabilities 1.7%			<u>3,058,502</u>
Net Assets 100.0%			<u>\$177,033,426</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$62,436,485, representing 35.3% of net assets.

^bThe security was issued on a discount basis with no stated coupon rate.

The Fund had the following option written contracts open at March 31, 2024.

Written Options

Written Options

Description	Expiration Date	Exercise Price	Number of Contracts	Notional Amount	Premiums (Received)	Value
Call Options Written						
Home Depot, Inc. Apr24 385 Call	4/19/2024	385.00	25	\$ 959,000	\$14,196	\$16,000
JPMorgan Chase & Co. Apr24 195 Call	4/19/2024	195.00	100	2,003,000	18,382	71,500
					\$32,578	\$87,500

See Note 9 regarding other derivative information.

See Abbreviations on page 275

Financial Highlights

Franklin Intelligent Machines ETF

	Year Ended March 31,				Period Ended March 31,
	2024	2023	2022	2021	2020 ^a
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$44.16	\$46.30	\$43.24	\$20.67	\$25.00
Income from investment operations ^b :					
Net investment income (loss) ^c	(0.03)	—	(0.10)	(0.06)	—
Net realized and unrealized gains (losses)	14.21	(2.14)	3.25	22.63	(4.33)
Total from investment operations	14.18	(2.14)	3.15	22.57	(4.33)
Less distributions from:					
Net investment income	—	—	—	(0.00) ^d	—
Net realized gains	—	—	(0.09)	—	—
Total distributions	—	—	(0.09)	—	—
Net asset value, end of year	\$58.34	\$44.16	\$46.30	\$43.24	\$20.67
Total return ^e	32.13%	(4.62)%	7.27%	109.21%	(17.32)%
Ratios to average net assets^f					
Expenses before waiver and payments by affiliates	0.50%	0.50%	0.77%	2.19%	12.91%
Expenses net of waiver and payments by affiliates	0.50%	0.50%	0.50%	0.50%	0.50%
Net investment income (loss)	(0.07)%	—%	(0.21)%	(0.17)%	0.20%
Supplemental data					
Net assets, end of year (000's)	\$20,419	\$8,832	\$11,574	\$10,809	\$2,067
Portfolio turnover rate ^g	11.93% ^h	19.82% ^h	35.98% ^h	75.25% ^h	— ^h

^aFor the period February 25, 2020 (commencement of operations) to March 31, 2020.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dAmount rounds to less than \$0.005 per share.

^eTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^fRatios are annualized for periods less than one year.

^gPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^hPortfolio turnover rate excluding cash creations was as follows:

10.90% 19.38% 35.98% 75.25% —

Schedule of Investments, March 31, 2024

Franklin Intelligent Machines ETF

	Country	Shares	Value
Common Stocks 98.2%			
Aerospace & Defense 3.3%			
^a Axon Enterprise, Inc.	United States	2,170	\$ 678,950
Automobiles 2.9%			
^a Tesla, Inc.	United States	3,418	600,850
Computers & Peripherals 3.6%			
Apple, Inc.	United States	4,291	735,821
Construction & Engineering 2.9%			
Quanta Services, Inc.	United States	1,891	491,282
Valmont Industries, Inc.	United States	472	107,748
			599,030
Electrical Equipment 1.4%			
Eaton Corp. PLC	United States	887	277,347
Electronic Equipment, Instruments & Components 6.2%			
Amphenol Corp., Class A	United States	2,720	313,752
Keyence Corp.	Japan	1,093	502,212
^a Keysight Technologies, Inc.	United States	1,172	183,277
TE Connectivity Ltd.	United States	947	137,542
^a Trimble, Inc.	United States	1,559	100,337
^a Zebra Technologies Corp., Class A	United States	70	21,101
			1,258,221
Ground Transportation 0.3%			
^a Uber Technologies, Inc.	United States	837	64,441
Health Care Equipment & Supplies 8.4%			
^a Align Technology, Inc.	United States	50	16,396
^a Dexcom, Inc.	United States	1,710	237,177
^a IDEXX Laboratories, Inc.	United States	546	294,802
^a Inspire Medical Systems, Inc.	United States	463	99,448
^a Intuitive Surgical, Inc.	United States	2,499	997,326
^a Shockwave Medical, Inc.	United States	208	67,731
			1,712,880
Household Durables 0.4%			
Panasonic Holdings Corp.	Japan	7,940	75,835
Industrial Conglomerates 1.0%			
Honeywell International, Inc.	United States	386	79,226
Siemens AG	Germany	639	122,124
			201,350
Life Sciences Tools & Services 0.2%			
^a 10X Genomics, Inc., Class A	United States	1,123	42,146
Semiconductors & Semiconductor Equipment 43.5%			
^a Advanced Micro Devices, Inc.	United States	3,429	618,900
Analog Devices, Inc.	United States	1,743	344,748
Applied Materials, Inc.	United States	3,141	647,768
ASM International NV	Netherlands	973	594,670
ASML Holding NV	Netherlands	1,102	1,069,458
Broadcom, Inc.	United States	283	375,091
Entegris, Inc.	United States	2,760	387,890
^a First Solar, Inc.	United States	471	79,505
Infineon Technologies AG	Germany	5,294	180,188
Intel Corp.	United States	2,307	101,900
KLA Corp.	United States	465	324,835
Lam Research Corp.	United States	371	360,453

Franklin Intelligent Machines ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Semiconductors & Semiconductor Equipment (continued)			
Microchip Technology, Inc.	United States	1,067	\$ 95,721
NVIDIA Corp.	United States	2,487	2,247,154
NXP Semiconductors NV	Netherlands	808	200,198
^a SiTime Corp.	United States	743	69,270
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	4,964	675,352
Teradyne, Inc.	United States	3,157	356,204
Texas Instruments, Inc.	United States	780	135,884
^a Wolfspeed, Inc.	United States	644	18,998
			8,884,187
Software 24.1%			
^a Altair Engineering, Inc., Class A	United States	2,726	234,845
^a ANSYS, Inc.	United States	1,074	372,850
^a Atlassian Corp., Class A	United States	539	105,164
^a Autodesk, Inc.	United States	1,473	383,599
Bentley Systems, Inc., Class B	United States	1,878	98,069
^a Cadence Design Systems, Inc.	United States	3,153	981,466
Constellation Software, Inc.	Canada	175	478,478
Dassault Systemes SE	France	3,564	157,968
^a Descartes Systems Group, Inc.	Canada	5,785	529,659
^{a,b} Lumine Group, Inc.	Canada	525	13,893
^a PTC, Inc.	United States	2,257	426,437
Roper Technologies, Inc.	United States	350	196,294
^a Synopsys, Inc.	United States	1,648	941,832
			4,920,554
Total Common Stocks (Cost \$15,921,417)			20,051,612
Warrant 0.0%			
Software 0.0%			
^{a,c} Constellation Software, Inc.	Canada	225	—
Total Investments (Cost \$15,921,417) 98.2%			20,051,612
Other Assets, less Liabilities 1.8%			367,047
Net Assets 100.0%			\$20,418,659

^aNon-income producing.

^bSecurity was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2024, the value of was \$13,893, representing 0.1% of net assets.

^cFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.

See Abbreviations on page 275.

Financial Highlights

Franklin International Aggregate Bond ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.59	\$23.65	\$25.02	\$24.95	\$24.56
Income from investment operations ^a :					
Net investment income (loss) ^b	0.47	0.19	0.05	(0.01)	0.22
Net realized and unrealized gains (losses)	0.31	(0.77)	(0.87)	0.19	0.78
Total from investment operations	0.78	(0.58)	(0.82)	0.18	1.00
Less distributions from:					
Net investment income	(0.19)	(3.48)	(0.42)	(0.11)	(0.09)
Net realized gains	—	—	(0.13)	—	(0.52)
Total distributions	(0.19)	(3.48)	(0.55)	(0.11)	(0.61)
Net asset value, end of year	\$20.18	\$19.59	\$23.65	\$25.02	\$24.95
Total return ^c	4.04%	(2.38)%	(3.35)%	0.72%	4.05%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.25%	0.25%	0.39%	0.58%	3.23%
Expenses net of waiver and payments by affiliates	0.25%	0.25%	0.25%	0.25%	0.28%
Net investment income (loss)	2.40%	0.86%	0.21%	(0.03)%	0.87%
Supplemental data					
Net assets, end of year (000's)	\$489,468	\$276,164	\$193,968	\$181,405	\$4,989
Portfolio turnover rate ^e	26.48% ^f	31.03% ^f	24.12% ^f	72.21% ^f	66.78% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows: 26.48% 31.03% 24.12% 72.21% 66.78%

Schedule of Investments, March 31, 2024

Franklin International Aggregate Bond ETF

	Principal Amount*		Value
Foreign Government and Agency Securities 93.4%			
Australia 3.3%			
^a Australia Government Bonds, Series 149, 2.25%, 5/21/28	8,000,000	AUD \$	4,945,289
^a New South Wales Treasury Corp., Series 27, 3.00%, 5/20/27	3,500,000	AUD	2,221,571
^a Queensland Treasury Corp., 3.25%, 8/21/29	6,500,000	AUD	4,077,228
^a Western Australian Treasury Corp., Series 26, 3.00%, 10/21/26	7,500,000	AUD	4,781,676
			<u>16,025,764</u>
Austria 3.6%			
Republic of Austria Government Bonds,			
^a 1.20%, 10/20/25	13,000,000	EUR	13,635,784
^a 1.50%, 2/20/47	5,000,000	EUR	4,064,108
			<u>17,699,892</u>
Belgium 3.3%			
^a Kingdom of Belgium Government Bonds, Series 75, 1.00%, 6/22/31	17,000,000	EUR	16,339,194
Canada 2.9%			
Canada Government Bonds,			
5.00%, 6/01/37	10,000,000	CAD	8,580,266
2.00%, 12/01/51	10,000,000	CAD	5,578,827
			<u>14,159,093</u>
China 12.8%			
Agricultural Development Bank of China, Series 2008, 3.45%, 9/23/25	13,000,000	CNY	1,826,204
China Development Bank,			
Series 2003, 3.23%, 1/10/25	24,000,000	CNY	3,339,306
Series 2004, 3.43%, 1/14/27	25,000,000	CNY	3,560,811
China Government Bonds,			
3.03%, 3/11/26	50,000,000	CNY	7,030,851
2.85%, 6/04/27	25,000,000	CNY	3,520,978
2.67%, 5/25/33	70,000,000	CNY	9,857,997
2.52%, 8/25/33	80,000,000	CNY	11,134,886
2.35%, 2/25/34	80,000,000	CNY	11,059,967
Series 1722, 4.28%, 10/23/47	65,000,000	CNY	11,551,039
			<u>62,882,039</u>
Cyprus 1.0%			
^a Cyprus Government International Bonds, 1.50%, 4/16/27	4,500,000	EUR	4,668,895
France 7.6%			
French Republic Government Bonds OAT,			
^a 2.00%, 11/25/32	18,000,000	EUR	18,337,857
^a 0.75%, 5/25/52	10,000,000	EUR	5,933,729
^{a,b} zero cpn., 11/25/29	14,000,000	EUR	13,055,081
			<u>37,326,667</u>
Germany 5.6%			
^{a,b} Bundesobligation, zero cpn., Series G, 10/10/25	6,100,000	EUR	6,300,083
^{a,b} Bundesrepublik Deutschland Bundesanleihe, zero cpn., 8/15/26	21,000,000	EUR	21,301,482
			<u>27,601,565</u>
Italy 5.3%			
Italy Buoni Poliennali Del Tesoro,			
^a Series 10Y, 1.25%, 12/01/26	15,000,000	EUR	15,424,668
^a 2.45%, 9/01/50	13,000,000	EUR	10,414,131
			<u>25,838,799</u>

Franklin International Aggregate Bond ETF (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Japan 14.5%			
Development Bank of Japan, Inc., 2.30%, 3/19/26	1,200,000,000	JPY \$	8,235,165
Japan Government Five Year Bonds,			
Series 142, 0.10%, 12/20/24	2,300,000,000	JPY	15,200,633
Series 161, 0.30%, 6/20/28	2,000,000,000	JPY	13,217,334
Japan Government Thirty Year Bonds, Series 65, 0.40%, 12/20/49	900,000,000	JPY	4,369,982
Japan Government Twenty Year Bonds,			
1.50%, 3/20/33	3,000,000,000	JPY	21,302,477
Series 179, 0.50%, 12/20/41	1,500,000,000	JPY	8,580,727
			<u>70,906,318</u>
Mexico 3.7%			
^c Mexico Bonos, Series M, 8.00%, 11/07/47	350,000,000	MXN	18,161,599
Netherlands 4.4%			
Netherlands Government Bonds,			
^a 0.50%, 7/15/26	12,000,000	EUR	12,313,751
^a 0.50%, 1/15/40	12,000,000	EUR	9,362,639
			<u>21,676,390</u>
Poland 4.1%			
Republic of Poland Government Bonds, Series 1029, 2.75%, 10/25/29	90,000,000	PLN	19,868,993
Romania 1.0%			
^a Romania Government International Bonds, 2.00%, 1/28/32	5,500,000	EUR	4,728,249
Spain 6.5%			
Spain Government Bonds,			
^a 1.25%, 10/31/30	20,000,000	EUR	19,490,977
^b zero cpn., 1/31/25	12,000,000	EUR	12,585,000
			<u>32,075,977</u>
Supranational 1.1%			
^a European Union, 0.30%, 11/04/50	10,000,000	EUR	5,502,188
Sweden 3.6%			
^a Sweden Government Bonds, Series 1060, 0.75%, 5/12/28	200,000,000	SEK	17,476,357
United Kingdom 9.1%			
U.K. Gilts,			
^a 4.75%, 12/07/30	11,000,000	GBP	14,695,147
^a 0.875%, 7/31/33	12,000,000	GBP	11,599,566
^a 3.75%, 1/29/38	15,000,000	GBP	18,100,136
			<u>44,394,849</u>
Total Foreign Government and Agency Securities (Cost \$468,468,357)			<u>457,332,828</u>
Corporate Bonds & Notes 3.5%			
France 0.3%			
^a Orange SA, 1.375%, 3/20/28	1,500,000	EUR	1,513,495
Germany 0.7%			
^a Deutsche Telekom AG, 0.875%, 3/25/26	500,000	EUR	514,764
Kreditanstalt fuer Wiederaufbau, 2.05%, 2/16/26	300,000,000	JPY	2,050,347
^{a,b} Siemens Financieringsmaatschappij NV, zero cpn., 2/20/26	700,000	EUR	712,072
			<u>3,277,183</u>
Supranational 0.8%			
Asian Development Bank, Series 339-00-1, 2.35%, 6/21/27	240,000,000	JPY	1,695,969
^a European Investment Bank, 1.90%, 1/26/26	330,000,000	JPY	2,252,277
			<u>3,948,246</u>

Franklin International Aggregate Bond ETF (continued)

	Principal Amount*	Value
Corporate Bonds & Notes (continued)		
United Kingdom 0.3%		
^a RELX Finance BV, 0.50%, 3/10/28	1,500,000 EUR	\$ 1,459,478
United States 1.4%		
AbbVie, Inc., 1.375%, 5/17/24	1,000,000 EUR	1,075,446
Apple, Inc., 1.625%, 11/10/26	1,000,000 EUR	1,040,023
AT&T, Inc., 0.25%, 3/04/26	1,200,000 EUR	1,220,902
Procter & Gamble Co., 0.50%, 10/25/24	1,200,000 EUR	1,271,945
^a Schlumberger Finance France SAS, 1.00%, 2/18/26	1,000,000 EUR	1,031,504
Stryker Corp., 0.25%, 12/03/24	1,000,000 EUR	1,053,434
		6,693,254
Total Corporate Bonds & Notes (Cost \$19,968,564)		16,891,656
Total Investments before Short Term Investments (\$488,436,921)		474,224,484
Short-Term Investments 0.2%		
U.S. Government & Agency Securities 0.2%		
^b Federal Home Loan Bank Discount Notes, 4/01/24	1,135,000	1,134,348
Total Short-Term Investments (Cost \$1,135,000)		1,134,348
Total Investments (Cost \$489,571,921) 97.1%		475,358,832
Other Assets, less Liabilities 2.9%		14,108,694
Net Assets 100.0%		\$489,467,526

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aSecurity was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2024, the value of was \$266,253,376, representing 54.4% of net assets.

^bThe security was issued on a discount basis with no stated coupon rate.

^cPrincipal amount is stated in 100 Mexican Peso Units.

At March 31, 2024, the Fund had the following forward exchange contracts outstanding. See Note 1(c).

Forward Exchange Contracts

Currency	Counterparty ^a	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts							
Australian Dollar	BNPS	Sell	8,400,000	\$ 5,557,033	5/14/24	\$ 70,452	\$ —
Australian Dollar	CITI	Sell	15,390,000	10,180,168	5/14/24	127,969	—
Canadian Dollar	BNPS	Buy	4,800,000	3,560,139	5/14/24	—	(10,940)
Canadian Dollar	BNPS	Sell	1,750,000	1,287,484	5/14/24	—	(6,495)
Canadian Dollar	BNPS	Sell	10,300,000	7,681,303	5/14/24	65,312	—
Canadian Dollar	CITI	Sell	11,320,000	8,440,881	5/14/24	70,686	—
Chinese Yuan	CITI	Sell	30,000,000	4,147,215	5/14/24	8,819	—
Chinese Yuan	CITI	Sell	30,500,000	4,270,681	5/14/24	63,312	—
Chinese Yuan	CITI	Sell	52,500,000	7,306,889	5/14/24	64,697	—
Chinese Yuan	CITI	Sell	40,500,000	5,669,410	5/14/24	82,576	—
Chinese Yuan	CITI	Sell	80,000,000	11,156,356	5/14/24	120,634	—
Chinese Yuan	CITI	Sell	85,000,000	11,861,913	5/14/24	136,457	—
Chinese Yuan	CITI	Sell	144,700,000	20,217,319	5/14/24	256,456	—
Euro	CITI	Buy	14,000,000	15,193,051	5/14/24	—	(48,156)
Euro	BNPS	Sell	5,600,000	6,063,346	5/14/24	5,388	—
Euro	BNPS	Sell	59,200,000	64,761,248	5/14/24	719,978	—
Euro	CITI	Sell	140,000,000	153,140,246	5/14/24	1,691,297	—
Great British Pound	BNPS	Sell	1,500,000	1,889,787	5/14/24	—	(5,519)

Franklin International Aggregate Bond ETF (continued)

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts (continued)							
Great British Pound	CITI	Sell	2,000,000	\$ 2,529,819	5/14/24	\$ 2,745	\$ —
Great British Pound	BNPS	Sell	7,700,000	9,800,438	5/14/24	71,201	—
Great British Pound	CITI	Sell	23,500,000	29,910,335	5/14/24	217,209	—
Great British Pound	BNPS	Sell	1,000,000	1,259,866	5/15/24	—	(3,679)
Japanese Yen	BNPS	Sell	3,300,000,000	23,147,417	4/24/24	1,269,747	—
Japanese Yen	BNPS	Sell	2,950,000,000	20,298,910	5/14/24	680,872	—
Japanese Yen	CITI	Sell	5,449,000,000	37,491,126	5/14/24	1,254,282	—
Mexican Peso	CITI	Sell	215,100,000	12,356,956	5/14/24	—	(499,611)
Mexican Peso	BNPS	Sell	86,288,147	4,959,802	5/14/24	—	(197,657)
Polish Zloty	CITI	Sell	45,550,000	11,356,191	5/14/24	—	(62,220)
Polish Zloty	BNPS	Sell	28,800,000	7,184,858	5/14/24	—	(34,686)
Swedish Krona	BNPS	Sell	45,800,000	4,410,400	5/14/24	119,899	—
Swedish Krona	CITI	Sell	133,500,000	12,854,574	5/14/24	348,418	—
Total Forward Exchange Contracts						\$7,448,406	\$ (868,963)
Net unrealized appreciation (depreciation)							\$6,579,443

^aMay be comprised of multiple contracts with the same counterparty, currency and settlement date.

Financial Highlights

Franklin Investment Grade Corporate ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$21.44	\$23.71	\$25.47	\$24.22	\$24.09
Income from investment operations ^a :					
Net investment income ^b	0.81	0.68	0.58	0.60	0.73
Net realized and unrealized gains (losses)	0.04	(2.22)	(1.63)	1.71	0.27
Total from investment operations	0.85	(1.54)	(1.05)	2.31	1.00
Less distributions from:					
Net investment income	(0.93)	(0.73)	(0.66)	(0.83)	(0.81)
Net realized gains	—	—	(0.05)	(0.23)	(0.06)
Total distributions	(0.93)	(0.73)	(0.71)	(1.06)	(0.87)
Net asset value, end of year	\$21.36	\$21.44	\$23.71	\$25.47	\$24.22
Total return ^c	4.13%	(6.46)%	(4.30)%	9.43%	4.02%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.35%	0.35%	0.42%	0.50%	0.58%
Expenses net of waiver and payments by affiliates	0.35%	0.35%	0.35%	0.35%	0.35%
Net investment income	3.84%	3.13%	2.27%	2.27%	2.86%
Supplemental data					
Net assets, end of year (000's)	\$364,152	\$644,363	\$981,602	\$1,018,639	\$553,338
Portfolio turnover rate ^e	25.09% ^f	27.84% ^f	36.76% ^f	53.32% ^f	52.17% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

25.09% 27.84% 36.76% 53.32% 52.17%

Schedule of Investments, March 31, 2024

Franklin Investment Grade Corporate ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 97.2%			
Aerospace & Defense 2.1%			
^a BAE Systems PLC, 5.50%, 3/26/54	United Kingdom	380,000	\$ 384,022
Boeing Co., 3.65%, 3/01/47	United States	2,700,000	1,899,523
Howmet Aerospace, Inc., 5.95%, 2/01/37	United States	1,900,000	1,968,155
Lockheed Martin Corp., 4.07%, 12/15/42	United States	2,500,000	2,169,618
4.15%, 6/15/53	United States	1,250,000	1,056,073
			7,477,391
Agriculture 1.5%			
^a JT International Financial Services BV, 6.875%, 10/24/32	Japan	3,000,000	3,347,920
Philip Morris International, Inc., 5.375%, 2/15/33	United States	2,150,000	2,168,584
			5,516,504
Air Freight & Logistics 0.5%			
FedEx Corp., 4.75%, 11/15/45	United States	2,000,000	1,773,628
Airlines 1.8%			
^a Delta Air Lines, Inc./SkyMiles IP Ltd., first lien, 4.50%, 10/20/25	United States	3,800,818	3,762,910
United Airlines Pass-Through Trust, Series 2016-1, Class A, 3.45%, 1/07/30	United States	1,708,263	1,552,470
Series 2020-1, Class B, 4.875%, 7/15/27	United States	1,366,092	1,345,008
			6,660,388
Apparel 0.3%			
Tapestry, Inc., 7.05%, 11/27/25	United States	900,000	918,921
Auto Manufacturers 0.5%			
^a Hyundai Capital America, 5.35%, 3/19/29	United States	2,000,000	2,008,379
Banks 20.8%			
Banco Santander SA, 2.749%, 12/03/30	Spain	2,400,000	1,985,511
Bank of America Corp., 2.592% to 4/29/30, FRN thereafter, 4/29/31	United States	2,425,000	2,091,572
4.571% to 4/27/32, FRN thereafter, 4/27/33	United States	3,200,000	3,040,834
5.202% to 4/25/28, FRN thereafter, 4/25/29	United States	5,200,000	5,206,524
5.468% to 1/23/34, FRN thereafter, 1/23/35	United States	500,000	503,449
Citigroup, Inc., 3.668% to 7/24/27, FRN thereafter, 7/24/28	United States	5,000,000	4,753,928
3.057% to 1/25/32, FRN thereafter, 1/25/33	United States	2,700,000	2,296,305
Credit Agricole SA, ^a 4.375%, 3/17/25	France	1,100,000	1,083,380
^a 5.134%, 3/11/27	France	2,375,000	2,377,333
Deutsche Bank AG, 2.129% to 11/24/25, FRN thereafter, 11/24/26	Germany	1,800,000	1,698,142
0.898%, 5/28/24	Germany	1,900,000	1,886,073
Fifth Third Bancorp, 4.772% to 7/28/29, FRN thereafter, 7/28/30	United States	1,500,000	1,444,483
Goldman Sachs Group, Inc., 2.64% to 2/24/27, FRN thereafter, 2/24/28	United States	5,300,000	4,937,736
4.387% to 6/15/26, FRN thereafter, 6/15/27	United States	1,000,000	980,914
HSBC Holdings PLC, 1.645% to 4/18/25, FRN thereafter, 4/18/26	United Kingdom	3,600,000	3,449,208
JPMorgan Chase & Co., 2.522% to 4/22/30, FRN thereafter, 4/22/31	United States	3,100,000	2,680,313
2.963% to 1/25/32, FRN thereafter, 1/25/33	United States	3,650,000	3,117,532
4.851% to 7/25/27, FRN thereafter, 7/25/28	United States	1,000,000	991,892
6.087% to 10/23/28, FRN thereafter, 10/23/29	United States	3,700,000	3,847,967

Franklin Investment Grade Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Banks (continued)			
KeyBank NA, 4.15%, 8/08/25	United States	950,000	\$ 923,755
Mizuho Financial Group, Inc., 5.778% to 7/06/28, FRN thereafter, 7/06/29	Japan	1,200,000	1,226,886
Morgan Stanley, 5.25% to 4/21/33, FRN thereafter, 4/21/34	United States	3,000,000	2,977,612
5.449% to 7/20/28, FRN thereafter, 7/20/29	United States	900,000	908,197
^a National Australia Bank Ltd., 2.332%, 8/21/30	Australia	3,300,000	2,720,934
PNC Financial Services Group, Inc., 6.615% to 10/20/26, FRN thereafter, 10/20/27	United States	2,275,000	2,342,855
^a Standard Chartered PLC, 1.456% to 1/14/26, FRN thereafter, 1/14/27	United Kingdom	2,600,000	2,413,691
^a UBS Group AG, 5.428% to 2/08/29, FRN thereafter, 2/08/30	Switzerland	1,800,000	1,803,239
^a UniCredit SpA, 1.982% to 6/03/26, FRN thereafter, 6/03/27	Italy	2,200,000	2,031,130
Wells Fargo & Co., 4.808% to 7/25/27, FRN thereafter, 7/25/28	United States	5,250,000	5,174,501
5.389% to 4/24/33, FRN thereafter, 4/24/34	United States	1,150,000	1,143,244
5.574% to 7/25/28, FRN thereafter, 7/25/29	United States	2,200,000	2,226,756
5.198% to 1/23/29, FRN thereafter, 1/23/30	United States	1,600,000	1,597,091
			<u>75,862,987</u>
Beverages 1.1%			
Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc., 4.90%, 2/01/46	United States	2,000,000	1,901,863
Anheuser-Busch InBev Worldwide, Inc., 5.80%, 1/23/59	Belgium	2,000,000	2,152,746
			<u>4,054,609</u>
Biotechnology 3.2%			
Amgen, Inc., 5.60%, 3/02/43	United States	4,500,000	4,581,036
Bio-Rad Laboratories, Inc., 3.30%, 3/15/27	United States	2,700,000	2,561,420
^a CSL Finance PLC, 4.25%, 4/27/32	Australia	3,700,000	3,523,522
Illumina, Inc., 5.80%, 12/12/25	United States	1,000,000	1,002,078
			<u>11,668,056</u>
Capital Markets 2.3%			
Brixmor Operating Partnership LP, 4.125%, 5/15/29	United States	1,500,000	1,414,953
Morgan Stanley, 1.794% to 2/13/31, FRN thereafter, 2/13/32	United States	5,000,000	3,998,274
^a UBS Group AG, 3.869% to 1/12/28, FRN thereafter, 1/12/29	Switzerland	2,950,000	2,790,811
			<u>8,204,038</u>
Chemicals 0.5%			
DuPont de Nemours, Inc., 5.419%, 11/15/48	United States	1,800,000	1,799,835
Commercial Services & Supplies 0.3%			
^a Ashtead Capital, Inc., 5.80%, 4/15/34	United Kingdom	1,000,000	999,443
Diversified REITs 1.4%			
Essex Portfolio LP, 2.65%, 3/15/32	United States	3,000,000	2,485,577
Simon Property Group LP, 3.375%, 12/01/27	United States	2,700,000	2,558,605
			<u>5,044,182</u>
Diversified Telecommunication Services 1.6%			
Verizon Communications, Inc., 3.40%, 3/22/41	United States	7,500,000	5,865,563
Electric 3.8%			
Baltimore Gas & Electric Co., 4.55%, 6/01/52	United States	1,400,000	1,228,428
Constellation Energy Generation LLC, 6.50%, 10/01/53	United States	1,500,000	1,651,545
6.125%, 1/15/34	United States	700,000	739,643
DTE Electric Co., Series B, 3.65%, 3/01/52	United States	2,000,000	1,516,742
NextEra Energy Capital Holdings, Inc., 6.051%, 3/01/25	United States	2,600,000	2,610,712
5.749%, 9/01/25	United States	1,200,000	1,205,549

Franklin Investment Grade Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Electric (continued)			
Public Service Enterprise Group, Inc., 2.45%, 11/15/31	United States	3,900,000	\$ 3,227,470
Virginia Electric & Power Co., Series D, 4.65%, 8/15/43	United States	1,650,000	1,485,138
			13,665,227
Electric Utilities 6.3%			
Commonwealth Edison Co., 4.00%, 3/01/48	United States	1,000,000	812,296
Duke Energy Progress LLC, 2.50%, 8/15/50	United States	4,000,000	2,409,043
^a EDP Finance BV, 1.71%, 1/24/28	Netherlands	2,200,000	1,942,160
^a Enel Finance International NV, 3.625%, 5/25/27	Italy	2,900,000	2,765,749
Exelon Corp., 4.05%, 4/15/30	United States	2,500,000	2,358,985
Georgia Power Co.,			
Series 2010-C, 4.75%, 9/01/40	United States	3,500,000	3,241,989
4.30%, 3/15/42	United States	1,300,000	1,134,042
Public Service Electric & Gas Co., 3.15%, 1/01/50	United States	1,700,000	1,213,091
Virginia Electric & Power Co., Series A, 3.50%, 3/15/27	United States	2,700,000	2,594,627
^a Vistra Operations Co. LLC, 3.55%, 7/15/24	United States	4,500,000	4,468,065
			22,940,047
Electronic Equipment, Instruments & Components 0.6%			
Flex Ltd., 3.75%, 2/01/26	Singapore	2,100,000	2,037,956
Energy Equipment & Services 1.0%			
Baker Hughes Holdings LLC/Baker Hughes Co.-Obligor, Inc., 4.08%, 12/15/47	United States	1,500,000	1,239,494
^a Schlumberger Holdings Corp., 4.30%, 5/01/29	United States	2,400,000	2,344,272
			3,583,766
Entertainment 1.0%			
Warnermedia Holdings, Inc.,			
5.05%, 3/15/42	United States	1,305,000	1,122,263
4.279%, 3/15/32	United States	2,970,000	2,654,422
			3,776,685
Environmental Control 0.8%			
Republic Services, Inc., 5.00%, 4/01/34	United States	3,000,000	2,979,226
Financial Services 3.1%			
AerCap Ireland Capital DAC/AerCap Global Aviation Trust, 3.00%, 10/29/28	Ireland	3,300,000	2,987,650
Air Lease Corp., 0.80%, 8/18/24	United States	2,550,000	2,501,708
American Express Co., 5.098% to 2/16/27, FRN thereafter, 2/16/28	United States	1,700,000	1,697,962
Aon Global Ltd., 4.60%, 6/14/44	Ireland	3,000,000	2,630,201
Capital One Financial Corp., 4.985% to 7/24/25, FRN thereafter, 7/24/26	United States	1,600,000	1,590,190
			11,407,711
Food 3.0%			
Campbell Soup Co., 5.20%, 3/21/29	United States	3,000,000	3,015,495
JBS USA LUX SA/JBS USA Food Co./JBS USA Finance, Inc.,			
2.50%, 1/15/27	United States	1,600,000	1,475,866
3.625%, 1/15/32	United States	1,000,000	856,260
Kraft Heinz Foods Co., 5.00%, 6/04/42	United States	3,000,000	2,818,126
^a Nestle Holdings, Inc., 4.70%, 1/15/53	United States	1,700,000	1,609,785
Sysco Corp., 6.00%, 1/17/34	United States	1,000,000	1,064,653
			10,840,185
Gas 0.9%			
Piedmont Natural Gas Co., Inc., 5.05%, 5/15/52	United States	1,600,000	1,462,236
Southern California Gas Co., 5.60%, 4/01/54	United States	2,000,000	2,002,708
			3,464,944

Franklin Investment Grade Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Ground Transportation 1.3%			
Burlington Northern Santa Fe LLC, 5.75%, 5/01/40	United States	4,500,000	\$ 4,757,474
Health Care Providers & Services 5.2%			
CVS Health Corp., 5.30%, 12/05/43	United States	1,600,000	1,520,391
Elevance Health, Inc., 4.10%, 5/15/32	United States	4,600,000	4,308,712
HCA, Inc., 4.50%, 2/15/27	United States	3,300,000	3,236,567
IQVIA, Inc., 6.25%, 2/01/29	United States	1,300,000	1,350,889
^a Roche Holdings, Inc., 5.593%, 11/13/33	United States	3,000,000	3,148,852
Sutter Health, 5.164%, 8/15/33	United States	1,500,000	1,512,648
UnitedHealth Group, Inc., 3.05%, 5/15/41	United States	5,000,000	3,787,618
			18,865,677
Healthcare-Products 1.3%			
Baxter International, Inc., 2.539%, 2/01/32	United States	2,200,000	1,818,770
GE HealthCare Technologies, Inc., 5.55%, 11/15/24	United States	2,900,000	2,896,638
			4,715,408
Hotels, Restaurants & Leisure 0.6%			
Las Vegas Sands Corp., 3.90%, 8/08/29	United States	1,500,000	1,366,108
Marriott International, Inc., Series R, 3.125%, 6/15/26	United States	1,000,000	956,208
			2,322,316
Household Products 1.4%			
Haleon U.S. Capital LLC, 3.375%, 3/24/27	United States	3,400,000	3,254,865
^a Kimberly-Clark de Mexico SAB de CV, 2.431%, 7/01/31	Mexico	2,000,000	1,699,589
			4,954,454
Insurance 4.1%			
Aflac, Inc., 4.75%, 1/15/49	United States	3,000,000	2,744,298
Allstate Corp., 4.20%, 12/15/46	United States	1,000,000	830,955
Arthur J Gallagher & Co., 6.50%, 2/15/34	United States	1,550,000	1,667,945
Berkshire Hathaway Finance Corp., 3.85%, 3/15/52	United States	900,000	728,436
Brown & Brown, Inc., 2.375%, 3/15/31	United States	2,700,000	2,240,152
^a MassMutual Global Funding II, 5.05%, 12/07/27	United States	1,450,000	1,452,591
MetLife, Inc., 6.40%, 12/15/66	United States	1,600,000	1,640,869
^a Pricoa Global Funding I, 5.10%, 5/30/28	United States	1,750,000	1,756,154
^a RGA Global Funding, 5.50%, 1/11/31	United States	1,700,000	1,705,838
			14,767,238
Internet 0.5%			
Meta Platforms, Inc., 4.45%, 8/15/52	United States	2,000,000	1,779,463
IT Services 1.4%			
Apple, Inc., 2.80%, 2/08/61	United States	5,150,000	3,298,075
Dell International LLC/EMC Corp., 5.40%, 4/15/34	United States	1,750,000	1,754,771
			5,052,846
Lodging 1.2%			
Las Vegas Sands Corp., 3.20%, 8/08/24	United States	4,500,000	4,453,386
Media 2.0%			
Charter Communications Operating LLC/Charter Communications Operating Capital, 2.80%, 4/01/31	United States	2,000,000	1,639,685
3.50%, 3/01/42	United States	2,200,000	1,469,381
Comcast Corp., 4.95%, 10/15/58	United States	2,850,000	2,670,133
Discovery Communications LLC, 4.95%, 5/15/42	United States	195,000	158,184
Fox Corp., 5.476%, 1/25/39	United States	1,500,000	1,428,537
			7,365,920

Franklin Investment Grade Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Multi-Utilities 0.1%			
Berkshire Hathaway Energy Co., 5.15%, 11/15/43	United States	500,000	\$ 488,607
Oil & Gas 1.9%			
BP Capital Markets America, Inc., 4.812%, 2/13/33	United States	1,600,000	1,579,890
Exxon Mobil Corp., 3.452%, 4/15/51	United States	2,800,000	2,122,919
^a Var Energi ASA, 7.50%, 1/15/28	Norway	3,000,000	3,177,950
			<u>6,880,759</u>
Oil, Gas & Consumable Fuels 2.9%			
Aker BP ASA,			
^a 3.75%, 1/15/30	Norway	1,700,000	1,554,494
^a 4.00%, 1/15/31	Norway	1,500,000	1,371,120
Canadian Natural Resources Ltd., 3.85%, 6/01/27	Canada	2,400,000	2,315,276
Exxon Mobil Corp., 3.567%, 3/06/45	United States	3,000,000	2,398,669
Sabine Pass Liquefaction LLC, 4.20%, 3/15/28	United States	3,100,000	3,002,861
			<u>10,642,420</u>
Pharmaceuticals 2.8%			
^a Bayer U.S. Finance II LLC, 4.375%, 12/15/28	Germany	1,500,000	1,412,615
Bristol-Myers Squibb Co.,			
4.125%, 6/15/39	United States	1,500,000	1,330,019
3.70%, 3/15/52	United States	2,000,000	1,537,161
CVS Health Corp.,			
5.00%, 2/20/26	United States	1,600,000	1,595,149
5.25%, 1/30/31	United States	800,000	806,432
Pfizer Investment Enterprises Pte. Ltd., 5.30%, 5/19/53	United States	3,500,000	3,482,382
			<u>10,163,758</u>
Pipelines 3.0%			
^a Cheniere Energy, Inc., 5.65%, 4/15/34	United States	1,000,000	1,007,766
Eastern Gas Transmission & Storage, Inc., 3.90%, 11/15/49	United States	2,100,000	1,544,908
Energy Transfer LP,			
5.15%, 3/15/45	United States	3,000,000	2,728,848
6.05%, 12/01/26	United States	2,000,000	2,040,710
Targa Resources Partners LP/Targa Resources Partners Finance Corp.,			
4.00%, 1/15/32	United States	2,000,000	1,801,759
Williams Cos., Inc., 5.15%, 3/15/34	United States	1,800,000	1,784,594
			<u>10,908,585</u>
Real Estate Management & Development 0.9%			
Alexandria Real Estate Equities, Inc., 2.95%, 3/15/34	United States	3,000,000	2,466,158
ERP Operating LP, 4.50%, 7/01/44	United States	1,100,000	956,035
			<u>3,422,193</u>
Retail 2.1%			
Home Depot, Inc., 3.625%, 4/15/52	United States	2,200,000	1,682,020
Lowe's Cos., Inc., 3.00%, 10/15/50	United States	1,400,000	918,140
McDonald's Corp., 3.625%, 9/01/49	United States	1,200,000	912,184
O'Reilly Automotive, Inc., 5.75%, 11/20/26	United States	1,350,000	1,372,570
Target Corp., 2.95%, 1/15/52	United States	4,000,000	2,718,150
			<u>7,603,064</u>
Software 2.1%			
Fiserv, Inc., 5.60%, 3/02/33	United States	3,000,000	3,059,721
Microsoft Corp., 2.675%, 6/01/60	United States	3,300,000	2,126,645
ServiceNow, Inc., 1.40%, 9/01/30	United States	2,900,000	2,347,613
			<u>7,533,979</u>

Franklin Investment Grade Corporate ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Telecommunications 3.1%			
AT&T, Inc., 3.50%, 6/01/41	United States	5,000,000	\$ 3,905,344
Motorola Solutions, Inc., 5.60%, 6/01/32	United States	2,600,000	2,636,293
T-Mobile USA, Inc., 2.875%, 2/15/31	United States	5,400,000	4,695,264
			<u>11,236,901</u>
Trucking & Leasing 0.4%			
^a SMBC Aviation Capital Finance DAC, 1.90%, 10/15/26	Ireland	1,700,000	1,553,132
Wireless Telecommunication Services 0.5%			
^a Sprint Spectrum Co. LLC/Sprint Spectrum Co. II LLC/Sprint Spectrum Co. III LLC, 5.152%, 9/20/29	United States	1,920,000	1,916,001
Total Corporate Bonds & Notes (Cost \$390,419,188)			<u>353,933,252</u>
U.S. Government & Agency Securities 1.5%			
U.S. Treasury Bonds,			
4.75%, 11/15/43	United States	2,700,000	2,801,672
4.75%, 11/15/53	United States	130,000	138,805
U.S. Treasury Notes, 5.00%, 8/31/25	United States	2,600,000	2,605,688
Total U.S. Government & Agency Securities (Cost \$5,497,202)			<u>5,546,165</u>
Total Investments before Short-Term Investments (Cost \$395,916,390)			<u>359,479,417</u>
Short-Term Investments 0.1%			
U.S. Government & Agency Securities 0.1%			
^b Federal Home Loan Bank Discount Notes, 04/1/24	United States	460,000	459,736
Total Short-Term Investments (Cost \$460,000)			<u>459,736</u>
Total Investments (Cost \$396,376,390) 98.8%			<u>359,939,153</u>
Other Assets, less Liabilities 1.2%			<u>4,212,879</u>
Net Assets 100.0%			<u>\$364,152,032</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$64,132,847, representing 17.6% of net assets.

^bThe security was issued on a discount basis with no stated coupon rate.

See Note 9 regarding other derivative information.

See Abbreviations on page 275

Financial Highlights

Franklin Municipal Green Bond ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$23.90	\$24.99	\$26.86	\$26.07	\$25.20
Income from investment operations ^a :					
Net investment income ^b	0.81	0.61	0.36	0.40	0.46
Net realized and unrealized gains (losses)	0.18	(1.05)	(1.79)	0.94	1.02
Total from investment operations	0.99	(0.44)	(1.43)	1.34	1.48
Less distributions from net investment income	(0.86)	(0.65)	(0.44)	(0.55)	(0.61)
Net asset value, end of year	\$24.03	\$23.90	\$24.99	\$26.86	\$26.07
Total return ^c	4.31%	(1.68)%	(5.44)%	5.16%	5.92%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.30%	0.60%	0.66%	0.78%	1.00%
Expenses net of waiver and payments by affiliates	0.30%	0.30%	0.30%	0.30%	0.30%
Net investment income	3.45%	2.57%	1.34%	1.50%	1.77%
Supplemental data					
Net assets, end of year (000's)	\$112,954	\$112,349	\$104,939	\$126,221	\$28,674
Portfolio turnover rate ^e	43.86% ^f	66.77% ^f	48.41% ^f	11.86% ^f	17.21% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

43.86% 66.77% 48.41% 11.86% 17.21%

Schedule of Investments, March 31, 2024

Franklin Municipal Green Bond ETF

	Principal Amount*	Value
Municipal Bonds 98.7%		
Alabama 0.2%		
^a County of Mobile, Gomesa Projects, 4.00%, 11/01/45	300,000	\$ 273,224
Arizona 1.9%		
^b Arizona Health Facilities Authority, Banner Health Obligated Group, VRDN, Series C, 4.40%, 1/01/46	1,500,000	1,500,000
Arizona State University, Series B, 5.00%, 7/01/42	235,000	241,731
City of Phoenix Civic Improvement Corp., Water System Revenue, 5.00%, 7/01/44	360,000	390,538
		2,132,269
Arkansas 0.5%		
Arkansas Development Finance Authority,		
^a Hybar LLC, AMT, 6.875%, 7/01/48	250,000	273,265
United States Steel Corp, AMT, 5.70%, 5/01/53	275,000	285,684
		558,949
California 27.1%		
Alameda Community Facilities District, 5.00%, 9/01/48	1,000,000	981,573
California Community Choice Financing Authority,		
^b 5.25%, 1/01/54	3,160,000	3,331,735
^b VRDN, 5.00%, 12/01/53	2,500,000	2,641,674
^b VRDN, 5.00%, 2/01/54	3,500,000	3,747,765
^b VRDN, 5.25%, 11/01/54	500,000	538,176
^b VRDN, 5.50%, 10/01/54	1,000,000	1,103,115
California Housing Finance Agency, Lakeside Drive Senior Housing LP, Series 2019, 2.35%, 12/01/35	93,025	80,336
California Infrastructure & Economic Development Bank,		
California Science Center Foundation, 4.00%, 5/01/46	805,000	794,888
California Science Center Foundation, 4.00%, 5/01/51	1,000,000	955,348
California State Teachers' Retirement System, 5.00%, 8/01/49	180,000	191,714
California Municipal Finance Authority,		
CHF-Davis I LLC, 5.00%, 5/15/51	1,000,000	1,021,101
CHF-Davis II LLC, 4.00%, 5/15/39	3,445,000	3,465,652
CHF-Riverside II LLC, 5.00%, 5/15/37	1,495,000	1,588,940
^a California School Finance Authority, River Springs Charter School Inc, 5.75%, 7/01/42	250,000	257,432
California State Public Works Board,		
California Air Resources Board, Series 2022D, 4.00%, 5/01/44	1,000,000	1,024,651
Series D, 4.00%, 5/01/47	1,500,000	1,517,530
City of Foster City, Levee Protection Planning, 4.00%, 8/01/32	135,000	140,299
City of Los Angeles Department of Airports Customer Facility Charge Revenue, Department of Airports Customer Facility Charge Revenue, 4.058%, 5/15/37	1,000,000	905,799
City of San Francisco Public Utilities Commission Water Revenue, Green Bond, Refunding, Series 2020A, 4.00%, 11/01/50	100,000	99,706
Los Angeles County Metropolitan Transportation Authority Sales Tax Revenue, Green Bond, Series 2019A, 5.00%, 7/01/44	150,000	159,919
Peninsula Corridor Joint Powers Board Measure RR Sales Tax Revenue, Series A, 5.00%, 6/01/42	1,000,000	1,118,562
Perris Joint Powers Authority, Refunding, Series 2017B, 5.00%, 9/01/37	100,000	103,674
Port of Los Angeles, Green Bond, AMT, Refunding, 5.00%, 8/01/25	110,000	112,271
San Diego County Regional Airport Authority, Series B, 5.00%, 7/01/51	2,000,000	2,095,400
San Francisco Bay Area Rapid Transit District, Green Bond, 3.00%, 8/01/36	170,000	158,347
Santa Cruz County Capital Financing Authority, Sanitation District Green Bond, 4.00%, 6/01/42	1,500,000	1,530,691
Three Rivers Levee Improvement Authority,		
Community Facilities District No 2006-1, Refunding, 4.00%, 9/01/27	250,000	250,254
Community Facilities District No 2006-1, Refunding, 4.00%, 9/01/29	250,000	252,044
Community Facilities District No 2006-1, Refunding, 4.00%, 9/01/31	200,000	200,833
Community Facilities District No 2006-1, Refunding, 4.00%, 9/01/32	100,000	100,056

Franklin Municipal Green Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
California (continued)		
Transbay Joint Powers Authority, Redevelopment Project Green Bond Senior Tax, 5.00%, 10/01/34	150,000	\$ 159,212
		<u>30,628,697</u>
Colorado 1.6%		
Board of Water Commissioners City & County of Denver, Green Bond, Series 2017A, 5.00%, 9/15/47	150,000	155,024
University of Colorado, Refunding, 5.00%, 6/01/27	150,000	159,560
^b Refunding, VRDN, 2.00%, 6/01/51	1,500,000	1,456,744
		<u>1,771,328</u>
District of Columbia 3.5%		
District of Columbia, Plenary Infrastructure DC LLC, AMT, 5.50%, 8/31/33	795,000	918,987
Plenary Infrastructure DC LLC, AMT, 5.50%, 2/28/35	200,000	234,005
Plenary Infrastructure DC LLC, AMT, 5.50%, 2/28/37	845,000	989,112
District of Columbia Water & Sewer Authority, Green Bond, Sub Series 2019A, 5.00%, 10/01/44	340,000	364,280
Sub Series 2019A, 4.00%, 10/01/49	1,515,000	1,493,680
		<u>4,000,064</u>
Florida 1.4%		
Babcock Ranch Community Independent Special District, Assessment Area 3A, Special Assessment, 4.00%, 5/01/40	840,000	803,407
City of Tampa, Lower Basis Stormwater Improvement, Special Assessment, 5.00%, 5/01/36 ..	150,000	159,784
County of Palm Beach Water & Sewer Revenue, Reclaimed Water Project, Refunding, 4.00%, 10/01/31	100,000	106,230
Somerset Community Development District, Special Assessment, Refunding, 4.00%, 5/01/32	415,000	401,060
Special Assessment, Refunding, Series 2022, 4.20%, 5/01/37	100,000	94,218
		<u>1,564,699</u>
Georgia 1.4%		
City of Atlanta Airport Passenger Facility Charge, AMT, 5.25%, 7/01/43	1,350,000	1,489,596
Private Colleges & Universities Authority, Emory University, Refunding, 5.00%, 9/01/48	100,000	105,465
		<u>1,595,061</u>
Illinois 3.4%		
Illinois Finance Authority, State of Illinois Water Revolving Fund - Clean Water Program, 4.00%, 7/01/38	435,000	447,737
University of Illinois, 5.25%, 10/01/53	3,000,000	3,255,317
^a Upper Illinois River Valley Development Authority, 2018 IAVF Timber Oaks & Prairie View Obligated Group, Refunding, 3.50%, 12/01/32	135,955	120,658
		<u>3,823,712</u>
Louisiana 3.0%		
Louisiana Local Government Environmental Facilities & Community Development Authority, ^a Parish of St Bernard LA, 4.00%, 11/01/45	1,000,000	900,655
^a Parish of St Charles LA, 4.50%, 11/01/47	1,000,000	980,022
^a Parish of St John the Baptist LA, 3.90%, 11/01/44	445,000	396,196
Terrebonne Levee & Conservation District Sales Tax Revenue, Refunding, Refunding, Series B, 4.00%, 6/01/40	100,000	99,784
Refunding, Series B, 4.00%, 6/01/39	1,000,000	1,006,564
		<u>3,383,221</u>
Maine 0.2%		
City of Portland General Airport Revenue, Green Bond, Refunding, 4.00%, 1/01/35	245,000	249,605

Franklin Municipal Green Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Maryland 3.8%		
Maryland Economic Development Corp.,		
Purple Line Transit Partners LLC, AMT, 5.00%, 6/30/40	1,000,000	\$ 1,047,721
Purple Line Transit Partners LLC, AMT, 5.25%, 6/30/47	2,000,000	2,103,618
Maryland Health & Higher Educational Facilities Authority, Adventist Healthcare Obligated Group, Refunding, 4.00%, 1/01/30	365,000	367,438
^b Montgomery County Housing Opportunities Commission, VRDN, Refunding, 4.50%, 1/01/63	700,000	700,000
Washington Suburban Sanitary Commission, Green Bond, 3.00%, 6/01/35	100,000	96,107
		<u>4,314,884</u>
Massachusetts 2.3%		
Massachusetts Development Finance Agency,		
Boston Medical Center Corp. Obligated Group, 4.00%, 7/01/47	135,000	121,306
Springfield College, Green Bond, 5.00%, 6/01/26	420,000	427,001
Springfield College, Green Bond, 5.00%, 6/01/27	440,000	452,445
Massachusetts Housing Finance Agency,		
Sustainability Bond, Series 2019C-1, 2.65%, 12/01/34	100,000	86,722
Sustainability Bond, Series 2021B-1, 2.60%, 12/01/41	2,000,000	1,541,411
		<u>2,628,885</u>
Michigan 0.1%		
^b University of Michigan, VRDN, Series D-1, 4.25%, 12/01/24	100,000	100,000
Minnesota 1.5%		
City of Minneapolis, Green Bond, 3.00%, 12/01/40	100,000	86,966
Minnesota Higher Education Facilities Authority, University of St Thomas/Minneapolis, Series A, 5.00%, 10/01/52	1,500,000	1,561,290
		<u>1,648,256</u>
Mississippi 0.6%		
^a Mississippi Development Bank, County of Jackson Project, 3.625%, 11/01/36	500,000	466,531
^a Mississippi Home Corp., Patriot Services Group Obligated Group, 5.20%, 6/01/36	280,000	219,886
		<u>686,417</u>
New Jersey 3.9%		
City of Newark Mass Transit Access Tax Revenue, Mulberry Pedestrian Bridge, 6.00%, 11/15/62	1,360,000	1,557,948
New Jersey Educational Facilities Authority, Stevens Institute of Technology, Series A, 5.00%, 7/01/32	645,000	701,476
^b New Jersey Health Care Facilities Financing Authority, Virtua Health Obligated Group, VRDN, Series C, 4.00%, 7/01/43	1,000,000	1,000,000
Newark Board of Education,		
Refunding, 5.00%, 7/15/30	620,000	685,230
Sustainability Bonds, 5.00%, 7/15/25	500,000	509,595
		<u>4,454,249</u>
New Mexico 0.5%		
City of Santa Fe Wastewater Utility System Revenue,		
Green Bond, 5.00%, 6/01/29	100,000	108,295
Wastewater Utility System Revenue, 4.00%, 6/01/35	100,000	103,276
^b New Mexico Hospital Equipment Loan Council, Presbyterian Healthcare Services Obligated Group, Refunding, VRDN, 4.40%, 8/01/34	400,000	400,000
		<u>611,571</u>
New York 11.2%		
Battery Park City Authority, Sustainability Bond, 5.00%, 11/01/49	100,000	106,420
City of New York,		
^b 4.50%, 10/01/46	600,000	600,000
^b 4.55%, 6/01/44	100,000	100,000

Franklin Municipal Green Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
New York (continued)		
Metropolitan Transportation Authority,		
Green Bond, Refunding, Series 2017B, 5.00%, 11/15/24	150,000	\$ 151,208
Green Bond, Series 2020A-1, 4.00%, 11/15/41	600,000	603,544
Refunding, 5.00%, 11/15/28	430,000	471,020
Refunding, Series E, 5.00%, 11/15/32	605,000	676,365
Series C, 5.00%, 11/15/50	2,010,000	2,090,845
New York City Municipal Water Finance Authority,		
^b New York City Water & Sewer System, Series BB, 4.60%, 6/15/49	800,000	800,000
^b New York City Water & Sewer System, Series BB, 4.60%, 6/15/49	100,000	100,000
^b VRDN, 4.50%, 6/15/33	1,000,000	1,000,000
New York Liberty Development Corp.,		
7 World Trade Center II LLC, Refunding, Series 2022A1, 3.00%, 9/15/43	1,000,000	833,559
Green Bonds- 4 World Trade, Refunding, 2.50%, 11/15/36	2,000,000	1,672,951
New York Power Authority, Green Transmission Project, 5.00%, 11/15/29	1,250,000	1,412,375
New York State Dormitory Authority, Cornell University, 5.00%, 7/01/35	100,000	122,670
New York State Housing Finance Agency,		
Sustainability Bonds, Series 2019N, 2.60%, 11/01/34	100,000	87,289
Sustainability Bonds, Series 2019P, 2.00%, 5/01/28	100,000	92,332
^b Sustainability Bonds, VRDN, Series 2022A, 2.50%, 11/01/60	1,500,000	1,431,336
New York Transportation Development Corp., JFK NTO LLC, AMT, 5.50%, 6/30/38	250,000	278,302
		12,630,216
North Carolina 0.4%		
^b Charlotte-Mecklenburg Hospital Authority, Atrium Health Obligated Group, 4.45%, 1/15/38	500,000	500,000
Ohio 5.1%		
American Municipal Power, Inc.,		
4.00%, 2/15/41	1,415,000	1,401,120
Solar Electricity Prepayment Revenue, 5.00%, 2/15/44	1,660,000	1,742,605
Buckeye Tobacco Settlement Financing Authority, Refunding, Class 2, Series B, 5.00%, 6/01/55	995,000	942,379
Ohio State University, 4.00%, 12/01/39	1,500,000	1,534,585
State of Ohio, Conservation Project, Series 2019A, 4.00%, 3/01/30	100,000	107,189
		5,727,878
Oregon 4.1%		
Hospital Facilities Authority of Multnomah County Oregon, Terwilliger Plaza Inc Obligated		
Group, Refunding, 4.00%, 12/01/51	530,000	384,348
^b Oregon State Facilities Authority, 4.50%, 8/01/34	700,000	700,000
Port of Portland Airport Revenue,		
AMT, 5.50%, 7/01/53	2,250,000	2,463,729
Series 2020-27A, 5.00%, 7/01/36	150,000	162,156
^b State of Oregon, VRDN, 4.50%, 12/01/44	950,000	950,000
		4,660,233
Pennsylvania 2.2%		
^b Allegheny County Higher Education Building Authority, Carnegie Mellon University, VRDN,		
4.45%, 12/01/37	600,000	600,000
Philadelphia Energy Authority, City of Philadelphia PA, 5.00%, 11/01/43	600,000	654,791
School District of Philadelphia,		
Green Bond, Series 2021B, 5.00%, 9/01/31	100,000	111,834
Series B, 5.00%, 9/01/48	1,000,000	1,078,056
		2,444,681
Puerto Rico 0.6%		
HTA TRRB Custodial Trust, 5.25%, 7/01/36	164,300	164,927
Puerto Rico Sales Tax Financing Corp. Sales Tax Revenue, Series A-1, 5.00%, 7/01/58	525,000	527,151
		692,078

Franklin Municipal Green Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Rhode Island 0.2%		
Rhode Island Housing & Mortgage Finance Corp., Multi Family Development, Sustainability Bond, 2.75%, 10/01/34	150,000	\$ 132,091
Rhode Island Infrastructure Bank, Green Bond, Series 2020A, 4.00%, 10/01/27	50,000	51,569
		<u>183,660</u>
Tennessee 1.1%		
^b Metropolitan Government Nashville & Davidson County Industrial Development Board, Waste Management, Inc. of Tennessee Project, VRDN, 0.58%, 8/01/31	1,200,000	1,185,628
Texas 0.9%		
Harris County Flood Control District, Series 2022A, 4.25%, 10/01/47	1,000,000	1,007,328
Utah 5.6%		
Central Valley Water Reclamation Facility, Green Bond, Series 2021C, 4.00%, 3/01/47	3,050,000	2,993,410
Intermountain Power Agency, Refunding, Series 2022A, 5.00%, 7/01/43	3,000,000	3,284,927
		<u>6,278,337</u>
Vermont 3.2%		
City of Burlington Electric System Revenue, Electric System Revenue, Series 2022A, 5.00%, 7/01/31	500,000	565,271
Vermont Educational & Health Buildings Financing Agency, University of Vermont Health Network Obligated Group, 4.00%, 12/01/42	1,000,000	960,984
University of Vermont Health Network Obligated Group, 5.00%, 12/01/38	2,005,000	2,045,100
		<u>3,571,355</u>
Virginia 1.2%		
Charles City County Economic Development Authority, Waste Management, Inc., AMT, VRDN, 1.45%, 4/01/27	1,100,000	1,010,096
City of Hampton, 3.00%, 9/01/35	240,000	226,863
Green Bond, 4.00%, 9/01/31	100,000	107,992
Green Bond, 5.00%, 9/01/27	50,000	53,612
		<u>1,398,563</u>
Washington 2.0%		
Central Puget Sound Regional Transit Authority, Refunding, Series S-1, 4.00%, 11/01/46	2,000,000	1,961,829
Sales & Rental Car Taxes Revenue, Series 2015S-1, 5.00%, 11/01/32	150,000	154,168
FYI Properties, State of Washington Consolidated Technology Services, Refunding, 5.00%, 6/01/24	160,000	160,282
		<u>2,276,279</u>
Wisconsin 4.0%		
Milwaukee Metropolitan Sewerage District, Green Bond, Series 2020A, 3.00%, 10/01/35	150,000	139,986
Series A, 3.00%, 10/01/32	1,000,000	954,342
Public Finance Authority, RED River Valley Alliance LLC, AMT, 4.00%, 9/30/51	2,265,000	1,905,308
RED River Valley Alliance LLC, AMT, 4.00%, 3/31/56	500,000	409,801
^{a,b} WV 2020 Holdings LLC Obligated Group, VRDN, 3.50%, 12/01/50	200,000	166,701

Franklin Municipal Green Bond ETF (continued)

	Principal Amount*	Value
Municipal Bonds (continued)		
Wisconsin (continued)		
University of Wisconsin Hospitals & Clinics, Authority Obligated Group, Green Bond, 4.00%, 4/01/46	1,000,000	\$ 955,838
		<u>4,531,976</u>
Total Municipal Bonds (Cost \$111,570,450)		<u>111,513,303</u>
Total Investments (Cost \$111,570,450) 98.7%		<u>111,513,303</u>
Other Assets, less Liabilities 1.3%		<u>1,441,142</u>
Net Assets 100.0%		<u>\$112,954,445</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$4,054,570, representing 3.6% of net assets.

^bVariable rate security. The rate shown represents the yield at period end.

See Note 9 regarding other derivative information.

See Abbreviations on page 275

Financial Highlights

Franklin Senior Loan ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$23.83	\$24.70	\$24.83	\$22.85	\$24.85
Income from investment operations ^a :					
Net investment income ^b	2.12	1.49	0.91	0.70	0.99
Net realized and unrealized gains (losses)	0.56	(0.92)	(0.23)	1.99	(1.90)
Total from investment operations	2.68	0.57	0.68	2.69	(0.91)
Less distributions from net investment income	(2.09)	(1.44)	(0.81)	(0.71)	(1.09)
Net asset value, end of year	\$24.42	\$23.83	\$24.70	\$24.83	\$22.85
Total return ^c	11.80%	2.53%	2.76%	11.91%	(3.92)%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.45%	0.45%	0.58%	0.92%	0.97%
Expenses net of waiver and payments by affiliates	0.45%	0.45%	0.45%	0.45%	0.45%
Net investment income	8.84%	6.28%	3.72%	2.88%	4.02%
Supplemental data					
Net assets, end of year (000's)	\$328,487	\$206,120	\$292,722	\$201,101	\$54,833
Portfolio turnover rate ^e	16.05% ^f	26.07% ^f	35.67% ^f	45.87% ^f	51.48% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

16.05% 26.08% 35.67% 45.87% 51.48%

Schedule of Investments, March 31, 2024

Franklin Senior Loan ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 5.4%			
Advertising 0.3%			
^a Clear Channel Outdoor Holdings, Inc., 7.875%, 4/01/30	United States	1,000,000	\$ 994,781
Airlines 0.8%			
^a Air Canada, 3.875%, 8/15/26	Canada	700,000	668,816
^a American Airlines, Inc., 8.50%, 5/15/29	United States	800,000	845,666
^a American Airlines, Inc./AAAdvantage Loyalty IP Ltd., 5.50%, 4/20/26	United States	825,000	819,897
^a Delta Air Lines, Inc./SkyMiles IP Ltd., first lien, 4.50%, 10/20/25	United States	145,846	144,391
^a United Airlines, Inc., 4.375%, 4/15/26	United States	140,000	135,438
			<u>2,614,208</u>
Auto Parts & Equipment 0.1%			
^a Tenneco, Inc., 8.00%, 11/17/28	United States	300,000	274,024
Chemicals 0.1%			
^a SCIH Salt Holdings, Inc., 4.875%, 5/01/28	United States	500,000	466,320
Commercial Services & Supplies 0.2%			
^a MPH Acquisition Holdings LLC, 5.50%, 9/01/28	United States	213,000	181,359
^a WW International, Inc., 4.50%, 4/15/29	United States	900,000	356,386
			<u>537,745</u>
Communications Equipment 0.1%			
^a CommScope, Inc., 4.75%, 9/01/29	United States	288,500	208,441
Construction Materials 0.6%			
^a Cemex SAB de CV, 5.20%, 9/17/30	Mexico	375,000	362,710
^a EMRLD Borrower LP/Emerald Co.-Issuer, Inc., 6.625%, 12/15/30	United States	900,000	909,759
^a Smyrna Ready Mix Concrete LLC, 8.875%, 11/15/31	United States	700,000	748,794
			<u>2,021,263</u>
Containers & Packaging 0.1%			
^a Pactiv Evergreen Group Issuer, Inc./Pactiv Evergreen Group Issuer LLC, 4.00%, 10/15/27	United States	400,000	373,598
Electric 0.2%			
^a Calpine Corp., first lien, 4.50%, 2/15/28	United States	800,000	759,402
Electric Utilities 0.1%			
^a Talen Energy Supply LLC, 8.625%, 6/01/30	United States	400,000	428,043
Entertainment 0.3%			
^a International Game Technology PLC, first lien, 5.25%, 1/15/29	United Kingdom	600,000	580,201
^a Ontario Gaming GTA LP/OTG Co.-Issuer, Inc., 8.00%, 8/01/30	Canada	500,000	515,384
			<u>1,095,585</u>
Environmental Control 0.2%			
^a GFL Environmental, Inc., 3.50%, 9/01/28	Canada	600,000	550,277
Financial Services 0.2%			
^a Altice France SA, 5.125%, 7/15/29	France	500,000	338,549
^a Jane Street Group/JSG Finance, Inc., 4.50%, 11/15/29	United States	300,000	277,822
^a Vmed O2 U.K. Financing I PLC, 4.25%, 1/31/31	United Kingdom	210,000	177,997
			<u>794,368</u>
Insurance 0.6%			
^a Acrisure LLC/Acrisure Finance, Inc., 4.25%, 2/15/29	United States	500,000	451,875
Alliant Holdings Intermediate LLC/Alliant Holdings Co-Issuer,			
^a 6.75%, 4/15/28	United States	900,000	907,275
^a 7.00%, 1/15/31	United States	500,000	505,387
			<u>1,864,537</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Machinery-Diversified 0.1%			
^a GrafTech Finance, Inc., 4.625%, 12/15/28	United States	400,000	\$ 257,660
Media 0.2%			
^a Directv Financing LLC/Directv Financing Co.-Obligor, Inc., 5.875%, 8/15/27	United States	750,000	709,996
Mining 0.2%			
^a Arsenal AIC Parent LLC, 8.00%, 10/01/30	United States	700,000	735,794
Oil, Gas & Consumable Fuels 0.1%			
Cheniere Energy, Inc., 4.625%, 10/15/28	United States	150,000	145,483
Packaging & Containers 0.4%			
^a Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc., 4.125%, 8/15/26	United States	500,000	452,960
^a Mauser Packaging Solutions Holding Co., 7.875%, 8/15/26	United States	805,600	821,310
			1,274,270
Personal Care Products 0.2%			
^a Coty, Inc., 5.00%, 4/15/26	United States	600,000	591,485
Pharmaceuticals 0.2%			
^{a,b} Endo Luxembourg Finance Co. I SARL/Endo U.S., Inc., 6.125%, 4/01/29	United States	925,000	602,170
Retail 0.1%			
^a Bausch & Lomb Corp., 8.375%, 10/01/28	United States	360,000	372,928
Total Corporate Bonds & Notes (Cost \$18,291,636)			17,672,378
Senior Floating Rate Interests 83.5%			
Aerospace & Defense 2.1%			
Dynasty Acquisition Co., Inc.,			
2023 Term Loan B1, 1 mo. USD Term SOFR + 4.00%, 8.829%, 8/24/28	United States	1,001,417	1,004,016
2023 Term Loan B2, 1 mo. USD Term SOFR + 4.00%, 8.829%, 8/24/28	United States	429,179	430,293
Madison IAQ LLC, Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.693%, 6/21/28	United States	2,294,656	2,294,059
Peraton Corp., Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.18%, 2/01/28	United States	3,283,145	3,279,041
			7,007,409
Air Freight & Logistics 1.4%			
First Student Bidco, Inc.,			
Term Loan C, 3 mo. USD Term SOFR + 3.00%, 8.564%, 7/21/28	United States	436,414	436,537
Term Loan B, 3 mo. USD Term SOFR + 3.00%, 8.564%, 7/21/28	United States	1,438,839	1,439,242
2022 Incremental Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.402%, 7/21/28	United States	398,972	399,770
Kenan Advantage Group, Inc., 2024 Term Loan B3, 1 mo. USD Term SOFR + 3.75%, 9.08%, 1/25/29	United States	2,234,709	2,239,602
			4,515,151
Application Software 0.3%			
^d Cloud Software Group, Inc., 2024 Term Loan, TBD, 3/21/31	United States	1,031,250	1,025,774
Asset Management & Custody Banks 0.2%			
^d First Eagle Holdings, Inc., 2024 Term Loan B, TBD, 2/22/29	United States	800,000	793,216
Automobile Manufacturers 0.6%			
American Trailer World Corp., Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.18%, 3/03/28	United States	1,895,532	1,853,972

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
◦ Senior Floating Rate Interests (continued)			
Automotive Parts & Equipment 3.5%			
Clarios Global LP, 2024 Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.33%, 5/06/30	United States	1,333,201	\$ 1,338,201
DexKo Global, Inc., 2021 USD Term Loan B, 3 mo. USD Term SOFR + 3.75%, 9.321%, 10/04/28	United States	1,276,222	1,265,852
2023 Incremental Term Loan, 3 mo. USD Term SOFR + 4.25%, 9.559%, 10/04/28	United States	693,000	691,268
First Brands Group LLC, 2021 Term Loan, 3 mo. USD Term SOFR + 5.00%, 10.574%, 3/30/27	United States	2,785,306	2,792,965
2022 Incremental Term Loan, 3 mo. USD Term SOFR + 5.00%, 10.574%, 3/30/27	United States	1,766,074	1,769,386
RealTruck Group, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.50%, 8.945%, 1/31/28	United States	2,396,091	2,381,115
Tenneco, Inc., 2022 Term Loan B, SOFR + 5.00%, 10.402% - 10.419%, 11/17/28	United States	1,258,115	1,187,044
			<u>11,425,831</u>
Building Products 1.8%			
Allied Universal Holdco LLC, 2021 USD Incremental Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.18%, 5/12/28	United States	2,131,497	2,131,156
2023 Term Loan B, 1 mo. USD Term SOFR + 4.75%, 10.08%, 5/12/28	United States	1,094,500	1,098,604
Garda World Security Corp., 2022 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.583%, 2/01/29	Canada	500,000	501,565
Solis IV BV, USD Term Loan B1, 3 mo. USD Term SOFR + 3.50%, 8.824%, 2/26/29	Netherlands	1,082,724	1,072,151
White Cap Buyer LLC, Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.08%, 10/19/27	United States	962,079	966,058
			<u>5,769,534</u>
Capital Markets 1.0%			
Edelman Financial Center LLC, 2021 Term Loan B, 1 mo. USD Term SOFR + 3.50%, 8.945%, 4/07/28	United States	2,057,754	2,060,521
Russell Investments U.S. Institutional Holdco, Inc., 2020 Term Loan, 1 mo. USD Term SOFR + 3.50%, 8.927%, 5/30/25	United States	1,300,000	1,249,625
			<u>3,310,146</u>
Casinos & Gaming 2.9%			
Bally's Corp., 2021 Term Loan B, 3 mo. USD Term SOFR + 3.25%, 8.829%, 10/02/28	United States	2,453,729	2,309,805
Caesars Entertainment, Inc., 2024 Term Loan B1, 3 mo. USD Term SOFR + 2.75%, 8.041%, 2/06/31	United States	869,565	871,330
Term Loan B, 3 mo. USD Term SOFR + 3.25%, 8.663%, 2/06/30	United States	1,064,077	1,068,440
Flutter Financing BV, Term Loan B, 3 mo. USD Term SOFR + 2.25%, 7.559%, 11/25/30	Ireland	1,286,033	1,288,901
Light & Wonder International, Inc., 2024 Term Loan, 1 mo. USD Term SOFR + 2.75%, 8.075%, 4/14/29	United States	1,296,535	1,300,943
Ontario Gaming GTA LP, Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.559%, 8/01/30	Canada	585,866	588,587
Scientific Games Holdings LP, 2022 USD Term Loan B, 3 mo. USD Term SOFR + 3.25%, 8.58%, 4/04/29	United States	2,057,392	2,059,645
			<u>9,487,651</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
Chemicals 3.8%			
Hexion Holdings Corp., 2022 USD Term Loan, SOFR + 4.50%, 9.976%, 3/15/29	United States	1,871,239	\$ 1,845,181
INEOS Quattro Holdings UK Ltd., 2023 USD Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.18%, 3/14/30	United States	299,246	299,248
2023 USD 1st Lien Term Loan B, 1 mo. USD Term SOFR + 4.25%, 9.68%, 4/02/29	United States	2,190,320	2,188,962
LSF11 A5 Holdco LLC, Term Loan, SOFR + 3.50%, 8.942%, 10/15/28	United States	1,538,121	1,540,621
Nouryon Finance BV, 2023 USD Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.307% - 9.419%, 4/03/28	United States	1,215,046	1,220,361
PMHC II, Inc., 2022 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.723%, 4/23/29	United States	2,801,823	2,777,167
SCIH Salt Holdings, Inc., 2021 Incremental Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.442%, 3/16/27	United States	1,961,189	1,966,984
Starfruit Finco BV, 2023 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.423%, 4/03/28	United States	504,004	506,315
			<u>12,344,839</u>
Commercial Services & Supplies 3.7%			
Amentum Government Services Holdings LLC, 2022 Term Loan, 1 mo. USD Term SOFR + 4.00%, 9.329%, 2/15/29	United States	2,589,279	2,598,445
Foundever Worldwide Corp., 2021 USD Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.195%, 8/28/28	France	694,656	599,068
GTCR W Merger Sub LLC, USD Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.309%, 1/31/31	United States	2,421,739	2,433,351
MPH Acquisition Holdings LLC, 2021 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.855%, 9/01/28	United States	1,581,821	1,532,389
^d Neptune Bidco U.S., Inc., 2022 USD Term Loan B, TBD, 4/11/29	United States	1,000,000	924,315
PECF USS Intermediate Holding III Corp., Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.606% - 9.824%, 12/15/28	United States	1,606,753	1,230,982
Spin Holdco, Inc., 2021 Term Loan, 3 mo. USD Term SOFR + 4.00%, 9.585%, 3/04/28	United States	3,032,591	2,816,519
			<u>12,135,069</u>
Communications Equipment 0.4%			
CommScope, Inc., 2019 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.695%, 4/06/26	United States	1,550,321	1,397,226
Computer & Electronics Retail 1.3%			
McAfee LLC, 2022 USD Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.176%, 3/01/29	United States	3,315,301	3,319,146
Vision Solutions, Inc., 2021 Incremental Term Loan, 3 mo. USD Term SOFR + 4.00%, 9.586%, 4/24/28	United States	1,072,396	1,074,788
			<u>4,393,934</u>
Construction & Engineering 0.4%			
^d Chromalloy Corp., 2024 Term Loan B, TBD, 3/21/31	United States	1,270,289	1,268,167
Construction Materials 1.0%			
Cornerstone Building Brands, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.675%, 4/12/28	United States	1,357,199	1,352,578
^d MIWD Holdco II LLC, 2024 Term Loan B2, TBD, 3/21/31	United States	299,401	301,180
Quikrete Holdings, Inc., ^d 2024 Term Loan B, TBD, 3/25/31	United States	322,581	323,119
2023 Term Loan B, 1 mo. USD Term SOFR + 2.75%, 8.195%, 3/19/29	United States	1,280,203	1,282,315
			<u>3,259,192</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
◦ Senior Floating Rate Interests (continued)			
Containers & Packaging 2.6%			
Charter NEX U.S., Inc., 2024 Term Loan B, 1 mo. USD Term SOFR + 3.50%, 8.827%, 12/01/27	United States	3,115,202	\$ 3,124,407
Klockner-Pentaplast of America, Inc., 2021 Term Loan B, 6 mo. USD Term SOFR + 4.73%, 10.268%, 2/12/26	Luxembourg	1,951,479	1,841,709
Mauser Packaging Solutions Holding Co., Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.326%, 8/14/26	United States	694,750	697,984
Proampac PG Borrower LLC, 2023 Term Loan, 3 mo. USD Term SOFR + 4.50%, 9.798% - 9.823%, 9/15/28	United States	1,536,889	1,542,268
Reynolds Group Holdings, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.695%, 9/24/28	United States	1,466,902	1,473,687
			<u>8,680,055</u>
Diversified Banks 0.6%			
AqGen Island Holdings, Inc., Term Loan, 1 mo. USD Term SOFR + 3.50%, 8.945%, 8/02/28	United States	1,924,254	1,919,684
Diversified Metals & Mining 0.2%			
Arsenal AIC Parent LLC, 2024 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.08%, 8/18/30	United States	675,081	678,203
Diversified Support Services 0.6%			
Forward Air Corp., Term Loan B, 1 mo. USD Term SOFR + 4.50%, 9.827%, 12/19/30	United States	1,872,000	1,848,366
Diversified Telecommunication Services 0.5%			
Altice France SA, 2023 USD Term Loan B14, 3 mo. USD Term SOFR + 5.50%, 10.814%, 8/15/28	France	1,161,681	929,710
Zayo Group Holdings, Inc., USD Term Loan, 1 mo. USD Term SOFR + 3.00%, 8.445%, 3/09/27	United States	708,194	623,654
			<u>1,553,364</u>
Electric Utilities 0.5%			
Calpine Construction Finance Co. LP, 2023 Refinancing Term Loan B, 1 mo. USD Term SOFR + 2.25%, 7.58%, 7/31/30	United States	1,293,500	1,293,584
Talen Energy Supply LLC, 2023 Term Loan C, 3 mo. USD Term SOFR + 4.50%, 9.826%, 5/17/30	United States	39,788	39,984
2023 Term Loan B, 3 mo. USD Term SOFR + 4.50%, 9.826%, 5/17/30	United States	281,020	282,401
			<u>1,615,969</u>
Electronic Equipment & Instruments 0.3%			
Magenta Buyer LLC, 2021 USD 1st Lien Term Loan, 3 mo. USD Term SOFR + 5.00%, 10.574%, 7/27/28	United States	1,377,512	830,819
Financial Services 1.2%			
Asurion LLC, 2020 Term Loan B8, 1 mo. USD Term SOFR + 3.25%, 8.692%, 12/23/26	United States	577,614	567,298
2021 Second Lien Term Loan B4, 1 mo. USD Term SOFR + 5.25%, 10.692%, 1/20/29	United States	2,597,666	2,336,484
◦ Brookfield WEC Holdings, Inc., 2024 Term Loan, TBD, 1/27/31	United States	1,000,000	1,000,060
			<u>3,903,842</u>
Food Products 0.8%			
Triton Water Holdings, Inc., Term Loan, 3 mo. USD Term SOFR + 3.25%, 8.814%, 3/31/28	United States	2,295,616	2,274,393
2024 Incremental Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.302%, 3/31/28	United States	207,813	205,800
			<u>2,480,193</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
Health Care Providers & Services 7.6%			
ADMI Corp.,			
2021 Term Loan B2, 1 mo. USD Term SOFR + 3.38%, 8.82%, 12/23/27	United States	744,099	\$ 718,986
2021 Incremental Term Loan B3, 1 mo. USD Term SOFR + 3.75%, 9.195%, 12/23/27	United States	1,344,529	1,301,672
2023 Term Loan B5, 1 mo. USD Term SOFR + 5.75%, 11.08%, 12/23/27	United States	233,182	233,692
Charlotte Buyer, Inc., 1st Lien Term Loan, 1 mo. USD Term SOFR + 5.25%, 10.568%, 2/11/28	United States	2,251,887	2,261,998
Gainwell Acquisition Corp., Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.409%, 10/01/27	United States	3,248,782	3,118,831
Global Medical Response, Inc., 2017 Incremental Term Loan, 3 mo. USD Term SOFR + 4.25%, 9.824%, 3/14/25	United States	497,373	465,770
Jazz Financing Lux SARL, 2024 Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.445%, 5/05/28	United States	1,944,164	1,956,315
Medical Solutions Holdings, Inc., 2021 1st Lien Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.677%, 11/01/28	United States	2,447,440	2,189,444
Medline Borrower LP, 2024 Term Loan B, TBD, 10/23/28	United States	726,071	728,718
USD Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.441%, 10/23/28	United States	1,478,451	1,483,322
National Mentor Holdings, Inc., 2021 Term Loan C, 3 mo. USD Term SOFR + 3.75%, 9.159%, 3/02/28	United States	40,838	38,541
2021 Term Loan, 3 mo. USD Term SOFR + 3.75%, 9.07% - 9.18%, 3/02/28	United States	1,177,501	1,111,266
Phoenix Guarantor, Inc., 2024 Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.577%, 2/21/31	United States	1,991,602	1,968,231
PRA Health Sciences, Inc., USD Term Loan, TBD, 7/03/28	United States	212,801	213,321
Radiology Partners, Inc., 2018 1st Lien Term Loan B, 3 mo. USD Term SOFR + 5.00%, 10.587%, 7/09/25	United States	1,718,074	1,667,614
Star Parent, Inc., Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.309%, 9/27/30	United States	1,966,667	1,957,207
U.S. Anesthesia Partners, Inc., 2021 Term Loan, 1 mo. USD Term SOFR + 4.25%, 9.69%, 10/01/28	United States	1,714,392	1,642,327
U.S. Radiology Specialists, Inc., 2020 Term Loan, 3 mo. USD Term SOFR + 5.25%, 10.702%, 12/15/27	United States	1,858,716	1,864,292
			<u>24,921,547</u>
Health Care Services 1.2%			
CHG Healthcare Services, Inc.,			
2021 Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.695%, 9/29/28	United States	1,381,739	1,384,475
2023 Incremental Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.08% - 9.093%, 9/29/28	United States	1,089,951	1,094,044
MedAssets Software Intermediate Holdings, Inc., 2021 Term Loan, 3 mo. USD Term SOFR + 4.00%, 9.424%, 12/18/28	United States	1,681,161	1,421,632
Surgery Center Holdings, Inc., 2023 Term Loan, 1 mo. USD Term SOFR + 3.50%, 8.829%, 12/19/30	United States	213,675	214,937
			<u>4,115,088</u>
Health Care Supplies 0.5%			
Bausch & Lomb Corp., 2023 Incremental Term Loan, 1 mo. USD Term SOFR + 4.00%, 9.33%, 9/29/28			
	United States	1,592,000	1,593,998
Home Furnishings 0.5%			
AI Aqua Merger Sub, Inc.,			
2021 1st Lien Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.072%, 7/31/28	United States	908,813	911,466
2023 Incremental Term Loan, 1 mo. USD Term SOFR + 4.25%, 4.25% - 9.577%, 7/31/28	United States	896,825	901,964
			<u>1,813,430</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
◦ Senior Floating Rate Interests (continued)			
Hotels Restaurants & Leisure 1.1%			
Fertitta Entertainment LLC, 2022 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.077%, 1/27/29	United States	2,034,539	\$ 2,041,853
Hilton Grand Vacations Borrower LLC, ^d 2024 Incremental Term Loan B, TBD, 1/17/31	United States	400,000	401,188
2021 Term Loan B, 1 mo. USD Term SOFR + 2.75%, 8.192%, 8/02/28	United States	1,340,454	1,343,530
			<u>3,786,571</u>
Household Products 0.0%†			
Energizer Holdings, Inc., 2020 Term Loan, 1 mo. USD Term SOFR + 2.25%, 7.693%, 12/22/27	United States	168,651	168,777
Insurance 1.4%			
Acrisure LLC, 2020 Term Loan B, 1 mo. USD LIBOR + 3.50%, 8.945%, 2/15/27	United States	1,498,097	1,499,034
2021 First Lien Term Loan B, 1 mo. USD LIBOR + 4.25%, 9.695%, 2/15/27	United States	239,248	240,295
AssuredPartners, Inc., 2020 Term Loan B, 1 mo. USD Term SOFR + 3.50%, 8.942%, 2/12/27	United States	1,437,268	1,440,372
Asurion LLC, 2022 Term Loan B10, 1 mo. USD Term SOFR + 4.00%, 9.427%, 8/19/28	United States	295,500	285,342
2023 Term Loan B11, 1 mo. USD Term SOFR + 4.25%, 9.677%, 8/19/28	United States	1,164,916	1,127,056
			<u>4,592,099</u>
Insurance Brokers 2.3%			
Acrisure LLC, 2023 Term Loan, 1 mo. USD Term SOFR + 4.50%, 9.83%, 11/06/30	United States	299,250	301,120
Alliant Holdings Intermediate LLC, 2023 Term Loan B6, 1 mo. USD Term SOFR + 3.50%, 8.827%, 11/06/30	United States	851,624	855,976
AssuredPartners, Inc., 2024 Incremental Term Loan B5, 1 mo. USD Term SOFR + 3.50%, 8.829%, 2/14/31	United States	500,000	501,250
2023 Term Loan B4, 1 mo. USD Term SOFR + 3.75%, 9.077%, 2/12/27	United States	1,009,003	1,011,319
HUB International Ltd., 2024 Term Loan B, 3 mo. USD Term SOFR + 3.25%, 8.574%, 6/20/30	United States	1,238,671	1,240,523
Sedgwick Claims Management Services, Inc., 2023 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.077%, 2/24/28	United States	1,954,792	1,960,480
^d Truist Insurance Holdings LLC, 1st Lien Term Loan, TBD, 3/24/31	United States	1,739,604	1,738,874
			<u>7,609,542</u>
Interactive Media & Services 1.6%			
Arches Buyer, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.68%, 12/06/27	United States	1,665,951	1,617,480
Hunter Holdco 3 Ltd., USD Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.659%, 8/19/28	United States	995,153	995,775
MH Sub I LLC, 2023 Term Loan, 1 mo. USD Term SOFR + 4.25%, 9.58%, 5/03/28	United States	2,789,581	2,776,261
			<u>5,389,516</u>
Investment Banking & Brokerage 1.7%			
Aretec Group, Inc., 2023 Incremental Term Loan, 1 mo. USD Term SOFR + 4.50%, 9.927%, 8/09/30	United States	1,242,019	1,250,558
Citadel Securities LP, 2024 Term Loan B, 1 mo. USD Term SOFR + 2.25%, 7.577%, 7/29/30	United States	2,465,070	2,465,772
Jane Street Group LLC, 2024 Term Loan B, 1 mo. USD Term SOFR + 2.50%, 7.942%, 1/26/28	United States	1,897,567	1,900,651
			<u>5,616,981</u>

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
IT Services 2.1%			
Deerfield Dakota Holding LLC, 2020 USD Term Loan B, 3 mo. USD Term SOFR + 3.75%, 9.059%, 4/09/27	United States	1,141,564	\$ 1,137,363
Dun & Bradstreet Corp., 2023 Term Loan B, 1 mo. USD Term SOFR + 2.75%, 8.082%, 2/06/26	United States	942,886	943,282
Nuvei Technologies Corp., USD Term Loan, 1 mo. USD Term SOFR + 3.00%, 8.43%, 12/19/30	Canada	1,160,888	1,164,997
Verscend Holding Corp., 2021 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.445%, 8/27/25	United States	3,627,108	3,631,189
			<u>6,876,831</u>
Leisure Equipment & Products 0.5%			
Playtika Holding Corp., 2021 Term Loan, 1 mo. USD Term SOFR + 2.75%, 8.195%, 3/13/28	United States	1,579,273	1,582,922
Machinery 0.8%			
Vertical U.S. Newco, Inc., Term Loan B, 6 mo. USD Term SOFR + 3.50%, 9.081%, 7/30/27	Germany	2,082,455	2,091,857
Vertiv Group Corp., 2023 Term Loan B, 1 mo. USD Term SOFR + 2.50%, 7.937%, 3/02/27	United States	491,647	493,260
			<u>2,585,117</u>
Media 4.3%			
AMC Entertainment Holdings, Inc., 2019 Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.435%, 4/22/26	United States	242,347	203,951
Cengage Learning, Inc., 2024 Term Loan B, TBD, 3/15/31	United States	1,903,578	1,904,292
Gray Television, Inc., 2021 Term Loan D, 1 mo. USD Term SOFR + 3.00%, 8.44%, 12/01/28	United States	1,572,178	1,478,508
iHeartCommunications, Inc., 2020 Term Loan, 1 mo. USD Term SOFR + 3.00%, 8.445%, 5/01/26	United States	1,100,000	962,500
McGraw-Hill Global Education Holdings LLC, 2021 Term Loan, 1 mo. USD Term SOFR + 4.75%, 9.985% - 10.192%, 7/28/28	United States	1,967,025	1,972,995
Nexstar Broadcasting, Inc., 2019 Term Loan B4, 1 mo. USD Term SOFR + 2.5%, 7.945%, 9/18/26	United States	891,792	893,031
Radiate Holdco LLC, 2021 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.695%, 9/25/26	United States	2,629,030	2,208,385
Univision Communications, Inc., 2021 First Lien Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.695%, 3/15/26	United States	1,632,127	1,635,195
Virgin Media Bristol LLC, 2020 USD Term Loan Q, 1 mo. USD Term SOFR + 3.25%, 8.69%, 1/31/29	United States	2,470,000	2,449,054
William Morris Endeavor Entertainment LLC, 2018 1st Lien Term Loan, 1 mo. USD Term SOFR + 2.75%, 8.195%, 5/18/25	United States	569,123	569,479
			<u>14,277,390</u>
Packaged Foods & Meats 0.7%			
Fiesta Purchaser, Inc., 2024 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.312% - 9.327%, 2/12/31	United States	1,152,647	1,155,926
Primary Products Finance LLC, 2024 Term Loan B, TBD, 4/01/29	United States	1,069,270	1,070,227
			<u>2,226,153</u>
Passenger Airlines 2.8%			
Air Canada, 2024 Term Loan B, TBD, 3/14/31	Canada	1,109,762	1,113,236
American Airlines, Inc., 2023 1st Lien Term Loan, 6 mo. USD Term SOFR + 3.50%, 8.775%, 6/04/29	United States	1,900,000	1,908,312
American Airlines, Inc., 2021 Term Loan, 3 mo. USD Term SOFR + 4.75%, 10.329%, 4/20/28	United States	1,342,732	1,396,723

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
◦ Senior Floating Rate Interests (continued)			
Passenger Airlines (continued)			
Kestrel Bidco, Inc., Term Loan B, 1 mo. USD Term SOFR + 3.00%, 8.427%, 12/11/26	Canada	217,152	\$ 217,390
United Airlines, Inc., 2024 Term Loan B, 3 mo. USD Term SOFR + 2.75%, 8.076%, 2/15/31	United States	1,865,572	1,870,814
WestJet Loyalty LP, Term Loan B, 3 mo. USD Term SOFR + 3.75%, 9.068%, 2/14/31	Canada	2,670,146	2,673,484
			<u>9,179,959</u>
Personal Care Products 0.6%			
Conair Holdings LLC, Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.192%, 5/17/28	United States	2,025,365	2,011,026
Pharmaceuticals 1.7%			
eResearchTechnology, Inc., 2020 1st Lien Term Loan, 1 mo. USD Term SOFR + 4.50%, 9.945%, 2/04/27	United States	1,144,040	1,148,788
Grifols Worldwide Operations USA, Inc., 2019 USD Term Loan B, 3 mo. USD Term SOFR + 2.00%, 7.459%, 11/15/27	United States	1,094,286	1,061,933
Organon & Co., USD Term Loan, 1 mo. USD Term SOFR + 3.00%, 8.433%, 6/02/28	United States	1,282,196	1,287,805
Parexel International Corp., 2021 1st Lien Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.692%, 11/15/28	United States	1,561,677	1,566,566
Perrigo Investments LLC, Term Loan B, 1 mo. USD Term SOFR + 2.25%, 7.68%, 4/20/29	United States	498,734	497,904
			<u>5,562,996</u>
Real Estate Management & Development 0.7%			
Cushman & Wakefield U.S. Borrower LLC, 2020 Term Loan B, 1 mo. USD Term SOFR + 2.75%, 8.195%, 8/21/25	United States	113,707	113,664
2023 Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.68%, 1/31/30	United States	297,750	297,286
2023 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.33%, 1/31/30	United States	1,855,239	1,862,196
			<u>2,273,146</u>
Research & Consulting Services 0.6%			
KUEHG Corp., 2023 Term Loan, 3 mo. USD Term SOFR + 5.00%, 10.302%, 6/12/30	United States	1,824,558	1,831,865
Retail REITs 1.1%			
Great Outdoors Group LLC, 2021 Term Loan B1, 1 mo. USD Term SOFR + 3.75%, 9.195%, 3/06/28	United States	1,643,492	1,646,459
Petco Health & Wellness Co., Inc., 2021 Term Loan B, 3 mo. USD Term SOFR + 3.25%, 8.821%, 3/03/28	United States	1,958,289	1,815,706
			<u>3,462,165</u>
Security & Alarm Services 0.4%			
Prime Security Services Borrower LLC, 2023 Term Loan B, 3 mo. USD Term SOFR + 2.50%, 7.827%, 10/14/30	United States	1,417,288	1,419,783
Semiconductor Materials & Equipment 0.9%			
MKS Instruments, Inc., 2023 USD Term Loan B, 1 mo. USD Term SOFR + 2.50%, 7.823%, 8/17/29	United States	2,916,263	2,922,650
Soft Drinks & Non-alcoholic Beverages 0.2%			
Naked Juice LLC, Term Loan, SOFR + 3.25%, 8.659%, 1/24/29	United States	549,802	515,627
Software 11.8%			
Athenahealth Group, Inc., 2022 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.58%, 2/15/29	United States	3,148,598	3,126,715
Central Parent, Inc., 2023 Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.309%, 7/06/29	United States	1,753,455	1,760,697
Cloud Software Group, Inc., 2022 USD Term Loan B, 3 mo. USD Term SOFR + 4.50%, 9.909%, 3/30/29	United States	975,056	971,726

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
Software (continued)			
Cloudera, Inc., 2021 Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.18%, 10/08/28	United States	907,236	\$ 904,968
ConnectWise LLC, 2021 Term Loan B, 3 mo. USD Term SOFR + 3.50%, 9.064%, 9/29/28	United States	696,438	697,089
Cornerstone OnDemand, Inc., 2021 Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.195%, 10/16/28	United States	1,731,967	1,702,385
^d Cotiviti Corp., 2024 Term Loan, TBD, 2/21/31	United States	2,682,143	2,678,790
DCert Buyer, Inc., 2019 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.33%, 10/16/26	United States	2,631,797	2,622,835
2021 2nd Lien Term Loan, 1 mo. USD Term SOFR + 7.00%, 12.33%, 2/19/29	United States	1,000,000	908,200
Epicor Software Corp., 2020 Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.692%, 7/30/27	United States	1,677,373	1,685,198
2023 Incremental Term Loan, 1 mo. USD Term SOFR + 3.75%, 9.077%, 7/30/27	United States	463,953	466,895
Genesys Cloud Services Holdings II LLC, Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.192%, 12/01/27	United States	923,077	927,697
Idera, Inc., 2021 Term Loan, 3 mo. USD Term SOFR + 3.75%, 9.206%, 3/02/28	United States	2,262,173	2,257,117
Ivanti Software, Inc., 2021 Add On Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.591%, 12/01/27	United States	137,176	128,316
2021 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.839%, 12/01/27	United States	1,666,579	1,563,668
Mitchell International, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.195%, 10/15/28	United States	870,948	872,290
Polaris Newco LLC, USD Term Loan B, 3 mo. USD Term SOFR + 4.00%, 9.574%, 6/02/28	United States	2,257,926	2,238,700
Project Alpha Intermediate Holding, Inc., 2023 1st Lien Term Loan B, 3 mo. USD Term SOFR + 4.75%, 10.063%, 10/28/30	United States	1,600,000	1,610,552
Project Boost Purchaser LLC, 2021 Incremental Term Loan, 3 mo. USD Term SOFR + 3.50%, 8.945% - 9.071%, 5/30/26	United States	1,192,586	1,196,844
Quest Software U.S. Holdings, Inc., 2022 Term Loan, SOFR + 4.25%, 9.713%, 2/01/29	United States	591,000	451,527
Rocket Software, Inc., 2023 USD Term Loan B, 1 mo. USD Term SOFR + 4.75%, 10.08%, 11/28/28	United States	1,007,226	1,001,122
Roper Industrial Products Investment Co. LLC, 2023 USD Term Loan, 3 mo. USD Term SOFR + 4.00%, 9.302%, 11/22/29	United States	1,331,538	1,340,972
Sovos Compliance LLC, 2021 Term Loan, 1 mo. USD Term SOFR + 4.50%, 9.945%, 8/11/28	United States	2,310,561	2,293,001
UKG, Inc., 2024 Term Loan B, 3 mo. USD Term SOFR + 3.50%, 8.814%, 2/10/31	United States	1,113,987	1,114,984
2021 2nd Lien Term Loan, 3 mo. USD Term SOFR + 5.25%, 10.68%, 5/03/27	United States	373,511	377,480
Waystar Technologies, Inc., 2024 Term Loan B, 1 mo. USD Term SOFR + 4.00%, 9.33%, 10/22/29	United States	3,951,096	3,965,912
			<u>38,865,680</u>
Specialty Chemicals 0.1%			
Ineos U.S. Finance LLC, 2022 USD Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.18%, 11/08/27	United States	475,200	476,771
Specialty Retail 2.4%			
IRB Holding Corp., 2024 Term Loan B, 1 mo. USD Term SOFR + 2.75%, 8.077%, 12/15/27	United States	1,889,901	1,892,736
Michaels Cos., Inc., 2021 Term Loan B, 3 mo. USD Term SOFR + 4.25%, 9.821%, 4/15/28	United States	1,962,379	1,768,594
PetSmart, Inc., 2021 Term Loan B, 1 mo. USD Term SOFR + 3.75%, 9.18%, 2/11/28	United States	1,306,277	1,304,918

Franklin Senior Loan ETF (continued)

	Country	Principal Amount*	Value
Senior Floating Rate Interests (continued)			
Specialty Retail (continued)			
SRS Distribution, Inc.,			
2022 Incremental Term Loan, 1 mo. USD Term SOFR + 3.25%, 8.68%, 6/02/28	United States	77,955	\$ 78,476
2021 Term Loan B, 1 mo. USD Term SOFR + 3.50%, 8.945%, 6/02/28	United States	367,175	370,137
Staples, Inc.,			
Term Loan B2, 1 mo. USD LIBOR + 4.50%, 9.94%, 9/12/24	United States	598,429	599,085
7 Year Term Loan, 1 mo. USD LIBOR + 5.00%, 10.44%, 4/16/26	United States	1,120,428	1,111,515
Whatabrands LLC, 2021 Term Loan B, 1 mo. USD Term SOFR + 3.25%, 8.692%, 8/03/28	United States	794,919	796,413
			<u>7,921,874</u>
Systems Software 0.4%			
Barracuda Networks, Inc., 2022 Term Loan, 3 mo. USD Term SOFR + 4.50%, 9.813%, 8/15/29	United States	1,387,716	1,382,339
Technology Hardware, Storage & Peripherals 1.1%			
Greeneden U.S. Holdings II LLC, 2020 USD Term Loan B4, 1 mo. USD Term SOFR + 4.00%, 9.192%, 12/01/27	United States	3,501,547	3,515,921
Wireless Telecommunication Services 0.7%			
CCI Buyer, Inc., Term Loan, 3 mo. USD Term SOFR + 4.00%, 9.302%, 12/17/27	United States	2,359,629	2,348,881
Total Floating Rate Loans (Cost \$275,415,831)			<u>274,344,251</u>
Asset-Backed Securities 0.6%			
^{a,e} BlueMountain CLO Ltd., Series 2018-3A, Class C, 3 mo. USD Term SOFR + 2.46%, 7.786%, 10/25/30	United States	1,000,000	991,265
^{a,e} LCM XVIII LP, Series 2018-A, Class CR, 3 mo. USD Term SOFR + 2.11%, 7.429%, 4/20/31	United States	1,000,000	996,248
Total Asset-Backed Securities (Cost \$1,996,875)			<u>1,987,513</u>
Total Investments before Short-Term Investments (Cost \$295,704,342)			<u>294,004,142</u>
Short-Term Investments 14.2%			
U.S. Government & Agency Securities 14.2%			
^f Federal Home Loan Bank Discount Notes, 04/1/24	United States	46,790,000	46,763,122
Total Short-Term Investments (Cost \$46,790,000)			<u>46,763,122</u>
Total Investments (Cost \$342,494,342) 103.7%			<u>340,767,264</u>
Other Assets, less Liabilities (3.7%)			<u>(12,279,824)</u>
Net Assets 100.0%			<u>\$328,487,440</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

[†]Rounds to less than 0.1% of net assets.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$19,514,408, representing 5.9% of net assets.

^bDefaulted security or security for which income has been deemed uncollectible. See Note 7.

^cThe coupon rate shown represents the rate at period end.

^dA portion or all of the security represents an unsettled loan commitment. The coupon rate is to-be determined (TBD) at the time of settlement and will be based upon a reference index/floor plus a spread.

^eThe coupon rate shown represents the rate inclusive of any caps or floors, if applicable, in effect at period end.

^fThe security was issued on a discount basis with no stated coupon rate.

See Abbreviations on page 275.

Consolidated Financial Highlights

Franklin Systematic Style Premia ETF

	Year Ended March 31,				Period Ended March 31,
	2024	2023	2022	2021	2020 ^a
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$21.45	\$21.25	\$19.55	\$23.16	\$25.00
Income from investment operations ^b :					
Net investment income ^c	0.48	0.26	0.14	0.23	0.11
Net realized and unrealized gains (losses)	2.25	0.40	1.82	(2.25)	(1.94)
Total from investment operations	2.73	0.66	1.96	(2.02)	(1.83)
Less distributions from:					
Net investment income	(0.26)	(0.46)	(0.26)	(0.05)	(0.01)
Net realized gains	—	—	—	(1.54)	—
Total distributions	(0.26)	(0.46)	(0.26)	(1.59)	(0.01)
Net asset value, end of year	\$23.92	\$21.45	\$21.25	\$19.55	\$23.16
Total return ^d	12.83%	3.13%	10.09%	(8.70)%	(7.34)%
Ratios to average net assets^e					
Expenses before waiver and payments by affiliates	0.67%	0.69%	0.73%	1.14%	1.15%
Expenses net of waiver and payments by affiliates	0.65%	0.65%	0.63%	0.65%	0.65%
Net investment income	2.13%	1.21%	0.69%	1.08%	1.67%
Supplemental data					
Net assets, end of year (000's)	\$184,154	\$91,146	\$55,258	\$46,927	\$50,948
Portfolio turnover rate ^f	180.11% ^g	188.38% ^g	189.89% ^g	171.16% ^g	60.95% ^g

^aFor the period December 18, 2019 (commencement of operations) to March 31, 2020.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 180.11% 188.38% 189.89% 171.16% 60.95%

Consolidated Schedule of Investments, March 31, 2024

Franklin Systematic Style Premia ETF

	Country	Shares	Value
Common Stocks 53.6%			
Aerospace & Defense 0.8%			
Huntington Ingalls Industries, Inc.	United States	453	\$ 132,036
Leonardo SpA	Italy	3,058	76,885
^a Rolls-Royce Holdings PLC	United Kingdom	96,567	520,524
Textron, Inc.	United States	2,173	208,456
TransDigm Group, Inc.	United States	366	450,766
			1,388,667
Air Freight & Logistics 0.7%			
Deutsche Post AG	Germany	7,955	342,926
Expeditors International of Washington, Inc.	United States	1,656	201,320
FedEx Corp.	United States	2,649	767,521
			1,311,767
Automobiles 0.8%			
General Motors Co.	United States	10,199	462,525
Mazda Motor Corp.	Japan	8,300	96,274
Stellantis NV	United States	24,880	707,900
Subaru Corp.	Japan	6,600	150,364
			1,417,063
Banks 1.1%			
Banco Bilbao Vizcaya Argentaria SA	Spain	41,536	495,242
Banco Santander SA	Spain	77,078	376,389
Barclays PLC	United Kingdom	170,114	393,690
Intesa Sanpaolo SpA	Italy	107,472	390,343
UniCredit SpA	Italy	10,710	406,862
			2,062,526
Beverages 0.4%			
Asahi Group Holdings Ltd.	Japan	5,400	199,166
Coca-Cola HBC AG	Switzerland	2,398	75,823
Kirin Holdings Co. Ltd.	Japan	8,800	121,989
Molson Coors Beverage Co., Class B	United States	2,329	156,625
^a Monster Beverage Corp.	United States	4,313	255,675
			809,278
Biotechnology 3.2%			
AbbVie, Inc.	United States	6,501	1,183,832
Amgen, Inc.	United States	3,131	890,206
Gilead Sciences, Inc.	United States	13,732	1,005,869
^a Incyte Corp.	United States	2,122	120,890
^a Neurocrine Biosciences, Inc.	United States	1,081	149,091
^a Regeneron Pharmaceuticals, Inc.	United States	1,218	1,172,313
^a United Therapeutics Corp.	United States	573	131,630
^a Vertex Pharmaceuticals, Inc.	United States	2,876	1,202,197
			5,856,028
Broadline Retail 0.4%			
Dollarama, Inc.	Canada	3,200	244,011
eBay, Inc.	United States	5,761	304,066
Next PLC	United Kingdom	1,354	157,908
			705,985
Building Products 0.7%			
^a Builders FirstSource, Inc.	United States	1,472	306,986
Cie de Saint-Gobain SA	France	5,222	405,668
Lennox International, Inc.	United States	375	183,285
Masco Corp.	United States	2,597	204,851

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Building Products (continued)			
Owens Corning	United States	999	\$ 166,633
			1,267,423
Capital Markets 2.5%			
3i Group PLC	United Kingdom	11,025	391,219
Ameriprise Financial, Inc.	United States	1,143	501,137
Bank of New York Mellon Corp.	United States	8,575	494,091
Brookfield Asset Management Ltd., Class A	Canada	2,800	117,731
Cboe Global Markets, Inc.	United States	1,189	218,455
Daiwa Securities Group, Inc.	Japan	10,400	79,093
Deutsche Bank AG	Germany	21,364	336,452
KKR & Co., Inc.	United States	6,522	655,983
Partners Group Holding AG	Switzerland	256	366,080
SEI Investments Co.	United States	1,240	89,156
State Street Corp.	United States	3,421	264,512
T Rowe Price Group, Inc.	United States	2,502	305,044
UBS Group AG	Switzerland	24,189	744,979
			4,563,932
Chemicals 1.1%			
Asahi Kasei Corp.	Japan	13,700	100,660
CF Industries Holdings, Inc.	United States	2,123	176,655
Linde PLC	United States	800	371,456
LyondellBasell Industries NV, Class A	United States	2,877	294,260
Mitsubishi Chemical Group Corp.	Japan	15,200	91,996
Nitto Denko Corp.	Japan	1,600	145,680
Shin-Etsu Chemical Co. Ltd.	Japan	20,500	891,817
			2,072,524
Commercial Services & Supplies 0.6%			
Cintas Corp.	United States	672	461,684
^a Copart, Inc.	United States	9,673	560,260
			1,021,944
Communications Equipment 0.1%			
^a F5, Inc.	United States	671	127,215
Construction Materials 0.4%			
CRH PLC	Ireland	5,198	448,352
Heidelberg Materials AG	Germany	1,478	162,737
^a James Hardie Industries PLC, CDI	Ireland	3,471	139,514
			750,603
Consumer Staples Distribution & Retail 1.2%			
Albertsons Cos., Inc., Class A	United States	4,720	101,197
Alimentation Couche-Tard, Inc.	Canada	11,600	662,698
Carrefour SA	France	7,075	121,301
Kroger Co.	United States	7,770	443,900
Loblaw Cos. Ltd.	Canada	1,200	133,102
Sysco Corp.	United States	5,673	460,534
Tesco PLC	United Kingdom	79,964	299,609
			2,222,341
Containers & Packaging 0.1%			
Packaging Corp. of America	United States	995	188,831
Diversified Telecommunication Services 1.1%			
AT&T, Inc.	United States	5,539	97,487
BT Group PLC	United Kingdom	71,203	98,627
Deutsche Telekom AG	Germany	3,887	94,454

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Diversified Telecommunication Services (continued)			
Verizon Communications, Inc.	United States	40,670	\$ 1,706,513
			<u>1,997,081</u>
Electric Utilities 0.8%			
Chubu Electric Power Co., Inc.	Japan	7,600	99,881
CLP Holdings Ltd.	Hong Kong	19,000	151,365
Enel SpA	Italy	91,496	604,653
Kansai Electric Power Co., Inc.	Japan	8,100	117,450
Power Assets Holdings Ltd.	Hong Kong	21,000	122,891
SSE PLC	United Kingdom	8,689	181,110
^a Tokyo Electric Power Co. Holdings, Inc.	Japan	17,600	109,778
			<u>1,387,128</u>
Electrical Equipment 0.2%			
Mitsubishi Electric Corp.	Japan	22,000	365,152
Electronic Equipment, Instruments & Components 0.5%			
Jabil, Inc.	United States	1,502	201,193
TDK Corp.	Japan	4,500	222,436
TE Connectivity Ltd.	United States	3,522	511,535
			<u>935,164</u>
Entertainment 0.3%			
Electronic Arts, Inc.	United States	2,851	378,242
^a Live Nation Entertainment, Inc.	United States	1,825	193,030
			<u>571,272</u>
Financial Services 2.8%			
^a Berkshire Hathaway, Inc., Class B	United States	2,791	1,173,671
^a Corpay, Inc.	United States	812	250,535
Equitable Holdings, Inc.	United States	3,774	143,450
Mastercard, Inc., Class A	United States	4,020	1,935,911
ORIX Corp.	Japan	13,600	296,451
^a PayPal Holdings, Inc.	United States	1,510	101,155
Visa, Inc., Class A	United States	4,371	1,219,859
			<u>5,121,032</u>
Food Products 0.1%			
Bunge Global SA	United States	1,614	165,467
Gas Utilities 0.1%			
Hong Kong & China Gas Co. Ltd.	Hong Kong	125,000	94,711
Tokyo Gas Co. Ltd.	Japan	4,400	102,074
			<u>196,785</u>
Ground Transportation 1.1%			
CSX Corp.	United States	22,198	822,880
TFI International, Inc.	Canada	900	143,654
^a Uber Technologies, Inc.	United States	13,445	1,035,131
			<u>2,001,665</u>
Health Care Equipment & Supplies 0.8%			
Cochlear Ltd.	Australia	326	71,784
^a Hologic, Inc.	United States	2,033	158,493
Hoya Corp.	Japan	4,000	495,292
^a IDEXX Laboratories, Inc.	United States	961	518,873
Terumo Corp.	Japan	15,200	274,081
			<u>1,518,523</u>

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services 2.0%			
Cardinal Health, Inc.	United States	2,734	\$ 305,935
^a Centene Corp.	United States	6,146	482,338
Cigna Group	United States	2,111	766,694
CVS Health Corp.	United States	9,170	731,399
Elevance Health, Inc.	United States	2,620	1,358,575
Fresenius SE & Co. KGaA	Germany	2,253	60,831
			<u>3,705,772</u>
Health Care Technology 0.2%			
^a Veeva Systems, Inc., Class A	United States	1,742	403,604
Hotels, Restaurants & Leisure 1.3%			
^a Airbnb, Inc., Class A	United States	917	151,268
Booking Holdings, Inc.	United States	390	1,414,873
Domino's Pizza, Inc.	United States	396	196,764
^a Expedia Group, Inc.	United States	1,464	201,666
InterContinental Hotels Group PLC	United Kingdom	1,303	135,665
^a Royal Caribbean Cruises Ltd.	United States	2,669	371,018
			<u>2,471,254</u>
Household Durables 0.2%			
PulteGroup, Inc.	United States	2,494	300,826
Household Products 0.4%			
Colgate-Palmolive Co.	United States	5,716	514,726
Procter & Gamble Co.	United States	1,632	264,792
			<u>779,518</u>
Independent Power Producers & Energy Traders 0.3%			
RWE AG	Germany	7,293	247,793
Vistra Corp.	United States	4,067	283,266
			<u>531,059</u>
Industrial Conglomerates 0.1%			
CK Hutchison Holdings Ltd., Class A	United Kingdom	29,500	142,478
DCC PLC	Ireland	787	57,265
			<u>199,743</u>
Industrial REITs 0.2%			
Goodman Group	Australia	19,836	437,535
Insurance 2.5%			
Aflac, Inc.	United States	6,190	531,473
Ageas SA	Belgium	2,398	111,104
AIA Group Ltd.	Hong Kong	122,800	824,530
American International Group, Inc.	United States	7,891	616,839
Assurant, Inc.	United States	637	119,909
Everest Group Ltd.	United States	473	188,018
Fairfax Financial Holdings Ltd.	Canada	100	107,896
Fidelity National Financial, Inc.	United States	2,935	155,849
Great-West Lifeco, Inc.	Canada	4,100	131,248
Hartford Financial Services Group, Inc.	United States	3,353	345,527
iA Financial Corp., Inc.	Canada	1,200	74,620
Loews Corp.	United States	2,113	165,427
Manulife Financial Corp.	Canada	20,500	512,481
Power Corp. of Canada	Canada	6,600	185,234
Sompo Holdings, Inc.	Japan	6,900	145,436
Sun Life Financial, Inc.	Canada	6,600	360,470
			<u>4,576,061</u>

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Interactive Media & Services 1.2%			
^a Alphabet, Inc., Class C	United States	1,549	\$ 235,851
^b Auto Trader Group PLC	United Kingdom	7,296	64,535
^a Match Group, Inc.	United States	3,064	111,162
Meta Platforms, Inc., Class A	United States	3,818	1,853,944
			<u>2,265,492</u>
IT Services 1.1%			
Accenture PLC, Class A	United States	2,778	962,883
^a CGI, Inc., Class A	Canada	2,300	253,990
Cognizant Technology Solutions Corp., Class A	United States	5,687	416,800
^a GoDaddy, Inc., Class A	United States	1,498	177,783
NEC Corp.	Japan	2,900	210,585
			<u>2,022,041</u>
Life Sciences Tools & Services 0.8%			
Agilent Technologies, Inc.	United States	3,347	487,022
^a Avantor, Inc.	United States	7,725	197,528
^a Charles River Laboratories International, Inc.	United States	628	170,157
^a IQVIA Holdings, Inc.	United States	2,057	520,195
West Pharmaceutical Services, Inc.	United States	472	186,775
			<u>1,561,677</u>
Machinery 1.1%			
Komatsu Ltd.	Japan	11,000	321,471
PACCAR, Inc.	United States	5,910	732,190
Parker-Hannifin Corp.	United States	939	521,887
Snap-on, Inc.	United States	600	177,732
Techtronic Industries Co. Ltd.	Hong Kong	14,500	196,571
Toyota Industries Corp.	Japan	900	93,065
			<u>2,042,916</u>
Media 0.5%			
Comcast Corp., Class A	United States	21,926	950,492
Metals & Mining 1.4%			
ArcelorMittal SA	Luxembourg	5,753	158,158
BHP Group Ltd.	Australia	11,213	323,851
BlueScope Steel Ltd.	Australia	5,003	77,845
^a Cleveland-Cliffs, Inc.	United States	5,800	131,892
Fortescue Ltd.	Australia	19,896	333,590
Glencore PLC	Australia	13,912	76,501
JFE Holdings, Inc.	Japan	6,900	115,802
Kinross Gold Corp.	Canada	13,400	82,286
Nippon Steel Corp.	Japan	9,800	237,513
Nucor Corp.	United States	2,794	552,933
Reliance, Inc.	United States	656	219,222
Steel Dynamics, Inc.	United States	1,766	261,774
			<u>2,571,367</u>
Multi-Utilities 0.3%			
Centrica PLC	United Kingdom	62,997	101,585
E.ON SE	Germany	25,443	354,060
Engie SA	France	6,183	103,570
			<u>559,215</u>
Oil, Gas & Consumable Fuels 3.2%			
APA Corp.	United States	3,398	116,823
BP PLC	United Kingdom	146,211	915,563
Cheniere Energy, Inc.	United States	1,738	280,305

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Oil, Gas & Consumable Fuels (continued)			
ENEOS Holdings, Inc.	Japan	32,800	\$ 158,490
EOG Resources, Inc.	United States	6,410	819,454
HF Sinclair Corp.	United States	2,262	136,557
Inpex Corp.	Japan	11,500	177,844
Marathon Petroleum Corp.	United States	4,221	850,531
Ovintiv, Inc.	United States	3,201	166,132
Phillips 66	United States	4,948	808,206
Repsol SA	Spain	13,890	231,619
Suncor Energy, Inc.	Canada	14,500	535,640
Valero Energy Corp.	United States	3,798	648,281
			5,845,445
Paper & Forest Products 0.0%†			
Mondi PLC	Austria	3,500	61,700
Personal Care Products 0.9%			
Beiersdorf AG	Germany	704	102,605
Kao Corp.	Japan	5,300	197,439
L'Oreal SA	France	2,697	1,277,682
Shiseido Co. Ltd.	Japan	4,600	124,403
			1,702,129
Pharmaceuticals 0.3%			
Chugai Pharmaceutical Co. Ltd.	Japan	5,400	206,017
^a Jazz Pharmaceuticals PLC	United States	700	84,294
Otsuka Holdings Co. Ltd.	Japan	2,900	120,909
Viatrix, Inc.	United States	13,925	166,264
			577,484
Professional Services 1.0%			
Broadridge Financial Solutions, Inc.	United States	1,342	274,922
Leidos Holdings, Inc.	United States	1,501	196,766
Recruit Holdings Co. Ltd.	Japan	10,400	460,886
RELX PLC	United Kingdom	7,426	321,202
Robert Half, Inc.	United States	1,313	104,095
SS&C Technologies Holdings, Inc.	United States	2,502	161,054
Verisk Analytics, Inc.	United States	1,625	383,061
			1,901,986
Real Estate Management & Development 0.3%			
CK Asset Holdings Ltd.	Hong Kong	24,000	98,742
Daiwa House Industry Co. Ltd.	Japan	6,800	203,445
Sun Hung Kai Properties Ltd.	Hong Kong	16,500	159,067
			461,254
Residential REITs 0.2%			
AvalonBay Communities, Inc.	United States	1,603	297,453
Retail REITs 0.4%			
Link REIT	Hong Kong	28,800	123,826
Simon Property Group, Inc.	United States	3,674	574,945
			698,771
Semiconductors & Semiconductor Equipment 2.3%			
NVIDIA Corp.	United States	2,534	2,289,621
QUALCOMM, Inc.	United States	7,176	1,214,897
Renesas Electronics Corp.	Japan	18,500	326,435
STMicroelectronics NV	Switzerland	7,858	338,786
			4,169,739

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software 5.6%			
^a Adobe, Inc.	United States	1,822	\$ 919,381
^a Autodesk, Inc.	United States	2,369	616,935
^a Cadence Design Systems, Inc.	United States	1,870	582,094
Constellation Software, Inc.	Canada	100	273,416
^a DocuSign, Inc.	United States	2,123	126,425
^a Dynatrace, Inc.	United States	3,129	145,311
^a Fair Isaac Corp.	United States	291	363,636
Intuit, Inc.	United States	2,535	1,647,750
^a Manhattan Associates, Inc.	United States	722	180,666
Microsoft Corp.	United States	3,117	1,311,384
Open Text Corp.	Canada	3,100	120,403
^a PTC, Inc.	United States	1,345	254,124
Sage Group PLC	United Kingdom	8,275	132,288
Salesforce, Inc.	United States	3,750	1,129,425
^a ServiceNow, Inc.	United States	2,144	1,634,586
^a Synopsys, Inc.	United States	976	557,784
^a Tyler Technologies, Inc.	United States	467	198,480
^a Zoom Video Communications, Inc., Class A	United States	2,657	173,688
			10,367,776
Specialized REITs 0.4%			
Gaming & Leisure Properties, Inc.	United States	2,961	136,413
Iron Mountain, Inc.	United States	3,304	265,014
VICI Properties, Inc.	United States	11,410	339,904
			741,331
Specialty Retail 0.9%			
Best Buy Co., Inc.	United States	2,274	186,536
Home Depot, Inc.	United States	2,000	767,200
TJX Cos., Inc.	United States	6,993	709,230
			1,662,966
Textiles, Apparel & Luxury Goods 0.5%			
^a Deckers Outdoor Corp.	United States	294	276,730
^a Lululemon Athletica, Inc.	United States	1,295	505,892
Pandora AS	Denmark	949	153,140
			935,762
Trading Companies & Distributors 1.6%			
ITOCHU Corp.	Japan	13,800	589,585
Marubeni Corp.	Japan	16,800	291,831
Mitsubishi Corp.	Japan	39,100	900,867
Mitsui & Co. Ltd.	Japan	15,000	704,285
Sumitomo Corp.	Japan	12,100	291,977
Toyota Tsusho Corp.	Japan	1,800	122,085
			2,900,630
Transportation Infrastructure 0.1%			
^b Aena SME SA	Spain	830	163,548
Water Utilities 0.1%			
American Water Works Co., Inc.	United States	2,163	264,340
Wireless Telecommunication Services 0.3%			
KDDI Corp.	Japan	8,200	242,839
Vodafone Group PLC	United Kingdom	256,041	227,898
			470,737
Total Common Stocks (Cost \$77,818,782)			98,627,019

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Warrant 0.0%†			
Software 0.0%†			
^{a,c} Constellation Software, Inc.	Canada	100	\$ —
Total Investments before Short-Term Investments (Cost \$77,818,782)			<u>98,627,019</u>
Short-Term Investments 37.6%			
Money Market Funds 37.6%			
^d State Street Institutional U.S. Government Money Market Fund, 5.26%	United States	69,289,804	<u>69,289,804</u>
Total Short-Term Investments (Cost \$69,289,804)			<u>69,289,804</u>
Total Investments (Cost \$147,108,586) 91.2%			<u>167,916,823</u>
Other Assets, less Liabilities 8.8%			<u>16,237,076</u>
Net Assets 100.0%			<u>\$184,153,899</u>

†Rounds to less than 0.1% of net assets.

^aNon-income producing.

^bSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$228,083, representing 0.1% of net assets.

^cFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.

^dRate shown is one-day yield as of the end of the reporting period.

At March 31, 2024, the Fund had the following centrally cleared credit default swap contracts outstanding. See Note 1(c).

Centrally Cleared Credit Default Swap Contracts

Underlying Instrument	Financing Rate	Payment Frequency	Counterparty	Maturity Date	Notional Value (000)s	Value/Unrealized Appreciation (Depreciation)
OTC Swap Contracts						
Equity Contracts - Short						
MSFTLSSP	1-month USD LIBOR	At Maturity	MSCS	April 11, 2024	73,593	—

At March 31, 2024, the Fund had the following forward exchange contracts outstanding. See Note 1(c).

Forward Exchange Contracts

Currency	Counterparty ^a	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts							
Australian Dollar	MSCO	Sell	7,238,243	\$4,809,689	6/20/24	\$ 77,081	\$ —
Brazilian Real	MSCO	Buy	30,582,573	6,097,491	6/20/24	—	(32,570)
Canadian Dollar	MSCO	Sell	6,120,039	4,551,900	6/20/24	24,269	—
Czech Koruna	MSCO	Sell	62,929,837	2,723,113	6/20/24	35,052	—
Euro	MSCO	Sell	75,890	83,371	6/20/24	1,148	—
Great British Pound	MSCO	Sell	1,327,939	1,701,507	6/20/24	23,275	—
Hungarian Forint	MSCO	Buy	1,534,485,620	4,227,799	6/20/24	—	(40,605)
Israeli Shekel	MSCO	Sell	2,506,504	692,300	6/20/24	5,854	—
Japanese Yen	MSCO	Sell	66,357,975	455,283	6/20/24	11,506	—
Mexican Peso	MSCO	Buy	38,092,466	2,252,936	6/20/24	10,595	—
New Zealand Dollar	MSCO	Buy	5,427,003	3,350,398	6/20/24	—	(104,084)
Norwegian Krone	MSCO	Buy	14,604,993	1,398,082	6/20/24	—	(49,315)
Polish Zloty	MSCO	Buy	32,776,735	8,356,605	6/20/24	—	(144,016)
South African Rand	MSCO	Buy	68,101,047	3,625,712	6/20/24	—	(52,401)
South Korean Won	MSCO	Sell	9,088,979,026	6,930,771	6/20/24	150,576	—
Swedish Krona	MSCO	Buy	46,268,220	4,536,655	6/20/24	—	(195,523)

Franklin Systematic Style Premia ETF (continued)

Forward Exchange Contracts (continued)

Currency	Counterparty ^a	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts (continued)							
Swiss Franc	MSCO	Sell	3,880,102	\$4,452,237	6/20/24	\$106,941	\$ —
Total Forward Exchange Contracts						\$446,297	\$(618,514)
Net unrealized appreciation (depreciation)							\$(172,217)

^aMay be comprised of multiple contracts with the same counterparty, currency and settlement date.

At March 31, 2024, the Fund had the following futures contracts outstanding. See Note 1(c).

Futures Contracts

Description	Type	Number of Contracts	Notional Amount*	Expiration Date	Value/Unrealized Appreciation (Depreciation)
Commodity Contracts					
Brent Crude, April	Long	22	\$ 1,914,000	4/30/24	\$ 60,242
Cocoa, May	Long	52	5,078,320	5/15/24	2,154,006
Coffee 'C', May	Long	13	920,644	5/20/24	8,212
Cotton No. 2, May	Long	76	3,472,440	5/08/24	(100,884)
Gasoline Rbob, April	Long	26	2,970,895	4/30/24	50,737
Gold 100 Ounce, June	Long	3	671,520	6/26/24	15,533
Live Cattle, June	Long	45	3,244,500	6/28/24	(97,573)
Low Sulphur Gasoil, May	Long	19	1,535,200	5/10/24	(20,483)
NY Harbor ULSD, April	Long	14	1,542,148	4/30/24	(33,671)
WTI Crude, April	Long	35	2,910,950	4/22/24	100,477
Copper, May	Short	9	901,575	5/29/24	(63,697)
Corn, May	Short	153	3,381,300	5/14/24	15,146
Lean Hogs, June	Short	38	1,542,040	6/14/24	(703)
Natural Gas, April	Short	125	2,203,750	4/26/24	51,071
Platinum, July	Short	13	598,715	7/29/24	13,088
Silver, May	Short	7	872,060	5/29/24	(76,699)
Soybean Meal, May	Short	106	3,579,620	5/14/24	90,515
Soybean, May	Short	99	2,848,230	5/14/24	(46,881)
Soybean, May	Short	61	3,634,075	5/14/24	20,152
Sugar No. 11, April	Short	10	252,224	4/30/24	(5,428)
Wheat, May	Short	125	3,501,562	5/14/24	(65,846)
Interest rate contracts					
U.S. Treasury 10 Yr. Note	Long	194	21,494,594	6/18/24	9,574
Index Contracts					
Canada 10 Year Bond	Long	29	2,578,873	6/19/24	3,381
EURO STOXX 50 Index	Long	250	13,621,499	6/21/24	186,670
Euro-BTP	Long	46	5,912,416	6/06/24	21,938
FTSE/MIB Index	Long	99	18,289,199	6/21/24	407,223
Hang Seng Index	Long	13	1,376,167	4/29/24	(1,708)
IBEX 35 Index	Long	120	14,342,960	4/19/24	652,899
Long Gilt	Long	97	12,246,172	6/26/24	125,130
Mex Bolsa Index	Long	207	7,239,131	6/21/24	99,915
OMXS30 Index	Long	393	9,278,646	4/19/24	42,775
Australian 10 Year Bond	Short	63	4,791,406	6/17/24	(34,895)
CAC 40 10 Euro	Short	103	9,147,821	4/19/24	(20,711)
DAX Index, June	Short	18	9,125,135	6/21/24	(229,256)
Euro-Bund	Short	65	9,363,275	6/06/24	(73,079)
Euro-OAT	Short	51	7,059,603	6/06/24	2,741
FTSE 100 Index	Short	75	7,568,130	6/21/24	(176,786)

Franklin Systematic Style Premia ETF (continued)

Futures Contracts (continued)

Description	Type	Number of Contracts	Notional Amount*	Expiration Date	Value/Unrealized Appreciation (Depreciation)
Index Contracts (continued)					
FTSE/JSE Africa Top40 Index	Short	119	\$ 4,331,540	6/20/24	\$ (120,438)
Nikkei 225 Mini	Short	7	1,868,116	6/13/24	(29,688)
S&P/TSX 60 Index	Short	69	13,679,158	6/20/24	(73,661)
S+P500 E-Mini	Short	34	9,024,450	6/21/24	(110,296)
SPI 200 Index	Short	105	13,616,485	6/20/24	(315,771)
Total Futures Contracts					<u>\$2,433,271</u>

*As of year end.

The following table represents the individual short positions and related values of the equity securities underlying the total return swap with Morgan Stanley Capital Services LLC as of March 31, 2024, expiration date 04/11/24:

	Country	Shares	Value
Reference Entity – Short 100.00%			
Automobiles & Components 3.46%			
Aptiv PLC	United States	(3,884)	\$ (309,361)
Dr Ing Hc F Porsche AG	Germany	(1,437)	(143,215)
Ford Motor Co.	United States	(55,290)	(734,251)
Lear Corp.	United States	(699)	(101,271)
Porsche Automobil Holding SE	Germany	(2,026)	(107,479)
Renault SA	France	(2,496)	(126,144)
Rivian Automotive, Inc.	United States	(9,227)	(101,036)
Tesla, Inc.	United States	(3,198)	(562,176)
Volkswagen AG	Germany	(2,729)	(362,049)
			<u>(2,546,982)</u>
Banks 8.25%			
AIB Group PLC	Ireland	(20,593)	(104,619)
Bank of America Corp.	United States	(31,799)	(1,205,818)
Bank of Ireland Group PLC	Ireland	(14,213)	(145,058)
Bank of Montreal	Canada	(9,800)	(957,731)
Citizens Financial Group, Inc.	United States	(6,376)	(231,385)
DNB Bank ASA	Norway	(12,755)	(252,899)
FinecoBank Banca Fineco SpA	Italy	(8,423)	(126,310)
Huntington Bancshares, Inc.	United States	(20,002)	(279,028)
M&T Bank Corp.	United States	(1,976)	(287,389)
PNC Financial Services Group, Inc.	United States	(5,445)	(879,912)
Regions Financial Corp.	United States	(12,893)	(271,269)
Resona Holdings, Inc.	Japan	(29,600)	(185,859)
Sumitomo Mitsui Trust Holdings, Inc.	Japan	(9,200)	(201,088)
Swedbank AB	Sweden	(11,582)	(229,959)
Truist Financial Corp.	United States	(18,295)	(713,139)
			<u>(6,071,463)</u>
Capital Goods 11.80%			
3M Co.	United States	(4,550)	(482,619)
Alfa Laval AB	Sweden	(3,811)	(149,979)
Ashtead Group PLC	United Kingdom	(6,045)	(430,690)
Epiroc AB, A	Sweden	(8,804)	(165,580)
Epiroc AB, B	Sweden	(5,211)	(88,356)
FANUC Corp.	Japan	(13,500)	(373,303)
Honeywell International, Inc.	United States	(5,742)	(1,178,546)
IDEX Corp.	United States	(1,028)	(250,853)

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Reference Entity – Short (continued)			
Capital Goods (continued)			
IMCD NV	Netherlands	(777)	\$ (137,077)
Johnson Controls International PLC	United States	(9,200)	(600,944)
Kone Oyj	Finland	(4,642)	(216,276)
L3Harris Technologies, Inc.	United States	(2,593)	(552,568)
Metso Corp.	Finland	(9,071)	(107,812)
Nibe Industrier AB	Sweden	(20,579)	(101,157)
Northrop Grumman Corp.	United States	(1,954)	(935,302)
Quanta Services, Inc.	United States	(2,014)	(523,237)
Sandvik AB	Sweden	(14,498)	(322,295)
Siemens Energy AG	Germany	(7,169)	(131,662)
SKF AB, B	Sweden	(4,393)	(89,770)
Spirax-Sarco Engineering PLC	United Kingdom	(1,004)	(127,464)
Stanley Black & Decker, Inc.	United States	(2,098)	(205,457)
The Boeing Co.	United States	(5,848)	(1,128,606)
Vestas Wind Systems A/S	Denmark	(13,950)	(389,828)
			(8,689,381)
Commercial & Professional Services 1.80%			
Computershare Ltd.	Australia	(7,544)	(128,506)
Element Fleet Management Corp.	Canada	(5,300)	(85,732)
Gfl Environmental, Inc.	Canada	(3,200)	(110,454)
RB Global, Inc.	Canada	(2,500)	(190,597)
Rentokil Initial PLC	United Kingdom	(35,257)	(210,087)
Waste Connections, Inc.	Canada	(3,500)	(602,035)
			(1,327,411)
Consumer Discretionary Distribution & Retail 1.63%			
Burlington Stores, Inc.	United States	(891)	(206,881)
CarMax, Inc.	United States	(2,131)	(185,632)
Etsy, Inc.	United States	(1,329)	(91,329)
H & M AB, B	Sweden	(8,577)	(140,038)
Prosus NV	China	(18,424)	(578,532)
			(1,202,412)
Consumer Durables & Apparel 1.77%			
Hasbro, Inc.	United States	(1,750)	(98,910)
Kering SA	France	(947)	(374,688)
Sony Group Corp.	Japan	(9,700)	(832,234)
			(1,305,832)
Consumer Services 1.65%			
Caesars Entertainment, Inc.	United States	(2,922)	(127,808)
Entain PLC	United Kingdom	(9,079)	(91,454)
Evolution AB	Sweden	(2,395)	(298,037)
Flutter Entertainment PLC	United Kingdom	(2,414)	(481,514)
Lottery Corp., Ltd.	Australia	(29,886)	(100,413)
Vail Resorts, Inc.	United States	(520)	(115,871)
			(1,215,097)
Consumer Staples Distribution & Retail 1.44%			
Dollar General Corp.	United States	(2,968)	(463,186)
Dollar Tree, Inc.	United States	(2,845)	(378,812)
Walgreens Boots Alliance, Inc.	United States	(9,898)	(214,687)
			(1,056,685)
Energy 8.68%			
Aker BP ASA	Norway	(4,351)	(108,208)
Chevron Corp.	United States	(5,707)	(900,222)
Enbridge, Inc.	Canada	(28,800)	(1,041,759)

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Reference Entity – Short (continued)			
Energy (continued)			
Equinor ASA	Norway	(12,431)	\$ (328,175)
Hess Corp.	United States	(3,732)	(569,653)
Kinder Morgan, Inc.	United States	(27,342)	(501,452)
Neste Oyj	Finland	(5,671)	(153,730)
Pembina Pipeline Corp.	Canada	(7,500)	(264,973)
Santos Ltd.	Australia	(45,458)	(229,840)
Schlumberger NV	United States	(19,300)	(1,057,833)
TC Energy Corp.	Canada	(14,000)	(563,207)
Texas Pacific Land Corp.	United States	(240)	(138,842)
Woodside Energy Group Ltd.	Australia	(26,646)	(530,207)
			<u>(6,388,101)</u>
Equity Real Estate Investment Trusts (REITs) 4.74%			
Alexandria Real Estate Equities, Inc.	United States	(2,233)	(287,856)
Boston Properties, Inc.	United States	(2,032)	(132,710)
Camden Property Trust	United States	(1,472)	(144,845)
Essex Property Trust, Inc.	United States	(886)	(216,902)
Extra Space Storage, Inc.	United States	(2,818)	(414,246)
Healthpeak Properties, Inc.	United States	(7,762)	(145,537)
Invitation Homes, Inc.	United States	(8,256)	(293,996)
Kimco Realty Corp	United States	(9,254)	(181,471)
Realty Income Corp.	United States	(11,275)	(609,977)
SBA Communications Corp., REIT	United States	(1,464)	(317,249)
Segro PLC	United Kingdom	(17,433)	(199,037)
Sun Communities, Inc.	United States	(1,683)	(216,400)
UDR, Inc.	United States	(4,359)	(163,070)
WP Carey, Inc.	United States	(2,999)	(169,264)
			<u>(3,492,560)</u>
Financial Services 7.52%			
Adyen NV	Netherlands	(300)	(508,032)
Ally Financial, Inc.	United States	(3,138)	(127,371)
Annaly Capital Management, Inc.	United States	(6,810)	(134,089)
ASX Ltd.	Australia	(2,647)	(114,701)
Charles Schwab Corp.	United States	(17,196)	(1,243,959)
Coinbase Global, Inc., A	United States	(2,254)	(597,580)
Edenred SE	France	(3,351)	(179,000)
EQT AB	Sweden	(4,953)	(156,845)
Fidelity National Information Services, Inc.	United States	(8,083)	(599,597)
Jack Henry & Associates, Inc.	United States	(1,009)	(175,294)
London Stock Exchange Group PLC	United Kingdom	(5,671)	(679,853)
Nasdaq, Inc.	United States	(4,702)	(296,696)
Square, Inc., A	United States	(7,179)	(607,200)
Toast, Inc.	United States	(4,553)	(113,461)
			<u>(5,533,678)</u>
Food, Beverage & Tobacco 2.51%			
Darling Ingredients, Inc.	United States	(2,180)	(101,392)
Heineken NV	Netherlands	(3,891)	(375,432)
Hormel Foods Corp.	United States	(4,104)	(143,189)
Kerry Group PLC	Ireland	(2,143)	(183,859)
Keurig Dr Pepper, Inc.	United States	(4,218)	(129,366)
McCormick & Co, Inc.	United States	(3,419)	(262,613)
Mowi ASA	Norway	(6,623)	(121,458)
Pernod Ricard SA	France	(2,732)	(442,436)
Treasury Wine Estates Ltd.	Australia	(11,117)	(90,296)
			<u>(1,850,041)</u>

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Reference Entity – Short (continued)			
Health Care Equipment & Services 4.53%			
Baxter International, Inc.	United States	(7,058)	\$ (301,659)
Coloplast A/S	Denmark	(1,695)	(228,831)
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	(7,801)	(119,687)
Henry Schein, Inc.	United States	(1,802)	(136,087)
Humana, Inc.	United States	(1,667)	(577,982)
Insulet Corp.	United States	(924)	(158,374)
Quest Diagnostics, Inc.	United States	(1,515)	(201,662)
Ramsay Health Care Ltd.	Australia	(2,586)	(95,338)
ResMed, Inc.	United States	(2,005)	(397,050)
Sonic Healthcare Ltd.	Australia	(6,259)	(120,092)
UnitedHealth Group, Inc.	United States	(2,015)	(996,820)
			(3,333,582)
Household & Personal Products 0.27%			
Essity AB, B	Sweden	(8,220)	(195,418)
Insurance 1.68%			
ASR Nederland NV	Netherlands	(2,166)	(106,180)
Cincinnati Financial Corp.	United States	(2,133)	(264,855)
Markel Corp.	United States	(172)	(261,694)
Prudential PLC	Hong Kong	(34,872)	(327,307)
Suncorp Group Ltd.	Australia	(16,985)	(181,507)
Tryg A/S	Denmark	(4,710)	(96,976)
			(1,238,519)
Materials 7.60%			
Albemarle Corp.	United States	(1,593)	(209,862)
Anglo American PLC	United Kingdom	(17,487)	(431,161)
Antofagasta PLC	United Kingdom	(5,262)	(135,537)
Ball Corp.	United States	(4,305)	(289,985)
Boliden AB	Sweden	(3,648)	(101,413)
Corteva, Inc.	United States	(9,561)	(551,383)
Croda International PLC	United Kingdom	(1,872)	(115,923)
First Quantum Minerals Ltd.	Canada	(9,600)	(103,289)
FMC Corp.	United States	(1,700)	(108,290)
Franco-Nevada Corp.	Canada	(2,600)	(310,098)
Freeport-McMoRan, Inc.	United States	(19,408)	(912,564)
Ivanhoe Mines Ltd.	Canada	(8,700)	(103,892)
Mineral Resources Ltd.	Australia	(2,427)	(112,214)
Newmont Corp.	United States	(15,819)	(566,953)
Norsk Hydro ASA	Norway	(18,011)	(98,617)
Northern Star Resources Ltd.	Australia	(16,156)	(152,516)
Novozymes A/S	Denmark	(4,966)	(291,352)
Pilbara Minerals Ltd.	Australia	(38,166)	(95,365)
SIG Group AG	Switzerland	(4,218)	(93,660)
South32 Ltd.	Australia	(63,332)	(123,953)
Stora Enso Oyj	Finland	(7,863)	(109,420)
Svenska Cellulosa AB	Sweden	(8,051)	(123,710)
Symrise AG	Germany	(1,781)	(213,410)
Teck Resources Ltd., B	Canada	(5,300)	(242,823)
			(5,597,390)
Media & Entertainment 3.01%			
Charter Communications, Inc., A	United States	(1,262)	(366,775)
Informa PLC	United Kingdom	(18,603)	(195,334)
Liberty Broadband Corp.	United States	(1,592)	(91,110)
ROBLOX Corp.	United States	(5,812)	(221,902)
Roku, Inc.	United States	(1,688)	(110,007)
Sea Ltd., ADR	Singapore	(5,100)	(273,921)

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Reference Entity – Short (continued)			
Media & Entertainment (continued)			
Trade Desk, Inc.	United States	(6,230)	\$ (544,626)
Warner Bros Discovery, Inc.	United States	(31,357)	(273,747)
WPP PLC	United Kingdom	(14,515)	(138,181)
			(2,215,603)
Pharmaceuticals, Biotechnology & Life Sciences 8.08%			
Alnylam Pharmaceuticals, Inc.	United States	(1,759)	(262,883)
Argenx SE	Netherlands	(816)	(322,637)
Astellas Pharma, Inc.	Japan	(24,900)	(270,396)
AstraZeneca PLC	United Kingdom	(8,021)	(1,081,951)
Bayer AG	Germany	(13,441)	(412,698)
BioMarin Pharmaceutical, Inc.	United States	(1,842)	(160,880)
Catalent, Inc.	United States	(2,241)	(126,504)
Eisai Co. Ltd.	Japan	(3,200)	(131,430)
Illumina, Inc.	United States	(2,233)	(306,636)
Johnson & Johnson	United States	(3,829)	(605,710)
Merck KGaA	Germany	(1,709)	(301,960)
Moderna, Inc.	United States	(4,006)	(426,879)
Pfizer, Inc.	United States	(39,485)	(1,095,709)
Roche Holding AG	Switzerland	(428)	(115,470)
Sartorius Stedim Biotech	France	(393)	(112,179)
UCB SA	Belgium	(1,750)	(216,216)
			(5,950,138)
Real Estate Management & Development 0.72%			
CoStar Group, Inc.	United States	(5,488)	(530,141)
Semiconductors & Semiconductor Equipment 5.20%			
ASM International NV	Netherlands	(665)	(406,430)
Enphase Energy, Inc.	United States	(2,008)	(242,928)
Entegris, Inc.	United States	(2,098)	(294,853)
First Solar, Inc.	United States	(1,400)	(236,320)
Lattice Semiconductor Corp.	United States	(1,905)	(149,028)
Marvell Technology, Inc.	United States	(14,064)	(996,856)
Qorvo, Inc.	United States	(1,069)	(122,753)
Teradyne, Inc.	United States	(2,133)	(240,666)
Texas Instruments, Inc.	United States	(6,541)	(1,139,508)
			(3,829,342)
Software & Services 2.46%			
Cloudflare, Inc., A	United States	(4,232)	(409,784)
Dassault Systemes SE	France	(9,158)	(405,912)
MongoDB, Inc.	United States	(1,089)	(390,559)
Okta Inc., A	United States	(2,237)	(234,035)
Twilio, Inc., A	United States	(2,320)	(141,868)
Unity Software, Inc.	United States	(3,567)	(95,239)
WiseTech Global Ltd.	Australia	(2,222)	(136,193)
			(1,813,590)
Technology Hardware & Equipment 4.98%			
Apple, Inc.	United States	(5,777)	(990,640)
Corning, Inc.	United States	(11,023)	(363,318)
Halma PLC	United Kingdom	(5,196)	(155,432)
Hexagon AB	Sweden	(27,239)	(322,763)
Keyence Corp.	Japan	(2,400)	(1,102,752)
Omron Corp.	Japan	(2,500)	(89,382)
Telefonaktiebolaget LM Ericsson	Sweden	(39,294)	(211,820)
Trimble, Inc.	United States	(3,364)	(216,507)

Franklin Systematic Style Premia ETF (continued)

	Country	Shares	Value
Reference Entity – Short (continued)			
Technology Hardware & Equipment (continued)			
Zebra Technologies Corp.	United States	(711)	\$ (214,324)
			<u>(3,666,938)</u>
Telecommunication Services 1.27%			
Cellnex Telecom SA	Spain	(6,396)	(226,365)
Elisa Oyj	Finland	(1,957)	(87,396)
Rogers Communications, Inc.	Canada	(5,000)	(205,062)
Singapore Telecommunications Ltd.	Singapore	(112,100)	(210,146)
Telenor ASA	Norway	(8,784)	(97,770)
TELUS Corp.	Canada	(6,800)	(108,890)
			<u>(935,629)</u>
Transportation 1.32%			
DSV A/S	Denmark	(2,373)	(385,507)
Kuehne + Nagel International AG	Switzerland	(737)	(205,382)
Transurban Group	Australia	(43,866)	(381,194)
			<u>(972,083)</u>
Utilities 3.63%			
Alliant Energy Corp.	United States	(3,522)	(177,509)
APA Group	Australia	(17,482)	(95,918)
Dominion Energy, Inc.	United States	(11,729)	(576,949)
DTE Energy Co.	United States	(2,456)	(275,416)
EDP - Energias de Portugal SA	Portugal	(45,131)	(175,957)
NextEra Energy, Inc.	United States	(10,749)	(686,969)
Origin Energy Ltd.	Australia	(23,441)	(140,695)
Orsted AS	Denmark	(2,692)	(149,830)
Public Service Enterprise Group, Inc.	United States	(4,129)	(275,735)
Severn Trent PLC	United Kingdom	(3,737)	(116,603)
			<u>(2,671,581)</u>
Total Value of Reference Entity — Morgan Stanley Capital Services LLC			<u>\$ (73,629,597)</u>

See Note 9 regarding other derivative information.
See Abbreviations on page 275

Financial Highlights

Franklin U.S. Core Bond ETF

	Year Ended March 31,				Period Ended March 31,
	2024	2023	2022	2021	2020 ^a
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$21.74	\$23.43	\$25.14	\$25.44	\$25.00
Income from investment operations ^b :					
Net investment income ^c	0.76	0.55	0.45	0.51	0.29
Net realized and unrealized gains (losses)	(0.41)	(1.70)	(1.61)	0.03	0.49
Total from investment operations	0.35	(1.15)	(1.16)	0.54	0.78
Less distributions from:					
Net investment income	(0.76)	(0.54)	(0.50)	(0.65)	(0.31)
Net realized gains	—	—	(0.05)	(0.19)	(0.03)
Total distributions	(0.76)	(0.54)	(0.55)	(0.84)	(0.34)
Net asset value, end of year	\$21.33	\$21.74	\$23.43	\$25.14	\$25.44
Total return ^d	1.69%	(4.88)%	(4.72)%	2.07%	3.12%
Ratios to average net assets^e					
Expenses before waiver and payments by affiliates	0.15%	0.15%	0.16%	0.17%	0.19%
Expenses net of waiver and payments by affiliates	0.15%	0.14%	0.15%	0.15%	0.15%
Net investment income	3.60%	2.51%	1.80%	1.95%	2.14%
Supplemental data					
Net assets, end of year (000's)	\$1,776,612	\$1,511,691	\$1,509,961	\$1,460,597	\$853,532
Portfolio turnover rate ^f	37.74% ^g	68.70% ^g	69.88% ^g	90.99% ^g	126.68% ^g

^aFor the period September 17, 2019 (commencement of operations) to March 31, 2020.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 37.74% 68.70% 69.88% 90.99% 126.68%

Schedule of Investments, March 31, 2024

Franklin U.S. Core Bond ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 30.0%			
Aerospace & Defense 0.5%			
Boeing Co., 3.50%, 3/01/39	United States	5,000,000	\$ 3,712,654
Northrop Grumman Corp., 4.03%, 10/15/47	United States	7,400,000	6,056,811
			9,769,465
Agriculture 0.9%			
Altria Group, Inc., 3.40%, 5/06/30	United States	5,000,000	4,544,323
^a Cargill, Inc., 2.125%, 11/10/31	United States	5,000,000	4,099,524
^a Imperial Brands Finance PLC, 3.50%, 7/26/26	United Kingdom	4,000,000	3,818,512
Philip Morris International, Inc., 5.375%, 2/15/33	United States	3,600,000	3,631,116
			16,093,475
Airlines 0.6%			
American Airlines Pass-Through Trust, Series 2016-3, Class A, 3.25%, 4/15/30	United States	3,969,776	3,590,916
^a Delta Air Lines, Inc./SkyMiles IP Ltd., first lien, 4.50%, 10/20/25	United States	4,492,040	4,447,238
United Airlines Pass-Through Trust, Series 2019-2, Class A, 2.90%, 11/01/29	United States	827,684	735,799
Series 2020-1, Class A, 5.875%, 4/15/29	United States	59,897	59,761
Series 2020-1, Class B, 4.875%, 7/15/27	United States	1,334,400	1,313,805
			10,147,519
Apparel 0.2%			
Tapestry, Inc., 7.85%, 11/27/33	United States	2,500,000	2,715,422
Auto Manufacturers 0.1%			
^a Hyundai Capital America, 5.35%, 3/19/29	United States	885,000	888,708
Banks 6.4%			
Bank of America Corp., 1.922% to 10/24/30, FRN thereafter, 10/24/31	United States	2,800,000	2,282,330
2.592% to 4/29/30, FRN thereafter, 4/29/31	United States	3,000,000	2,587,511
3.974% to 2/07/29, FRN thereafter, 2/07/30	United States	8,200,000	7,774,008
4.948% to 7/22/27, FRN thereafter, 7/22/28	United States	2,700,000	2,680,411
5.468% to 1/23/34, FRN thereafter, 1/23/35	United States	1,000,000	1,006,897
^a BNP Paribas SA, 2.819% to 11/19/24, FRN thereafter, 11/19/25	France	2,200,000	2,157,885
^a BPCE SA, 2.045% to 10/19/26, FRN thereafter, 10/19/27	France	3,700,000	3,376,871
Citigroup, Inc., 4.45%, 9/29/27	United States	1,500,000	1,459,616
4.125%, 7/25/28	United States	2,300,000	2,205,535
3.057% to 1/25/32, FRN thereafter, 1/25/33	United States	1,800,000	1,530,870
Deutsche Bank AG, 5.371%, 9/09/27	Germany	3,700,000	3,723,232
Goldman Sachs Group, Inc., 1.948% to 10/21/26, FRN thereafter, 10/21/27	United States	5,200,000	4,781,226
3.691% to 6/05/27, FRN thereafter, 6/05/28	United States	2,500,000	2,392,669
2.64% to 2/24/27, FRN thereafter, 2/24/28	United States	5,200,000	4,844,571
HSBC Holdings PLC, 2.013% to 9/22/27, FRN thereafter, 9/22/28	United Kingdom	4,100,000	3,666,915
2.357% to 8/18/30, FRN thereafter, 8/18/31	United Kingdom	1,300,000	1,084,290
0.976% to 5/24/24, FRN thereafter, 5/24/25	United Kingdom	4,800,000	4,763,248
JPMorgan Chase & Co., 2.956% to 5/13/30, FRN thereafter, 5/13/31	United States	5,000,000	4,372,266
2.522% to 4/22/30, FRN thereafter, 4/22/31	United States	2,000,000	1,729,234
1.953% to 2/04/31, FRN thereafter, 2/04/32	United States	2,000,000	1,630,215
6.087% to 10/23/28, FRN thereafter, 10/23/29	United States	1,550,000	1,611,986

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Banks (continued)			
KeyBank NA, 4.15%, 8/08/25	United States	2,500,000	\$ 2,430,934
Mizuho Financial Group, Inc., 5.778% to 7/06/28, FRN thereafter, 7/06/29	Japan	2,700,000	2,760,494
Morgan Stanley,			
2.239% to 7/21/31, FRN thereafter, 7/21/32	United States	4,000,000	3,268,616
3.622% to 4/01/30, FRN thereafter, 4/01/31	United States	4,300,000	3,945,202
3.95%, 4/23/27	United States	3,600,000	3,476,920
5.466% to 1/18/34, FRN thereafter, 1/18/35	United States	1,000,000	1,009,318
PNC Financial Services Group, Inc., 5.676% to 1/22/34, FRN thereafter, 1/22/35	United States	1,050,000	1,060,038
Santander U.K. Group Holdings PLC, 1.673% to 6/14/26, FRN thereafter, 6/14/27	United Kingdom	3,200,000	2,928,147
^a Societe Generale SA, 1.792% to 6/09/26, FRN thereafter, 6/09/27	France	4,300,000	3,940,134
Toronto-Dominion Bank, 4.693%, 9/15/27	Canada	4,700,000	4,657,353
Truist Financial Corp., 5.90% to 10/28/25, FRN thereafter, 10/28/26	United States	3,850,000	3,870,251
^a UBS Group AG, 6.373% to 7/15/25, FRN thereafter, 7/15/26	Switzerland	550,000	554,048
Wells Fargo & Co.,			
2.879% to 10/30/29, FRN thereafter, 10/30/30	United States	10,300,000	9,108,504
3.35% to 3/02/32, FRN thereafter, 3/02/33	United States	6,000,000	5,207,753
4.54% to 8/15/25, FRN thereafter, 8/15/26	United States	1,600,000	1,580,006
5.198% to 1/23/29, FRN thereafter, 1/23/30	United States	2,250,000	2,245,909
			113,705,413
Banks 0.8%			
^a ABN AMRO Bank NV, 6.339% to 9/18/26, FRN thereafter, 9/18/27	Netherlands	1,100,000	1,119,304
^a BNP Paribas SA, 5.176% to 1/09/29, FRN thereafter, 1/09/30	France	4,400,000	4,402,273
^a Danske Bank AS, 5.705% to 3/01/29, FRN thereafter, 3/01/30	Denmark	4,000,000	4,027,127
JPMorgan Chase & Co., 5.336% to 1/23/34, FRN thereafter, 1/23/35	United States	1,300,000	1,305,574
U.S. Bancorp, 5.727% to 10/21/25, FRN thereafter, 10/21/26	United States	1,700,000	1,709,682
UBS Group AG, 4.55%, 4/17/26	Switzerland	950,000	935,058
			13,499,018
Beverages 0.3%			
Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc., 4.70%, 2/01/36	Belgium	1,800,000	1,741,161
Anheuser-Busch InBev Worldwide, Inc., 4.439%, 10/06/48	Belgium	4,000,000	3,562,686
			5,303,847
Biotechnology 0.9%			
Amgen, Inc.,			
4.663%, 6/15/51	United States	2,000,000	1,772,696
5.25%, 3/02/33	United States	3,400,000	3,430,140
Bio-Rad Laboratories, Inc., 3.30%, 3/15/27	United States	500,000	474,337
Illumina, Inc., 5.80%, 12/12/25	United States	3,000,000	3,006,233
Regeneron Pharmaceuticals, Inc., 1.75%, 9/15/30	United States	4,000,000	3,275,294
Royalty Pharma PLC, 2.20%, 9/02/30	United Kingdom	5,000,000	4,156,637
			16,115,337
Building Products 0.1%			
NVR, Inc., 3.00%, 5/15/30	United States	2,500,000	2,221,487
Commercial Services & Supplies 0.3%			
^a Ashtead Capital, Inc., 5.80%, 4/15/34	United Kingdom	600,000	599,666
Boardwalk Pipelines LP, 4.80%, 5/03/29	United States	3,950,000	3,894,410
			4,494,076
Diversified Telecommunication Services 0.8%			
America Movil SAB de CV, 2.875%, 5/07/30	Mexico	3,800,000	3,362,011
Orange SA, 9.00%, 3/01/31	France	3,000,000	3,643,023

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Diversified Telecommunication Services (continued)			
Verizon Communications, Inc.,			
1.75%, 1/20/31	United States	5,000,000	\$ 4,060,172
2.85%, 9/03/41	United States	3,900,000	2,809,820
			13,875,026
Electric 0.9%			
Constellation Energy Generation LLC, 6.125%, 1/15/34	United States	1,050,000	1,109,465
DTE Energy Co., 4.875%, 6/01/28	United States	2,800,000	2,769,795
Duke Energy Corp., 2.45%, 6/01/30	United States	3,900,000	3,361,950
Duke Energy Ohio, Inc., 5.25%, 4/01/33	United States	500,000	505,829
^a Electricite de France SA, 5.70%, 5/23/28	France	600,000	608,951
Public Service Enterprise Group, Inc., 2.45%, 11/15/31	United States	5,000,000	4,137,782
Xcel Energy, Inc., 5.45%, 8/15/33	United States	3,300,000	3,282,020
			15,775,792
Electric Utilities 1.9%			
Baltimore Gas & Electric Co., 3.50%, 8/15/46	United States	1,400,000	1,050,148
^a Comision Federal de Electricidad, 3.348%, 2/09/31	Mexico	3,800,000	3,182,211
Duke Energy Corp., 3.75%, 9/01/46	United States	5,000,000	3,778,512
^a EDP Finance BV, 1.71%, 1/24/28	Netherlands	4,500,000	3,972,600
Enel Finance International NV,			
^a 3.50%, 4/06/28	Netherlands	2,700,000	2,545,636
^a 2.25%, 7/12/31	Netherlands	3,500,000	2,835,692
Exelon Corp., 4.05%, 4/15/30	United States	4,500,000	4,246,174
Georgia Power Co., Series 2010-C, 4.75%, 9/01/40	United States	1,400,000	1,296,796
MidAmerican Energy Co., 3.65%, 8/01/48	United States	1,100,000	846,327
^a Perusahaan Perseroan Persero PT Perusahaan Listrik Negara, 4.875%, 7/17/49	Indonesia	750,000	635,399
Southern Co., Series A, 3.70%, 4/30/30	United States	6,000,000	5,566,502
Virginia Electric & Power Co., Series B, 3.80%, 9/15/47	United States	5,100,000	3,950,069
			33,906,066
Electronic Equipment, Instruments & Components 0.3%			
Flex Ltd., 4.875%, 5/12/30	Singapore	3,000,000	2,920,766
Teledyne FLIR LLC, 2.50%, 8/01/30	United States	3,000,000	2,552,095
			5,472,861
Energy Equipment & Services 0.3%			
Kinder Morgan, Inc., 2.00%, 2/15/31	United States	4,100,000	3,374,894
MPLX LP, 2.65%, 8/15/30	United States	2,500,000	2,151,500
			5,526,394
Entertainment 0.2%			
Warnermedia Holdings, Inc.,			
4.279%, 3/15/32	United States	3,000,000	2,681,234
4.054%, 3/15/29	United States	900,000	842,786
			3,524,020
Financial Services 0.2%			
AerCap Ireland Capital DAC/AerCap Global Aviation Trust, 3.40%, 10/29/33	Ireland	3,500,000	2,949,734
Food 0.5%			
JBS USA LUX SA/JBS USA Food Co./JBS USA Finance, Inc., 5.75%, 4/01/33	United States	3,700,000	3,647,504
Sysco Corp., 5.95%, 4/01/30	United States	4,600,000	4,797,647
			8,445,151

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Food Products 0.1%			
Kraft Heinz Foods Co., 3.75%, 4/01/30	United States	2,000,000	\$ 1,877,193
Ground Transportation 0.2%			
Burlington Northern Santa Fe LLC, 4.90%, 4/01/44	United States	1,100,000	1,046,394
4.15%, 4/01/45	United States	2,300,000	1,965,507
CSX Corp., 4.25%, 11/01/66	United States	1,000,000	809,138
			3,821,039
Health Care Providers & Services 1.6%			
CVS Health Corp., 4.875%, 7/20/35	United States	1,400,000	1,347,286
Elevance Health, Inc., 5.10%, 1/15/44	United States	2,000,000	1,904,307
HCA, Inc., 3.625%, 3/15/32	United States	6,500,000	5,756,323
IQVIA, Inc., 6.25%, 2/01/29	United States	5,200,000	5,403,554
Quest Diagnostics, Inc., 2.80%, 6/30/31	United States	6,800,000	5,830,358
STERIS Irish FinCo UnLtd Co., 2.70%, 3/15/31	Ireland	5,000,000	4,269,379
UnitedHealth Group, Inc., 2.00%, 5/15/30	United States	3,000,000	2,550,883
3.05%, 5/15/41	United States	2,500,000	1,893,809
			28,955,899
Health Care Services 0.2%			
Elevance Health, Inc., 2.55%, 3/15/31	United States	5,000,000	4,273,817
Healthcare-Products 0.8%			
Baxter International, Inc., 2.539%, 2/01/32	United States	6,400,000	5,290,968
Boston Scientific Corp., 2.65%, 6/01/30	United States	6,000,000	5,287,188
GE HealthCare Technologies, Inc., 5.905%, 11/22/32	United States	4,200,000	4,412,124
			14,990,280
Home Builders 0.1%			
Toll Brothers Finance Corp., 3.80%, 11/01/29	United States	2,800,000	2,613,614
Household Products 0.1%			
Haleon U.S. Capital LLC, 3.625%, 3/24/32	United States	2,500,000	2,254,478
Insurance 2.4%			
^a AIA Group Ltd., 4.95%, 4/04/33	Hong Kong	1,600,000	1,597,554
Aon Corp., 2.80%, 5/15/30	United States	7,000,000	6,172,376
Aon Corp./Aon Global Holdings PLC, 5.35%, 2/28/33	United States	2,000,000	2,011,746
Berkshire Hathaway Finance Corp., 3.85%, 3/15/52	United States	2,500,000	2,023,434
Corebridge Financial, Inc., 3.90%, 4/05/32	United States	1,500,000	1,350,614
^a 6.05%, 9/15/33	United States	2,400,000	2,474,588
^a Corebridge Global Funding, 5.90%, 9/19/28	United States	2,000,000	2,051,411
^a Five Corners Funding Trust II, 2.85%, 5/15/30	United States	7,000,000	6,141,461
Marsh & McLennan Cos., Inc., 4.90%, 3/15/49	United States	3,000,000	2,795,979
MetLife, Inc., 5.875%, 2/06/41	United States	1,100,000	1,158,639
^a Metropolitan Life Global Funding I, 4.30%, 8/25/29	United States	1,400,000	1,351,045
^a New York Life Global Funding, 4.85%, 1/09/28	United States	5,200,000	5,185,344
Progressive Corp., 3.70%, 3/15/52	United States	3,000,000	2,343,888
Reinsurance Group of America, Inc., 3.90%, 5/15/29	United States	2,250,000	2,125,134
^a RGF Global Funding, 5.50%, 1/11/31	United States	2,100,000	2,107,211
^a Sammons Financial Group, Inc., 6.875%, 4/15/34	United States	2,500,000	2,519,392
			43,409,816
Internet Software & Services 0.1%			
^{a,b} Tencent Holdings Ltd., 3.925%, 1/19/38	Cayman Islands	2,000,000	1,717,314

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
IT Services 0.3%			
Fiserv, Inc., 3.50%, 7/01/29	United States	1,800,000	\$ 1,676,791
2.65%, 6/01/30	United States	4,700,000	4,095,838
			5,772,629
Lodging 0.1%			
Marriott International, Inc., 5.30%, 5/15/34	United States	1,400,000	1,385,233
Media 1.2%			
Charter Communications Operating LLC/Charter Communications Operating Capital,			
2.80%, 4/01/31	United States	5,000,000	4,099,213
3.50%, 3/01/42	United States	1,500,000	1,001,851
Comcast Corp.,			
4.25%, 1/15/33	United States	4,000,000	3,789,046
1.50%, 2/15/31	United States	3,000,000	2,423,421
Fox Corp., 6.50%, 10/13/33	United States	5,100,000	5,404,022
NBCUniversal Media LLC, 4.45%, 1/15/43	United States	1,100,000	977,662
Walt Disney Co., 2.75%, 9/01/49	United States	5,000,000	3,323,873
			21,019,088
Metals & Mining 0.1%			
^a Corp. Nacional del Cobre de Chile, 4.50%, 8/01/47	Chile	1,160,000	920,697
Multi-Utilities 0.2%			
Berkshire Hathaway Energy Co., 5.15%, 11/15/43	United States	3,000,000	2,931,640
Oil & Gas 0.9%			
BP Capital Markets America, Inc., 4.893%, 9/11/33	United States	5,300,000	5,265,498
ConocoPhillips Co., 5.05%, 9/15/33	United States	6,000,000	6,058,193
^a Var Energi ASA, 8.00%, 11/15/32	Norway	3,800,000	4,271,075
			15,594,766
Oil, Gas & Consumable Fuels 0.6%			
^a Aker BP ASA, 3.10%, 7/15/31	Norway	4,700,000	4,019,114
Cheniere Corpus Christi Holdings LLC, 5.875%, 3/31/25	United States	2,200,000	2,200,919
^a Pertamina Persero PT, 4.70%, 7/30/49	Indonesia	1,000,000	859,392
Sabine Pass Liquefaction LLC, 4.20%, 3/15/28	United States	4,000,000	3,874,659
			10,954,084
Packaging & Containers 0.2%			
Ancor Flexibles North America, Inc., 2.63%, 6/19/30	United States	3,500,000	3,017,299
Paper & Forest Products 0.1%			
Suzano Austria GmbH, 3.125%, 1/15/32	Austria	1,300,000	1,080,767
Pharmaceuticals 1.5%			
AbbVie, Inc.,			
4.05%, 11/21/39	United States	3,000,000	2,672,901
4.75%, 3/15/45	United States	1,000,000	942,514
^a Bayer U.S. Finance II LLC, 4.375%, 12/15/28	Germany	5,500,000	5,179,589
Bristol-Myers Squibb Co.,			
4.125%, 6/15/39	United States	3,200,000	2,837,374
2.55%, 11/13/50	United States	6,000,000	3,696,270
Cigna Group, 4.90%, 12/15/48	United States	3,300,000	3,008,117
CVS Health Corp., 1.875%, 2/28/31	United States	6,000,000	4,892,206
Pfizer Investment Enterprises Pte. Ltd., 4.75%, 5/19/33	United States	1,700,000	1,674,662
Takeda Pharmaceutical Co. Ltd., 2.05%, 3/31/30	Japan	2,600,000	2,205,452
			27,109,085

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Corporate Bonds & Notes (continued)			
Pipelines 0.6%			
^a Cheniere Energy, Inc., 5.65%, 4/15/34	United States	2,700,000	\$ 2,720,968
Energy Transfer LP			
6.40%, 12/01/30	United States	5,800,000	6,126,410
5.55%, 5/15/34	United States	2,300,000	2,308,443
			<u>11,155,821</u>
Real Estate Investment Trusts (REITs) 0.1%			
Alexandria Real Estate Equities, Inc., 5.25%, 5/15/36	United States	1,340,000	1,315,714
^a Prologis Targeted U.S. Logistics Fund LP, 5.25%, 4/01/29	United States	1,200,000	1,197,402
			<u>2,513,116</u>
Real Estate Management & Development 0.1%			
Simon Property Group LP, 2.20%, 2/01/31	United States	2,000,000	1,663,686
Retail 0.3%			
Dollar Tree, Inc., 4.20%, 5/15/28	United States	5,000,000	4,834,735
Target Corp., 2.95%, 1/15/52	United States	1,300,000	883,399
			<u>5,718,134</u>
Software 0.4%			
ServiceNow, Inc., 1.40%, 9/01/30	United States	8,000,000	6,476,174
Telecommunications 0.8%			
AT&T, Inc., 2.55%, 12/01/33	United States	12,800,000	10,256,758
Motorola Solutions, Inc., 5.40%, 4/15/34	United States	3,900,000	3,893,788
			<u>14,150,546</u>
Transportation 0.2%			
CSX Corp., 4.50%, 11/15/52	United States	3,000,000	2,655,842
Union Pacific Corp., 3.20%, 5/20/41	United States	2,000,000	1,560,200
			<u>4,216,042</u>
Wireless Telecommunication Services 0.5%			
T-Mobile USA, Inc.,			
3.75%, 4/15/27	United States	5,000,000	4,816,684
3.875%, 4/15/30	United States	3,000,000	2,811,231
Vodafone Group PLC, 4.875%, 6/19/49	United Kingdom	1,000,000	895,926
			<u>8,523,841</u>
Total Corporate Bonds & Notes (Cost \$558,685,917)			<u>532,544,909</u>
U.S. Government & Agency Securities 61.6%			
Federal Farm Credit Banks Funding Corp., 2.10%, 2/25/36	United States	4,000,000	3,012,246
Federal Home Loan Mortgage Corp.,			
2.00%, 4/01/37	United States	4,573,047	4,052,986
2.00%, 3/01/51	United States	28,218,333	22,517,719
2.00%, 5/01/51	United States	10,874,257	8,649,114
2.00%, 9/01/51	United States	912,111	723,062
2.00%, 1/01/52	United States	2,571,653	2,036,507
2.00%, 1/01/52	United States	749,007	593,143
2.00%, 3/01/52	United States	438,822	347,512
2.00%, 4/01/52	United States	4,917,921	3,897,765
2.50%, 4/01/37	United States	3,506,547	3,193,241
2.50%, 4/01/37	United States	1,391,035	1,265,718
2.50%, 5/01/37	United States	3,686,692	3,357,280
2.50%, 1/01/52	United States	610,097	504,708
2.50%, 3/01/52	United States	6,598,376	5,470,046
2.50%, 4/01/52	United States	15,292,882	12,665,867
3.00%, 4/01/37	United States	448,489	417,420
3.00%, 6/01/37	United States	3,874,283	3,605,862

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
U.S. Government & Agency Securities (continued)			
3.00%, 8/01/37	United States	493,645	\$ 459,449
3.00%, 9/01/37	United States	659,544	613,851
3.00%, 3/01/50	United States	13,481,287	11,812,933
3.00%, 3/01/50	United States	5,198,031	4,567,869
3.00%, 10/01/51	United States	586,911	505,329
3.00%, 7/01/52	United States	3,237,835	2,789,624
3.00%, 7/01/52	United States	399,387	343,828
3.50%, 2/01/47	United States	1,332,978	1,215,875
3.50%, 2/01/47	United States	2,539,437	2,316,358
3.50%, 3/01/48	United States	1,624,415	1,481,684
3.50%, 3/01/48	United States	3,287,873	3,011,208
3.50%, 4/01/52	United States	2,984,087	2,671,818
3.50%, 5/01/52	United States	6,807,471	6,095,299
3.50%, 6/01/52	United States	4,826,233	4,323,300
3.50%, 6/01/52	United States	2,568,524	2,299,826
3.50%, 12/01/52	United States	3,097,940	2,773,964
4.00%, 11/01/37	United States	5,050,883	4,895,872
4.00%, 11/01/45	United States	2,302,158	2,181,324
4.00%, 6/01/48	United States	4,750,882	4,496,359
4.00%, 5/01/50	United States	5,144,546	4,874,488
4.00%, 9/01/52	United States	4,513,876	4,183,220
4.00%, 10/01/52	United States	3,480,075	3,224,091
4.00%, 5/01/53	United States	4,548,897	4,217,253
4.00%, 8/01/53	United States	4,540,495	4,207,636
4.00%, 11/01/53	United States	3,550,192	3,288,387
4.50%, 8/01/52	United States	674,038	642,103
6.50%, 3/01/54	United States	3,953,828	4,040,929
Federal National Mortgage Association,			
1.50%, 9/01/51	United States	4,131,114	3,123,678
2.00%, 5/01/36	United States	9,726,763	8,651,632
2.00%, 4/01/37	United States	4,415,571	3,913,454
2.00%, 4/01/37	United States	423,281	375,144
2.00%, 7/01/51	United States	20,811,888	16,563,850
2.00%, 8/01/51	United States	13,682,766	10,873,343
2.00%, 2/01/52	United States	2,975,341	2,356,784
2.00%, 2/01/52	United States	1,484,356	1,176,379
2.00%, 3/01/52	United States	18,901,079	14,981,084
2.50%, 7/01/37	United States	4,085,261	3,729,701
2.50%, 2/01/51	United States	1,102,552	912,260
2.50%, 4/01/51	United States	25,421,373	21,152,827
2.50%, 7/01/51	United States	6,798,496	5,648,784
2.50%, 8/01/51	United States	4,246,640	3,527,595
2.50%, 12/01/51	United States	15,089,324	12,519,142
2.50%, 2/01/52	United States	1,540,356	1,277,421
2.50%, 3/01/52	United States	11,044,015	9,144,765
2.50%, 4/01/52	United States	4,964,546	4,110,854
2.50%, 5/01/52	United States	3,963,682	3,279,460
3.00%, 9/01/37	United States	496,867	462,445
3.00%, 9/01/37	United States	4,039,356	3,769,384
3.00%, 10/01/37	United States	4,287,316	3,990,291
3.00%, 4/01/50	United States	5,562,071	4,888,639
3.00%, 9/01/50	United States	4,545,852	3,966,224
3.00%, 7/01/51	United States	716,709	617,127
3.00%, 11/01/51	United States	5,108,661	4,415,584
3.00%, 1/01/52	United States	2,458,195	2,117,789
3.00%, 2/01/52	United States	539,724	464,713
3.00%, 3/01/52	United States	4,881,653	4,203,025
3.00%, 3/01/52	United States	717,189	617,523

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
U.S. Government & Agency Securities (continued)			
3.00%, 5/01/52	United States	4,885,181	\$ 4,210,036
3.00%, 5/01/52	United States	4,100,383	3,532,641
3.50%, 6/01/49	United States	569,250	519,316
3.50%, 8/01/49	United States	9,075,580	8,281,412
3.50%, 11/01/52	United States	4,522,791	4,051,415
4.00%, 2/01/49	United States	372,947	354,340
4.00%, 3/01/53	United States	749,629	695,162
4.00%, 1/01/54	United States	4,054,696	3,755,784
4.50%, 7/01/47	United States	4,862,964	4,745,437
4.50%, 5/01/48	United States	2,488,630	2,424,148
4.50%, 12/01/48	United States	3,460,036	3,357,146
4.50%, 2/01/50	United States	1,481,585	1,435,726
4.50%, 11/01/52	United States	6,531,034	6,221,604
5.00%, 10/01/52	United States	3,350,865	3,273,085
5.00%, 1/01/53	United States	5,488,086	5,360,698
5.00%, 5/01/53	United States	3,401,473	3,321,112
5.00%, 8/01/53	United States	4,474,178	4,366,860
5.50%, 5/01/53	United States	8,600,056	8,562,111
6.00%, 8/01/53	United States	14,288,882	14,429,264
Government National Mortgage Association,			
2.00%, 10/20/50	United States	13,058,794	10,715,041
2.00%, 4/20/52	United States	4,988,111	4,090,823
2.00%, 5/20/52	United States	10,433,759	8,556,870
2.00%, 6/20/52	United States	5,007,809	4,107,441
2.50%, 4/20/52	United States	8,788,670	7,488,134
2.50%, 6/20/52	United States	5,013,973	4,272,057
3.50%, 10/20/47	United States	6,460,643	5,951,835
4.00%, 6/20/52	United States	6,870,958	6,430,666
5.50%, 5/20/53	United States	7,373,536	7,371,567
6.50%, 12/20/53	United States	3,166,779	3,222,852
U.S. Treasury Bonds,			
1.125%, 8/15/40	United States	21,200,000	13,129,922
1.25%, 5/15/50	United States	22,465,000	11,497,517
1.375%, 8/15/50	United States	68,475,000	36,182,083
2.00%, 11/15/41	United States	39,050,000	27,408,219
2.00%, 2/15/50	United States	17,200,000	10,778,219
2.25%, 8/15/46	United States	10,314,000	7,062,471
2.25%, 8/15/49	United States	2,050,000	1,367,694
2.75%, 8/15/42	United States	16,450,000	12,914,535
2.75%, 11/15/42	United States	12,800,000	10,023,000
2.75%, 11/15/47	United States	5,620,000	4,201,169
3.00%, 11/15/44	United States	8,595,000	6,885,736
3.00%, 2/15/49	United States	10,443,000	8,145,336
3.625%, 2/15/53	United States	13,500,000	11,857,852
3.625%, 5/15/53	United States	450,000	395,499
U.S. Treasury Notes,			
0.375%, 11/30/25	United States	82,150,000	76,441,217
0.375%, 1/31/26	United States	63,700,000	58,905,082
0.875%, 6/30/26	United States	29,800,000	27,481,187
1.25%, 12/31/26	United States	83,300,000	76,489,574
1.25%, 8/15/31	United States	14,160,000	11,537,358
1.50%, 10/31/24	United States	70,000,000	68,503,497
2.75%, 8/15/32	United States	19,400,000	17,403,164
3.25%, 6/30/27	United States	78,565,000	75,885,811
3.50%, 4/30/28	United States	7,500,000	7,276,758
3.75%, 5/31/30	United States	11,000,000	10,714,258
4.00%, 10/31/29	United States	23,500,000	23,227,363

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
U.S. Government & Agency Securities (continued)			
4.125%, 7/31/28	United States	12,700,000	\$ 12,622,857
Total U.S. Government & Agency Securities (Cost \$1,166,593,589)			1,094,116,935
Municipal Bonds 1.1%			
California 1.1%			
Golden State Tobacco Securitization Corp., Subordinate Bond, Refunding, Series 2021, 3.85%, 6/01/50	United States	6,410,000	6,010,576
San Bernardino Community College District, Refunding, 2.686%, 8/01/41	United States	6,140,000	4,595,488
Refunding, 2.856%, 8/01/49	United States	3,575,000	2,462,503
Whittier City School District, Refunding, 3.306%, 8/01/43	United States	7,500,000	5,956,548
			19,025,115
Ohio 0.0%†			
Greenville City School District, Refunding, 3.541%, 1/01/51	United States	1,295,000	1,008,909
Total Municipal Bonds (Cost \$24,781,111)			20,034,024
Mortgage-Backed Securities 0.3%			
Fannie Mae 0.3%			
Federal Home Loan Mortgage Corp., 4.50%, 10/1/52	United States	5,840,812	5,564,076
Total Mortgage-Backed Securities (Cost \$5,555,160)			5,564,076
Foreign Government and Agency Securities 0.8%			
Chile Government International Bonds, 3.500%, 1/25/50	Chile	1,100,000	805,117
Peru Government International Bonds, 2.783%, 1/23/31	Peru	5,850,000	5,019,648
^a African Export-Import Bank, 3.994%, 9/21/29	Supranational	6,100,000	5,490,842
^a Banque Ouest Africaine de Developpement, 5.000%, 7/27/27	Supranational	3,800,000	3,608,343
Total Foreign Government and Agency Securities (Cost \$17,395,370)			14,923,950
Asset-Backed Securities 2.2%			
Bank,			
Series 2021-BN33, Class A5, 2.556%, 5/15/64	United States	2,780,000	2,361,821
^c Series 2022-BN40, Class A4, 3.394%, 3/15/64	United States	2,800,000	2,503,422
Benchmark Mortgage Trust,			
Series 2021-B31, Class A5, 2.669%, 12/15/54	United States	2,780,000	2,352,450
^c Series 2022-B32, Class A5, 3.002%, 1/15/55	United States	5,560,000	4,648,317
^c Series 2023-V3, Class A3, 6.363%, 7/15/56	United States	540,000	564,833
BX Commercial Mortgage Trust,			
^{a,c} Series 2021-VOLT, Class B, 1 mo. USD Term SOFR + 1.06%, 6.39%, 9/15/36	United States	3,190,000	3,156,892
^{a,c} Series 2022-LP2, Class A, 1 mo. USD Term SOFR + 1.01%, 6.338%, 2/15/39	United States	2,576,263	2,565,410
^{a,c} BX Mortgage Trust, Series 2021-PAC, Class A, 1 mo. USD Term SOFR + 0.80%, 6.129%, 10/15/36	United States	3,090,000	3,065,069
^{a,c} BX Trust, Series 2022-IND, Class A, 1 mo. USD Term SOFR + 1.49%, 6.816%, 4/15/37	United States	3,911,718	3,920,514
^{a,c} DBC Mortgage Trust, Series 2017-BBG, Class A, 8.50%, 6/15/34	United States	7,190,000	7,208,064
^a New Economy Assets Phase 1 Sponsor LLC, Series 2021-1, Class A1, 1.91%, 10/20/61	United States	6,660,000	5,842,216
Total Asset-Backed Securities (Cost \$40,742,133)			38,189,008
Total Investments before Short-Term Investments (Cost \$1,813,753,280)			1,705,372,902

Franklin U.S. Core Bond ETF (continued)

	Country	Principal Amount*	Value
Short-Term Investments 0.5%			
Money Market Funds 0.5%			
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	United States	9,292,075	\$ 9,292,075
Total Short-Term Investments (Cost \$9,292,075)			9,292,075
Total Investments (Cost \$1,823,045,355) 96.5%			1,714,664,977
Other Assets, less Liabilities 3.5%			61,946,557
Net Assets 100.0%			\$1,776,611,534

*The principal amount is stated in U.S. dollars unless otherwise indicated.

[†]Rounds to less than 0.1% of net assets.

^aSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$126,382,686, representing 7.1% of net assets.

^bVariable interest entity (VIE). See Note 6 regarding investments made through a VIE structure.

^cVariable rate security. The rate shown represents the yield at period end.

^dThe rate shown is the annualized seven-day effective yield at period end.

^eSee Note 3(e) regarding investments in affiliated management investment companies.

At March 31, 2024, the Fund had the following futures contracts outstanding. See Note 1(c).

Futures Contracts

Description	Type	Number of Contracts	Notional Amount*	Expiration Date	Value/Unrealized Appreciation (Depreciation)
Interest rate contracts					
U.S. Treasury 10 Yr. Note	Long	37	\$ 4,099,484	6/18/24	\$ (7,568)
U.S. Treasury 2 Yr. Note	Long	237	48,462,797	6/28/24	(49,248)
U.S. Treasury 5 Yr. Note	Long	407	43,555,360	6/28/24	91,653
U.S. Treasury Ultra 10 Yr. (CBT)	Short	19	2,177,578	6/18/24	(18,730)
Total Futures Contracts					\$ 16,107

*As of year end.

See Note 9 regarding other derivative information.
See Abbreviations on page 275

Financial Highlights

Franklin U.S. Low Volatility ETF

	Year Ended March 31,				
	2024	2023	2022	2021	2020
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$47.16	\$49.07	\$43.69	\$30.93	\$33.61
Income from investment operations ^a :					
Net investment income ^b	0.88	0.76	0.70	0.67	0.64
Net realized and unrealized gains (losses)	7.54	(1.89)	5.39	12.73	(2.84)
Total from investment operations	8.42	(1.13)	6.09	13.40	(2.20)
Less distributions from:					
Net investment income	(0.94)	(0.78)	(0.71)	(0.64)	(0.48)
Total distributions	(0.94)	(0.78)	(0.71)	(0.64)	(0.48)
Net asset value, end of year	\$54.64	\$47.16	\$49.07	\$43.69	\$30.93
Total return ^c	18.04%	(2.22)%	13.98%	43.52%	(6.74)%
Ratios to average net assets^d					
Expenses before waiver and payments by affiliates	0.29%	0.29%	0.33%	0.37%	0.57%
Expenses net of waiver and payments by affiliates	0.29%	0.29%	0.29%	0.29%	0.33%
Net investment income	1.78%	1.66%	1.47%	1.71%	1.75%
Supplemental data					
Net assets, end of year (000's)	\$120,214	\$155,613	\$134,935	\$139,822	\$74,223
Portfolio turnover rate ^e	23.59% ^f	32.13% ^f	21.90% ^f	40.54% ^f	32.61% ^f

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^dRatios are annualized for periods less than one year.

^ePortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^fPortfolio turnover rate excluding cash creations was as follows:

23.59% 32.13% 21.90% 40.54% 32.61%

Schedule of Investments, March 31, 2024

Franklin U.S. Low Volatility ETF

	Shares	Value
Common Stocks 99.1%		
Communication Services 7.3%		
^a Alphabet, Inc., Class A	11,142	\$ 1,681,662
Comcast Corp., Class A	34,063	1,476,631
^a Liberty Broadband Corp., Class C	19,381	1,109,175
New York Times Co., Class A	32,956	1,424,358
TELUS Corp.	85,492	1,368,727
Verizon Communications, Inc.	40,527	1,700,513
		<u>8,761,066</u>
Consumer Discretionary 11.4%		
^a Amazon.com, Inc.	8,947	1,613,860
^a AutoZone, Inc.	520	1,638,858
Home Depot, Inc.	3,909	1,499,492
Lowe's Cos., Inc.	6,104	1,554,872
McDonald's Corp.	4,733	1,334,469
^a NVR, Inc.	198	1,603,792
Ross Stores, Inc.	10,127	1,486,239
Starbucks Corp.	14,080	1,286,771
Tractor Supply Co.	6,366	1,666,110
		<u>13,684,463</u>
Consumer Staples 5.8%		
Coca-Cola Co.	18,788	1,149,450
Colgate-Palmolive Co.	14,147	1,273,937
Mondelez International, Inc., Class A	15,557	1,088,990
PepsiCo, Inc.	6,581	1,151,741
Philip Morris International, Inc.	11,602	1,062,975
Procter & Gamble Co.	7,562	1,226,935
		<u>6,954,028</u>
Energy 4.1%		
Chevron Corp.	7,289	1,149,767
DT Midstream, Inc.	20,552	1,255,727
Exxon Mobil Corp.	10,733	1,247,604
Williams Cos., Inc.	31,517	1,228,217
		<u>4,881,315</u>
Financials 13.9%		
Arthur J Gallagher & Co.	5,574	1,393,723
BlackRock, Inc.	1,562	1,302,239
^a Fiserv, Inc.	9,303	1,486,806
Intercontinental Exchange, Inc.	10,115	1,390,105
JPMorgan Chase & Co.	7,411	1,484,423
Mastercard, Inc., Class A	2,943	1,417,261
MetLife, Inc.	18,854	1,397,270
Morgan Stanley	13,620	1,282,459
Nasdaq, Inc.	22,452	1,416,721
Progressive Corp.	7,940	1,642,151
S&P Global, Inc.	2,867	1,219,765
Visa, Inc., Class A	4,815	1,343,770
		<u>16,776,693</u>
Health Care 12.2%		
Abbott Laboratories	11,651	1,324,253
AbbVie, Inc.	8,224	1,497,590
Amgen, Inc.	4,536	1,289,676
Becton Dickinson & Co.	5,250	1,299,112
Bristol-Myers Squibb Co.	24,241	1,314,589
CVS Health Corp.	16,564	1,321,145

Franklin U.S. Low Volatility ETF (continued)

	Shares	Value
Health Care (continued)		
Johnson & Johnson	8,074	\$ 1,277,226
Medtronic PLC	15,392	1,341,413
Merck & Co., Inc.	11,862	1,565,191
Pfizer, Inc.	44,858	1,244,809
UnitedHealth Group, Inc.	2,411	1,192,722
		<u>14,667,726</u>
Industrials 9.6%		
AMETEK, Inc.	7,248	1,325,659
Fastenal Co.	18,306	1,412,125
General Dynamics Corp.	4,664	1,317,533
Honeywell International, Inc.	5,788	1,187,987
IDEX Corp.	5,548	1,353,823
Illinois Tool Works, Inc.	4,579	1,228,683
Lockheed Martin Corp.	2,644	1,202,676
Republic Services, Inc.	7,274	1,392,535
Verisk Analytics, Inc.	5,051	1,190,672
		<u>11,611,693</u>
Information Technology 27.4%		
Accenture PLC, Class A	5,367	1,860,256
^a Adobe, Inc.	3,022	1,524,901
Amphenol Corp., Class A	18,540	2,138,589
Analog Devices, Inc.	9,236	1,826,788
^a ANSYS, Inc.	6,122	2,125,314
Apple, Inc.	9,278	1,590,991
Cisco Systems, Inc.	36,412	1,817,323
International Business Machines Corp.	11,309	2,159,567
Intuit, Inc.	2,940	1,911,000
^a Keysight Technologies, Inc.	11,477	1,794,773
Microsoft Corp.	4,895	2,059,424
Oracle Corp.	17,197	2,160,115
^a PTC, Inc.	10,624	2,007,299
Roper Technologies, Inc.	3,374	1,892,274
^a Synopsys, Inc.	3,270	1,868,805
Texas Instruments, Inc.	10,843	1,888,959
Vontier Corp.	52,130	2,364,617
		<u>32,990,995</u>
Materials 2.6%		
Air Products & Chemicals, Inc.	3,601	872,414
Ecolab, Inc.	4,985	1,151,037
Linde PLC	2,381	1,105,546
		<u>3,128,997</u>
Real Estate 2.6%		
First Industrial Realty Trust, Inc.	19,848	1,042,814
Mid-America Apartment Communities, Inc.	7,783	1,024,087
Public Storage	3,558	1,032,034
		<u>3,098,935</u>
Utilities 2.2%		
Duke Energy Corp.	8,854	856,270
NextEra Energy, Inc.	13,922	889,755

Franklin U.S. Low Volatility ETF (continued)

	Shares	Value
Utilities (continued)		
Southern Co.	12,029	\$ 862,961
		<u>2,608,986</u>
Total Common Stocks (Cost \$99,962,452)		<u>119,164,897</u>
Total Investments before Short-Term Investments (Cost \$99,962,452)		<u>119,164,897</u>
	Country	Principal Amount*
Short-Term Investments 0.8%		
U.S. Government & Agency Securities 0.8%		
^b Federal Home Loan Bank Discount Notes, 4/01/24	United States	\$915,000
		<u>914,474</u>
Total Short-Term Investments (Cost \$915,000)		<u>914,474</u>
Total Investments (Cost \$100,877,452) 99.9%		120,079,371
Other Assets, less Liabilities 0.1%		<u>134,826</u>
Net Assets 100.0%		<u>\$120,214,197</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aNon-income producing.

^bThe security was issued on a discount basis with no stated coupon rate.

Financial Highlights

Franklin U.S. Treasury Bond ETF

	Year Ended March 31,			Period Ended March 31,
	2024	2023	2022	2021 ^a
Per share operating performance (for a share outstanding throughout the year)				
Net asset value, beginning of year	\$21.23	\$22.67	\$23.83	\$25.00
Income from investment operations ^b :				
Net investment income ^c	0.73	0.46	0.18	0.11
Net realized and unrealized gains (losses)	(0.74)	(1.36)	(0.96)	(0.94)
Total from investment operations	(0.01)	(0.90)	(0.78)	(0.83)
Less distributions from net investment income	(0.73)	(0.54)	(0.38)	(0.34)
Net asset value, end of year	\$20.49	\$21.23	\$22.67	\$23.83
Total return ^d	0.01%	(3.95)%	(3.35)%	(3.36)%
Ratios to average net assets^e				
Expenses before waiver and payments by affiliates	0.09%	0.09%	0.28%	0.50%
Expenses net of waiver and payments by affiliates	0.09%	0.08%	0.09%	0.09%
Net investment income	3.58%	2.16%	0.77%	0.54%
Supplemental data				
Net assets, end of year (000's)	\$715,104	\$428,756	\$403,543	\$418,199
Portfolio turnover rate ^f	91.86% ^g	148.40% ^g	13.86% ^g	102.09% ^g

^aFor the period June 9, 2020 (commencement of operations) to March 31, 2021.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 91.86% 148.40% 13.86% 102.09%

Schedule of Investments, March 31, 2024

Franklin U.S. Treasury Bond ETF

	Country	Principal Amount*	Value
U.S. Government & Agency Securities 99.1%			
U.S. Treasury Bonds,			
1.125%, 5/15/40	United States	60,600,000	\$ 37,884,469
1.125%, 8/15/40	United States	74,300,000	46,016,660
1.875%, 11/15/51	United States	42,660,000	25,564,338
2.375%, 5/15/51	United States	6,000,000	4,075,078
3.125%, 5/15/48	United States	5,000,000	4,000,488
3.50%, 2/15/39	United States	15,800,000	14,521,187
3.625%, 5/15/53	United States	700,000	615,221
4.00%, 11/15/52	United States	20,700,000	19,468,512
4.125%, 8/15/53	United States	11,400,000	10,960,031
4.375%, 5/15/40	United States	4,750,000	4,777,090
U.S. Treasury Inflation-Indexed Bonds, 2.125%, 2/15/54	United States	3,516,660	3,558,900
U.S. Treasury Inflation-Indexed Notes,			
0.125%, 1/15/32	United States	1,668,615	1,458,519
0.50%, 1/15/28	United States	9,432,231	8,927,521
U.S. Treasury Notes,			
0.25%, 7/31/25	United States	117,083,000	110,167,785
0.25%, 8/31/25	United States	14,300,000	13,410,160
0.625%, 12/31/27	United States	100,800,000	87,991,313
0.75%, 1/31/28	United States	271,000,000	237,151,466
1.125%, 2/29/28	United States	10,553,000	9,349,917
1.125%, 2/15/31	United States	48,475,000	39,762,755
1.25%, 8/15/31	United States	5,900,000	4,807,232
1.375%, 11/15/31	United States	15,630,000	12,769,893
1.875%, 2/15/32	United States	7,884,000	6,660,594
4.00%, 1/31/31	United States	5,000,000	4,935,547
Total U.S. Government & Agency Securities (Cost \$718,427,371)			708,834,676
Total Investments before Short-Term Investments (Cost \$718,427,371)			708,834,676
Short-Term Investments 0.6%			
Money Market Funds 0.6%			
United States 0.6%			
^{a,b} Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	United States	4,216,490	4,216,490
Total Short-Term Investments (Cost \$4,216,490)			4,216,490
Total Investments (Cost \$722,643,861) 99.7%			713,051,166
Other Assets, less Liabilities 0.3%			2,053,316
Net Assets 100.0%			\$715,104,482

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aThe rate shown is the annualized seven-day effective yield at period end.

^bSee Note 3(e) regarding investments in affiliated management investment companies.

See Abbreviations on page 275.

Financial Highlights

Franklin Ultra Short Bond ETF

	Year Ended March 31,			Period Ended March 31,
	2024	2023	2022	2021 ^a
Per share operating performance				
(for a share outstanding throughout the year)				
Net asset value, beginning of year	\$24.58	\$24.55	\$24.88	\$25.00
Income from investment operations ^b :				
Net investment income ^c	1.23	0.61	0.14	0.10
Net realized and unrealized gains (losses)	0.30	(0.12)	(0.33)	0.13
Total from investment operations	1.53	0.49	(0.19)	0.23
Less distributions from:				
Net investment income	(1.22)	(0.46)	(0.14)	(0.33)
Net realized gains	—	—	—	(0.02)
Total distributions	(1.22)	(0.46)	(0.14)	(0.35)
Net asset value, end of year	\$24.89	\$24.58	\$24.55	\$24.88
Total return ^d	6.41%	2.00%	(0.78)%	0.91%
Ratios to average net assets^e				
Expenses before waiver and payments by affiliates	0.15%	0.15%	1.71%	4.17%
Expenses net of waiver and payments by affiliates	0.04%	0.10%	0.15%	0.15%
Net investment income	4.99%	2.47%	0.55%	0.58%
Supplemental data				
Net assets, end of year (000's)	\$3,733	\$2,458	\$3,682	\$2,488
Portfolio turnover rate ^f	38.70% ^g	48.71% ^g	24.71% ^g	10.49% ^g

^aFor the period July 14, 2020 (commencement of operations) to March 31, 2021.

^bThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of Creation Unit Fund shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year. Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period, and redemption at net asset value on the last day of the period.

^eRatios are annualized for periods less than one year.

^fPortfolio turnover rate includes portfolio transactions that are executed as a result of the Fund offering and redeeming Creation Units solely for cash ("Cash creations").

^gPortfolio turnover rate excluding cash creations was as follows: 38.70% 48.71% 24.17% 10.49%

Schedule of Investments, March 31, 2024

Franklin Ultra Short Bond ETF

	Country	Principal Amount*	Value
Corporate Bonds & Notes 49.4%			
Aerospace & Defense 2.6%			
Northrop Grumman Corp., 2.93%, 1/15/25	United States	100,000	\$ 98,158
Apparel 2.7%			
Tapestry, Inc., 7.05%, 11/27/25	United States	100,000	102,102
Auto Manufacturers 2.6%			
American Honda Finance Corp., 2.15%, 9/10/24	United States	100,000	98,581
Banks 17.4%			
^a Bank of America Corp., SOFR + 0.69%, 6.041%, 4/22/25	United States	150,000	150,057
^a Goldman Sachs Group, Inc., 3 mo. USD Term SOFR + 1.43%, 6.739%, 5/15/26	United States	100,000	100,905
JPMorgan Chase & Co., 0.768% to 8/09/24, FRN thereafter, 8/09/25	United States	100,000	98,121
Toronto-Dominion Bank, 4.285%, 9/13/24	Canada	100,000	99,422
^a Truist Financial Corp., SOFR + 0.40%, 5.761%, 6/09/25	United States	100,000	99,770
Westpac Banking Corp., 5.35%, 10/18/24	Australia	100,000	99,955
			648,230
Electric Utilities 1.3%			
^b Vistra Operations Co. LLC, 3.55%, 7/15/24	United States	50,000	49,645
Financial Services 2.7%			
^a Charles Schwab Corp., SOFR + 0.52%, 5.874%, 5/13/26	United States	100,000	99,914
Health Care Providers & Services 2.6%			
Elevance Health, Inc., 2.375%, 1/15/25	United States	100,000	97,568
Insurance 2.7%			
^{a,b} Pacific Life Global Funding II, SOFR + 0.80%, 6.166%, 3/30/25	United States	100,000	100,439
Miscellaneous Manufacturing 2.7%			
Parker-Hannifin Corp., 3.65%, 6/15/24	United States	100,000	99,570
Real Estate Investment Trusts (REITs) 2.6%			
Boston Properties LP, 3.20%, 1/15/25	United States	100,000	98,004
Telecommunications 6.8%			
^a AT&T, Inc., 3 mo. USD Term SOFR + 1.44%, 6.763%, 6/12/24	United States	100,000	100,173
^a Verizon Communications, Inc., 3 mo. USD Term SOFR + 1.36%, 6.669%, 5/15/25	United States	150,000	151,671
			251,844
Transportation 2.7%			
Ryder System, Inc., 2.50%, 9/01/24	United States	100,000	98,654
Total Corporate Bonds & Notes (Cost \$1,835,060)			1,842,709
Asset-Backed Securities 5.3%			
^a Citibank Credit Card Issuance Trust, Series 2017-A5, Class A5, 1 mo. USD Term SOFR + 0.73%, 6.063%, 4/22/26	United States	100,000	100,038
^a Discover Card Execution Note Trust, Series 2017-A5, Class A5, 1 mo. USD Term SOFR + 0.71%, 6.04%, 12/15/26	United States	100,000	100,113
Total Asset-Backed Securities (Cost \$200,922)			200,151
Total Investments before Short-Term Investments (Cost \$2,035,982)			2,042,860
Short-Term Investments 44.9%			
Commercial Paper 2.7%			
Province of British Columbia Canada, 0.000%, 6/07/24	Canada	100,000	98,949

Franklin Ultra Short Bond ETF (continued)

	Country	Principal Amount*	Value
Short-Term Investments (continued)			
Money Market Funds 42.2%			
United States 42.2%			
^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	United States	1,574,767	\$1,574,767
Total Short-Term Investments (Cost \$1,673,779)			<u>1,673,716</u>
Total Investments (Cost \$3,709,761) 99.6%			3,716,576
Other Assets, less Liabilities 0.4%			<u>16,188</u>
Net Assets 100.0%			<u>\$3,732,764</u>

*The principal amount is stated in U.S. dollars unless otherwise indicated.

^aVariable rate security. The rate shown represents the yield at period end.

^bSecurity was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. At March 31, 2024, the value of was \$150,084, representing 4.0% of net assets.

^cThe rate shown is the annualized seven-day effective yield at period end.

^dSee Note 3(e) regarding investments in affiliated management investment companies.

See Abbreviations on page 275.

Statements of Assets and Liabilities

March 31, 2024

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Assets:				
Investments in securities:				
Cost – Unaffiliated issuers	\$ 9,585,977	\$192,130,026	\$5,618,353	\$37,996,437
Cost – Non-controlled affiliates (Note 3e)	—	—	112,222	223,033
Value – Unaffiliated issuers	\$11,220,159	\$195,352,610	\$6,697,441	\$67,586,432
Value – Non-controlled affiliates (Note 3e)	—	—	112,222	223,033
Cash	85,116	91,282	—	—
Foreign currency, at value (cost \$7,153)	—	—	7,057	—
Receivables:				
Capital shares sold	—	1,221,062	—	—
Dividends and interest	1,551	2,487,569	653	8,128
Investment securities sold	—	25,708	—	—
Total assets	11,306,826	199,178,231	6,817,373	67,817,593
Liabilities:				
Payables:				
Investment securities purchased	—	2,536,670	466	1,081
Management fees	5,089	48,362	2,872	31,046
Total liabilities	5,089	2,585,032	3,338	32,127
Net assets, at value	\$11,301,737	\$196,593,199	\$6,814,035	\$67,785,466
Net assets consist of:				
Paid-in capital	\$20,572,906	\$198,315,218	\$6,874,331	\$50,609,553
Total distributable earnings (loss)	(9,271,169)	(1,722,019)	(60,296)	17,175,913
Net assets, at value	\$11,301,737	\$196,593,199	\$6,814,035	\$67,785,466
Shares outstanding	350,000	8,050,000	300,000	1,998,449
Net asset value per share	\$ 32.29	\$ 24.42	\$ 22.71	\$ 33.92

Statements of Assets and Liabilities (continued)
March 31, 2024

	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Assets:				
Investments in securities:				
Cost – Unaffiliated issuers	\$ 10,585,645	\$270,572,448	\$168,973,057	\$15,921,417
Value – Unaffiliated issuers	\$ 9,705,534	\$266,209,401	\$173,974,924	\$20,051,612
Cash	269,636	105,539	4,215,795	367,951
Foreign currency, at value (cost \$7 and \$2, respectively)	7	—	—	2
Receivables:				
Capital shares sold	—	2,370,767	—	—
Dividends and interest	2,436	4,458,950	1,683,393	7,706
Investment securities sold	—	232,987	—	—
Total assets	9,977,613	273,377,644	179,874,112	20,427,271
Liabilities:				
Payables:				
Investment securities purchased	147,938	4,091,911	2,700,024	—
Management fees	4,143	89,286	53,162	8,612
Options written, at value (premiums received \$32,578)	—	—	87,500	—
Total liabilities	152,081	4,181,197	2,840,686	8,612
Net assets, at value	\$ 9,825,532	\$269,196,447	\$177,033,426	\$20,418,659
Net assets consist of:				
Paid-in capital	\$ 20,151,706	\$282,214,965	\$171,680,587	\$18,002,097
Total distributable earnings (loss)	(10,326,174)	(13,018,518)	5,352,839	2,416,562
Net assets, at value	\$ 9,825,532	\$269,196,447	\$177,033,426	\$20,418,659
Shares outstanding	300,000	11,350,000	6,800,000	350,000
Net asset value per share	\$ 32.75	\$ 23.72	\$ 26.03	\$ 58.34

Statements of Assets and Liabilities (continued)
 March 31, 2024

	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Assets:				
Investments in securities:				
Cost – Unaffiliated issuers	\$489,571,921	\$396,376,390	\$111,570,450	\$342,494,342
Value – Unaffiliated issuers	\$475,358,832	\$359,939,153	\$111,513,303	\$340,767,264
Cash	25,473	12,184	44,544	1,306,326
Foreign currency, at value (cost \$3,135,460)	4,571,425	—	—	—
Receivables:				
Capital shares sold	—	—	—	2,439,843
Dividends and interest	3,034,679	3,845,922	1,425,449	2,885,854
Investment securities sold	—	3,823,773	—	1,242,833
Unrealized appreciation on OTC forward exchange contracts	7,448,406	—	—	—
Total assets	490,438,815	367,621,032	112,983,296	348,642,120
Liabilities:				
Due to Custodian	—	29	—	—
Payables:				
Investment securities purchased	—	3,362,283	—	20,035,182
Management fees	102,326	106,688	28,851	119,498
Unrealized depreciation on OTC forward exchange contracts	868,963	—	—	—
Total liabilities	971,289	3,469,000	28,851	20,154,680
Net assets, at value	\$489,467,526	\$364,152,032	\$112,954,445	\$328,487,440
Net assets consist of:				
Paid-in capital	\$524,076,221	\$453,544,790	\$124,579,595	\$336,795,892
Total distributable earnings (loss)	(34,608,695)	(89,392,758)	(11,625,150)	(8,308,452)
Net assets, at value	\$489,467,526	\$364,152,032	\$112,954,445	\$328,487,440
Shares outstanding	24,250,000	17,050,000	4,700,000	13,450,000
Net asset value per share	\$ 20.18	\$ 21.36	\$ 24.03	\$ 24.42

Statements of Assets and Liabilities (continued)
March 31, 2024

	Franklin Systematic Style Premia ETF*	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Assets:				
Investments in securities:				
Cost – Unaffiliated issuers	\$147,108,586	\$1,813,753,280	\$100,877,452	\$718,427,371
Cost – Non-controlled affiliates (Note 3e)	—	9,292,075	—	4,216,490
Value – Unaffiliated issuers	\$167,916,823	\$1,705,372,902	\$120,079,371	\$708,834,676
Value – Non-controlled affiliates (Note 3e)	—	9,292,075	—	4,216,490
Cash	3,045,132	36,353	41,898	76
Foreign currency, at value (cost \$280,985)	280,864	—	—	—
Receivables:				
Capital shares sold	—	4,265,589	—	—
Dividends and interest	483,749	11,493,744	122,530	2,121,404
Investment securities sold	—	62,000,000	—	—
Closed swap contracts	145,268,383	—	—	—
Deposits with brokers for:				
Futures contracts	13,276,680	886,395	—	—
Swap contracts	1,719,425	—	—	—
Unrealized appreciation on OTC forward exchange contracts	446,297	—	—	—
Total assets	332,437,353	1,793,347,058	120,243,799	715,172,646
Liabilities:				
Payables:				
Closed swap contracts	147,179,054	—	—	—
Investment securities purchased	8	16,384,218	—	15,057
Management fees	99,266	221,874	29,602	53,107
Transfer agent fees	3,750	—	—	—
Custodian fees	599	—	—	—
Variation margin on futures contracts	382,263	129,432	—	—
Unrealized depreciation on OTC forward exchange contracts	618,514	—	—	—
Total liabilities	148,283,454	16,735,524	29,602	68,164
Net assets, at value	\$184,153,899	\$1,776,611,534	\$120,214,197	\$715,104,482
Net assets consist of:				
Paid-in capital	\$175,280,593	\$2,036,458,250	\$105,150,492	\$797,241,838
Total distributable earnings (loss)	8,873,306	(259,846,716)	15,063,705	(82,137,356)
Net assets, at value	\$184,153,899	\$1,776,611,534	\$120,214,197	\$715,104,482
Shares outstanding	7,700,000	83,300,000	2,200,000	34,900,000
Net asset value per share	\$ 23.92	\$ 21.33	\$ 54.64	\$ 20.49

^aConsolidated financial statements. Note 11.

Statements of Assets and Liabilities (continued)
March 31, 2024

	Franklin Ultra Short Bond ETF
Assets:	
Investments in securities:	
Cost – Unaffiliated issuers	\$2,134,994
Cost – Non-controlled affiliates (Note 3e)	1,574,767
Value – Unaffiliated issuers	\$2,141,809
Value – Non-controlled affiliates (Note 3e)	1,574,767
Receivables:	
Dividends and interest	22,630
Total assets	<u>3,739,206</u>
Liabilities:	
Payables:	
Investment securities purchased	6,430
Management fees	12
Total liabilities	<u>6,442</u>
Net assets, at value	<u>\$3,732,764</u>
Net assets consist of:	
Paid-in capital	\$3,756,064
Total distributable earnings (loss)	(23,300)
Net assets, at value	<u>\$3,732,764</u>
Shares outstanding	150,000
Net asset value per share	<u>\$ 24.89</u>

Statements of Operations

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF*	Franklin Focused Growth ETF
	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024	Period Ended March 31, 2024†	Year Ended September 30, 2023
Investment income:					
Dividends: (net of foreign taxes) ^a					
Unaffiliated issuers	\$ 66,068	\$ —	\$ 21,728	\$ 188,179	\$ 431,993
Non-Controlled affiliates(Note 3e)	—	—	5,867	16,367	119,821
Interest:					
Unaffiliated issuers	—	5,865,549	—	23,511	—
Total investment income	66,068	5,865,549	27,595	228,057	551,814
Expenses:					
Management fees (Note 3a)	53,928	402,473	21,130	173,457	580,590
Transfer agent fees	—	—	—	4,137	161,604
Class A	—	—	—	1,406	123,972
Class C	—	—	—	121	9,129
Class R	—	—	—	—	1,901
Class R6	—	—	—	2,583	113
Advisor Class	—	—	—	—	26,489
Custodian fees	—	—	—	88	644
Reports to shareholders	—	—	—	—	10,381
Distribution and service fees	—	—	—	6,149	207,328
Class A	—	—	—	4,443	155,691
Class C	—	—	—	1,537	46,729
Class R	—	—	—	169	4,908
Registration and filing fees	—	—	—	—	95,559
Professional fees	—	—	—	2,678	62,633
Trustee fees	—	—	—	114	269
Other	—	—	—	983	9,677
Total expenses	53,928	402,473	21,130	187,606	1,128,685
Expense reductions	—	—	—	—	(21)
Expenses waived/paid by affiliates (Note 3e)	—	—	(441)	(3,016)	(215,872)
Net investment income	12,140	5,463,076	6,906	43,467	(360,978)
Realized and unrealized gains (losses):					
Net realized gain (loss) from:					
Investments:					
Unaffiliated issuers	(925,175)	(1,964,769)	(227,613)	2,750,547	(3,218,754)
In-kind redemptions	1,043,237	—	—	1,909,640	—
Foreign currency transactions	264	—	(472)	(466)	1,973

Statements of Operations (continued)

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF*	Franklin Focused Growth ETF
	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024	Period Ended March 31, 2024†	Year Ended September 30, 2023
Net realized gain (loss)	118,326	(1,964,769)	(228,085)	4,659,721	(3,216,781)
Net change in unrealized appreciation (depreciation) on:					
Investments:					
Unaffiliated issuers	\$3,060,172	\$ 6,568,758	\$1,365,150	\$13,410,760	\$24,153,663
Translation of other assets and liabilities denominated in foreign currencies	(22)	—	(140)	4	20
Net change in unrealized appreciation (depreciation)	3,060,150	6,568,758	1,365,010	13,410,764	24,153,683
Net realized and unrealized gain (loss)	3,178,476	4,603,989	1,136,925	18,070,485	20,936,902
Net increase (decrease) in net assets resulting from operations	\$3,190,616	\$10,067,065	\$1,143,831	\$18,113,952	\$20,575,924

^aForeign taxes withheld on dividends \$81 \$— \$688 \$2,617 \$8,649

*Effective after the market close on November 3, 2023, the Fund's predecessor mutual fund, Franklin Focused Growth Fund, reorganized into this Fund (the "Reorganization"). See Note 1 in the Notes to Financial Statements for additional information about the Reorganization.

†For the period October 1, 2023 through March 31, 2024.

Statements of Operations (continued)

	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
	Year Ended March 31, 2024	Year Ended March 31, 2024	Period Ended March 31, 2024*	Year Ended March 31, 2024
Investment income:				
Dividends: (net of foreign taxes) ^a				
Unaffiliated issuers	\$ 31,152	\$ —	\$ 876,695	\$ 74,766
Interest:				
Unaffiliated issuers	3,481	15,498,784	4,723,059	—
Total investment income	34,633	15,498,784	5,599,754	74,766
Expenses:				
Management fees (Note 3a)	49,740	913,118	362,203	87,410
Other	—	213	—	—
Total expenses	49,740	913,331	362,203	87,410
Net investment income	(15,107)	14,585,453	5,237,551	(12,644)
Realized and unrealized gains (losses):				
Net realized gain (loss) from:				
Investments:				
Unaffiliated issuers	(1,204,866)	(3,292,989)	16,428	(597,877)
In-kind redemptions	386,763	(396,336)	—	2,241,437
Written options	—	—	118,313	—
Foreign currency transactions	523	—	—	(2,307)
Futures contracts	—	—	(429,440)	—
Net realized gain (loss)	(817,580)	(3,689,325)	(294,699)	1,641,253
Net change in unrealized appreciation (depreciation) on:				
Investments:				
Unaffiliated issuers	1,875,019	15,577,700	5,001,867	2,843,225
Translation of other assets and liabilities denominated in foreign currencies	9	—	—	(12)
Written options	—	—	(54,922)	—
Net change in unrealized appreciation (depreciation)	1,875,028	15,577,700	4,946,945	2,843,213
Net realized and unrealized gain (loss)	1,057,448	11,888,375	4,652,246	4,484,466
Net increase (decrease) in net assets resulting from operations	\$ 1,042,341	\$26,473,828	\$9,889,797	\$4,471,822

^aForeign taxes withheld on dividends \$128 \$— \$12,592 \$5,422

*For the period June 06, 2023 (commencement of operations) to March 31, 2024.

Statements of Operations (continued)

	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024
Investment income:				
Interest: (net of foreign taxes) ^a				
Unaffiliated issuers	\$ 9,658,496	\$ 25,450,461	\$ 4,128,707	\$23,426,516
Total investment income	9,658,496	25,450,461	4,128,707	23,426,516
Expenses:				
Management fees (Note 3a)	912,206	2,126,717	330,664	1,135,271
Total expenses	912,206	2,126,717	330,664	1,135,271
Net investment income	8,746,290	23,323,744	3,798,043	22,291,245
Realized and unrealized gains (losses):				
Net realized gain (loss) from:				
Investments:				
Unaffiliated issuers	(13,054,658)	(6,187,844)	(2,366,367)	(1,059,035)
In-kind redemptions	—	(30,530,890)	—	—
Foreign currency transactions	(486,610)	—	—	—
Forward exchange contracts	7,726,531	—	—	—
Futures contracts	—	(476,974)	—	—
Net realized gain (loss)	(5,814,737)	(37,195,708)	(2,366,367)	(1,059,035)
Net change in unrealized appreciation (depreciation) on:				
Investments:				
Unaffiliated issuers	10,265,740	34,838,666	3,191,280	6,585,296
Translation of other assets and liabilities denominated in foreign currencies	662,056	—	—	—
Futures contracts	—	492,300	—	—
Forward exchange contracts	4,467,211	—	—	—
Change in deferred taxes on unrealized appreciation	—	—	—	—
Net change in unrealized appreciation (depreciation)	15,395,007	35,330,966	3,191,280	6,585,296
Net realized and unrealized gain (loss)	9,580,270	(1,864,742)	824,913	5,526,261
Net increase (decrease) in net assets resulting from operations	\$ 18,326,560	\$ 21,459,002	\$ 4,622,956	\$27,817,506

^aForeign taxes withheld on interest \$90 \$— \$— \$—

Statements of Operations (continued)

	Franklin Systematic Style Premia ETF*	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024	Year Ended March 31, 2024
Investment income:				
Dividends: (net of foreign taxes) ^a				
Unaffiliated issuers	\$ 1,645,997	\$ —	\$ 2,881,678	\$ —
Non-Controlled affiliates(Note 3e)	—	816,045	—	145,632
Interest:				
Unaffiliated issuers	1,754,405	60,560,087	55,450	17,360,593
Inflation principal adjustments	—	—	—	347,841
Total investment income	3,400,402	61,376,132	2,937,128	17,854,066
Expenses:				
Management fees (Note 3a)	812,576	2,460,788	411,286	438,379
Transfer agent fees	7,167	—	—	—
Custodian fees	1,210	—	—	—
Other	749	—	249	—
Total expenses	821,702	2,460,788	411,535	438,379
Expenses waived/paid by affiliates (Note 3c)	(27,725)	—	—	—
Expenses waived/paid by affiliates (Note 3e)	—	(64,506)	—	(10,938)
Net investment income	2,606,425	58,979,850	2,525,593	17,426,625
Realized and unrealized gains (losses):				
Net realized gain (loss) from:				
Investments:				
Unaffiliated issuers	(2,478,295)	(36,146,336)	(1,305,258)	(14,020,045)
In-kind redemptions	—	—	17,058,976	—
Foreign currency transactions	(25,077)	—	939	—
Forward exchange contracts	1,483,690	—	—	—
Futures contracts	(508,203)	(816,917)	—	—
Swap contracts	—	73,750	—	—
Net realized gain (loss)	(1,527,885)	(36,889,503)	15,754,657	(14,020,045)
Net change in unrealized appreciation (depreciation) on:				
Investments:				
Unaffiliated issuers	14,075,148	17,967,005	4,383,991	(3,205,180)
Translation of other assets and liabilities denominated in foreign currencies	(14,594)	—	(429)	—
Futures contracts	1,365,624	(745,406)	—	—
Swap contracts	—	(77,367)	—	—
Forward exchange contracts	(519,203)	—	—	—
Net change in unrealized appreciation (depreciation)	14,906,975	17,144,232	4,383,562	(3,205,180)
Net realized and unrealized gain (loss)	13,379,090	(19,745,271)	20,138,219	(17,225,225)
Net increase (decrease) in net assets resulting from operations	\$15,985,515	\$ 39,234,579	\$22,663,812	\$ 201,400
^a Foreign taxes withheld on dividends	\$74,964	\$—	\$16,126	\$—

*Consolidated financial statements. Note 11.

Statements of Operations (continued)

	Franklin Ultra Short Bond ETF
	Year Ended March 31, 2024
Investment income:	
Dividends:	
Unaffiliated issuers	\$ —
Non-Controlled affiliates(Note 3e)	34,603
Interest:	
Unaffiliated issuers	97,410
Total investment income	<u>132,013</u>
Expenses:	
Management fees (Note 3a)	3,935
Total expenses	3,935
Expenses waived/paid by affiliates (Note 3e)	<u>(2,839)</u>
Net investment income	<u>130,917</u>
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments:	
Unaffiliated issuers	1,043
Net realized gain (loss)	<u>1,043</u>
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	30,253
Net change in unrealized appreciation (depreciation)	<u>30,253</u>
Net realized and unrealized gain (loss)	<u>31,296</u>
Net increase (decrease) in net assets resulting from operations	<u>\$162,213</u>

Statements of Changes in Net Assets

	Franklin Disruptive Commerce ETF		Franklin Dynamic Municipal Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 12,140	\$ 7,480	\$ 5,463,076	\$ 2,845,335
Net realized gain (loss)	118,326	(5,390,659)	(1,964,769)	(3,251,657)
Net change in unrealized appreciation (depreciation) . .	3,060,150	731,180	6,568,758	334,040
Net increase (decrease) in net assets resulting from operations	3,190,616	(4,651,999)	10,067,065	(72,282)
Distributions to shareholders (Note 1h)	—	—	(5,140,431)	(2,738,207)
Capital share transactions: (Note 2)	(1,507,954)	(4,312,705)	90,169,325	27,399,308
Net increase (decrease) in net assets	1,682,662	(8,964,704)	95,095,959	24,588,819
Net assets:				
Beginning of period	9,619,075	18,583,779	101,497,240	76,908,421
End of period	\$11,301,737	\$ 9,619,075	\$196,593,199	\$101,497,240

Statements of Changes in Net Assets (continued)

	Franklin Exponential Data ETF			Franklin Focused Growth ETF*	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Period Ended March 31, 2024†	Year Ended September 30, 2023	Year Ended September 30, 2022
Increase (decrease) in net assets:					
Operations:					
Net investment income	\$ 6,906	\$ (1,842)	\$ 43,467	\$ (360,978)	\$ (671,705)
Net realized gain (loss)	(228,085)	(367,090)	4,659,721	(3,216,781)	(11,577,019)
Net change in unrealized appreciation (depreciation)	1,365,010	(476,109)	13,410,764	24,153,683	(33,530,551)
Net increase (decrease) in net assets resulting from operations	1,143,831	(845,041)	18,113,952	20,575,924	(45,779,275)
Distributions to shareholders (Note 1h)	—	—	—	—	(669,614)
Class A	—	—	—	—	(493,434)
Class C	—	—	—	—	(38,188)
Class R	—	—	—	—	(5,897)
Class R6	—	—	—	—	(415)
Capital Transaction	—	—	—	—	(131,680)
Total distributions to shareholders	—	—	—	—	(669,614)
Capital share transactions: (Note 2)	2,298,068	800,051	(27,824,046)	(10,349,084)	1,080,615
Class A	—	—	(58,772,685)	(11,501,059)	8,401,386
Class C	—	—	(5,148,740)	(25,915)	711,737
Class R	—	—	(1,122,328)	130,411	196,571
Class R6	—	—	—	(70,140)	415
Capital Transaction	—	—	37,219,707	1,117,619	(8,229,494)
Total capital share transactions	—	—	(27,824,046)	(10,349,084)	1,080,615
Net increase (decrease) in net assets	3,441,899	(44,990)	(9,710,094)	10,226,840	(45,368,274)
Net assets:					
Beginning of period	3,372,136	3,417,126	77,495,560	67,268,720	112,636,994
End of period	\$6,814,035	\$3,372,136	\$ 67,785,466	\$ 77,495,560	\$ 67,268,720

*Effective after the market close on November 3, 2023, the Fund's predecessor mutual fund, Franklin Focused Growth Fund, reorganized into this Fund (the "Reorganization"). See Note 1 in the Notes to Financial Statements for additional information about the Reorganization.

†For the period October 1, 2023 through March 31, 2024.

Statements of Changes in Net Assets (continued)

	Franklin Genomic Advancements ETF		Franklin High Yield Corporate ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ (15,107)	\$ (18,455)	\$ 14,585,453	\$ 12,584,791
Net realized gain (loss)	(817,580)	(2,624,513)	(3,689,325)	(20,068,381)
Net change in unrealized appreciation (depreciation)	1,875,028	41,315	15,577,700	(3,626,857)
Net increase (decrease) in net assets resulting from operations	1,042,341	(2,601,653)	26,473,828	(11,110,447)
Distributions to shareholders (Note 1h)	—	—	(15,176,528)	(14,565,851)
Capital share transactions: (Note 2)	(1,858,283)	(1,555,550)	49,731,783	(100,442,169)
Net increase (decrease) in net assets	(815,942)	(4,157,203)	61,029,083	(126,118,467)
Net assets:				
Beginning of period	10,641,474	14,798,677	208,167,364	334,285,831
End of period	\$ 9,825,532	\$10,641,474	\$269,196,447	\$ 208,167,364

Statements of Changes in Net Assets (continued)

	Franklin Income Focus ETF	Franklin Intelligent Machines ETF	
	Period Ended March 31, 2024*	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:			
Operations:			
Net investment income	\$ 5,237,551	\$ (12,644)	\$ 166
Net realized gain (loss)	(294,699)	1,641,253	3,004
Net change in unrealized appreciation (depreciation)	4,946,945	2,843,213	(810,953)
Net increase (decrease) in net assets resulting from operations	9,889,797	4,471,822	(807,783)
Distributions to shareholders (Note 1h)	(4,536,958)	—	—
Capital share transactions: (Note 2)	171,680,587	7,114,639	(1,933,835)
Net increase (decrease) in net assets	177,033,426	11,586,461	(2,741,618)
Net assets:			
Beginning of period	—	8,832,198	11,573,816
End of period	\$177,033,426	\$20,418,659	\$ 8,832,198

*For the period June 06, 2023 (commencement of operations) to March 31, 2024.

Statements of Changes in Net Assets (continued)

	Franklin International Aggregate Bond ETF		Franklin Investment Grade Corporate ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 8,746,290	\$ 1,741,480	\$ 23,323,744	\$ 22,025,022
Net realized gain (loss)	(5,814,737)	3,830,774	(37,195,708)	(84,970,442)
Net change in unrealized appreciation (depreciation) . .	15,395,007	(10,098,488)	35,330,966	(683,135)
Net increase (decrease) in net assets resulting from operations	18,326,560	(4,526,234)	21,459,002	(63,628,555)
Distributions to shareholders (Note 1h)	(4,135,239)	(30,078,202)	(26,347,663)	(24,150,574)
Capital share transactions: (Note 2)	199,112,461	116,800,375	(275,321,896)	(249,460,109)
Net increase (decrease) in net assets	213,303,782	82,195,939	(280,210,557)	(337,239,238)
Net assets:				
Beginning of period	276,163,744	193,967,805	644,362,589	981,601,827
End of period	\$489,467,526	\$276,163,744	\$ 364,152,032	\$ 644,362,589

Statements of Changes in Net Assets (continued)

	Franklin Municipal Green Bond ETF		Franklin Senior Loan ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 3,798,043	\$ 2,746,059	\$ 22,291,245	\$ 14,352,567
Net realized gain (loss)	(2,366,367)	(6,701,880)	(1,059,035)	(6,257,273)
Net change in unrealized appreciation (depreciation)	3,191,280	2,723,264	6,585,296	(5,069,428)
Net increase (decrease) in net assets resulting from operations	4,622,956	(1,232,557)	27,817,506	3,025,866
Distributions to shareholders (Note 1h)	(4,038,600)	(2,942,579)	(21,412,594)	(13,839,060)
Capital share transactions: (Note 2)	21,159	11,585,524	115,962,257	(75,788,778)
Net increase (decrease) in net assets	605,515	7,410,388	122,367,169	(86,601,972)
Net assets:				
Beginning of period	112,348,930	104,938,542	206,120,271	292,722,243
End of period	\$112,954,445	\$112,348,930	\$328,487,440	\$206,120,271

Statements of Changes in Net Assets (continued)

	Franklin Systematic Style Premia ETF		Franklin U.S. Core Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 2,606,425	\$ 1,063,910	\$ 58,979,850	\$ 37,200,280
Net realized gain (loss)	(1,527,885)	(3,934,690)	(36,889,503)	(77,224,065)
Net change in unrealized appreciation (depreciation) . .	14,906,975	4,772,274	17,144,232	(34,675,111)
Net increase (decrease) in net assets resulting from operations	15,985,515	1,901,494	39,234,579	(74,698,896)
Distributions to shareholders (Note 1h)	(1,644,064)	(2,011,501)	(58,908,890)	(36,861,021)
Capital share transactions: (Note 2)	78,666,508	35,997,633	284,594,988	113,289,466
Net increase (decrease) in net assets	93,007,959	35,887,626	264,920,677	1,729,549
Net assets:				
Beginning of period	91,145,940	55,258,314	1,511,690,857	1,509,961,308
End of period	\$184,153,899	\$91,145,940	\$1,776,611,534	\$1,511,690,857

Statements of Changes in Net Assets (continued)

	Franklin U.S. Low Volatility ETF		Franklin U.S. Treasury Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 2,525,593	\$ 2,208,643	\$ 17,426,625	\$ 8,132,461
Net realized gain (loss)	15,754,657	(1,776,637)	(14,020,045)	(45,689,019)
Net change in unrealized appreciation (depreciation) . .	4,383,562	(3,376,894)	(3,205,180)	24,120,884
Net increase (decrease) in net assets resulting from operations	22,663,812	(2,944,888)	201,400	(13,435,674)
Distributions to shareholders (Note 1h)	(2,439,590)	(2,283,102)	(16,803,834)	(9,684,869)
Capital share transactions: (Note 2)	(55,622,694)	25,905,244	302,950,961	48,333,781
Net increase (decrease) in net assets	(35,398,472)	20,677,254	286,348,527	25,213,238
Net assets:				
Beginning of period	155,612,669	134,935,415	428,755,955	403,542,717
End of period	\$120,214,197	\$155,612,669	\$715,104,482	\$428,755,955

Statements of Changes in Net Assets (continued)

	Franklin Ultra Short Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 130,917	\$ 75,527
Net realized gain (loss)	1,043	(23,277)
Net change in unrealized appreciation (depreciation)	30,253	18,440
Net increase (decrease) in net assets resulting from operations	162,213	70,690
Distributions to shareholders (Note 1h)	(126,651)	(62,292)
Capital share transactions: (Note 2)	1,239,556	(1,232,733)
Net increase (decrease) in net assets	1,275,118	(1,224,335)
Net assets:		
Beginning of period	2,457,646	3,681,981
End of period	\$3,732,764	\$ 2,457,646

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Franklin Templeton ETF Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company consisting of forty-nine separate funds, seventeen of which are included in this report (Funds). The Funds follow the accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standard Codification Topic 946, Financial Services - Investment Companies ("ASC 946"), and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP), including, but not limited to, ASC 946. The Funds are exchange traded funds (ETF) and are actively managed, thus they are not designed to track an index.

Effective June 6, 2023, the Trust began offering shares of Franklin Income Focus ETF. Each of the Funds are an exchange traded funds (ETF) and are actively managed, thus they are not designed to track an index.

The Franklin Focused Growth ETF adopted the performance of the Franklin Focused Growth Fund (the "predecessor mutual fund") as the result of a reorganization of the predecessor mutual fund into the fund (the "Reorganization") that was effective after the market close on November 3, 2023. Prior to the Reorganization, the Fund had not yet commenced operations. The returns shown for periods ended on or prior to November 3, 2023 are those of the predecessor mutual fund. The predecessor mutual fund's performance is represented by the performance of the predecessor mutual fund's Advisor Class Shares.

Prior to the Franklin Focused Growth ETF's listing on November 6, 2023, the NAV performance of the Advisor Class Shares of the predecessor mutual fund is used as a proxy for the Fund's market price returns. Had the predecessor mutual fund have been structured as an ETF, its performance may have differed.

State Street Bank and Trust Company, serves as the Funds' Custodian and Transfer Agent pursuant to a Global Custodial and Agency Services Agreement with the Trust. American Stock Transfer & Trust Company, LLC serves as stock transfer agent for the Acquiring Fund listed above. Prior to the Reorganizations, The JPM was the Custodian and Franklin Templeton Investor Services, LLC was the Transfer Agent for the Target Fund.

The following summarizes the Funds' significant accounting policies.

a. Financial Instrument Valuation

The Funds' investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Funds calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Board has designated the Fund's investment manager as the valuation designee and has responsibility for oversight of valuation. The investment manager is assisted by the Fund's administrator in performing this responsibility, including leading the cross-functional Valuation Committee (VC).

The Funds may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities and exchange traded funds listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. London time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Certain derivative financial instruments are centrally cleared or trade in the OTC market. The Funds pricing services use various techniques including industry standard option pricing models and proprietary discounted cash flow models to determine the fair value of those instruments. The Funds' net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

Debt securities generally trade in the over-the-counter (OTC) market rather than on a securities exchange. The Funds' pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market

1. Organization and Significant Accounting Policies (continued)

a. Financial Instrument Valuation (continued)

activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the date that the values of the foreign debt securities are determined.

The Funds have procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Funds primarily employ a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, As per standards minutes, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Funds' business day. Occasionally, events occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Funds' portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. The VC monitors price movements for significant events following the close of trading in foreign stock markets through a series of country specific market

proxies (such as baskets of American Depositary Receipts, futures contracts and exchange traded funds). These price movements are measured against established trigger thresholds for each specific market proxy to assist in determining if an event has occurred that may call into question the reliability of the values of the foreign securities held by the Funds. If such an event occurs, the securities may be valued using fair value procedures, which may include the use of independent pricing services.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Funds' NAV is not calculated, which could result in differences between the value of the Funds' portfolio securities on the last business day and the last calendar day of the reporting period. Any significant security valuation changes due to an open foreign market are adjusted and reflected by the Funds for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Funds may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Funds does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statements of Operations.

Realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and

1. Organization and Significant Accounting Policies (continued)

b. Foreign Currency Translation (continued)

losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Derivative Financial Instruments

Certain or all Funds invested in derivative financial instruments in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and/or the potential for market movements which expose the Fund to gains or losses in excess of the amounts shown in the Statement of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statement of Operations.

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. Certain or all Funds attempt to reduce their exposure to counterparty credit risk on OTC derivatives, whenever possible, by entering into International Swaps and Derivatives Association (ISDA) master agreements with certain counterparties. These agreements contain various provisions, including but not limited to collateral requirements, events of default, or early termination.

Termination events applicable to the counterparty include certain deteriorations in the credit quality of the counterparty. Termination events applicable to the Funds include failure of the Funds to maintain certain net asset levels and/or limit the decline in net assets over various periods of time. In the event of default or early termination, the ISDA master agreement gives the non-defaulting party the right to net and close-out all transactions traded, whether or not arising under the ISDA agreement, to one net amount payable by one counterparty to the other. Early termination by the counterparty may result in an immediate payment by the Funds of any net liability owed to that counterparty under the ISDA agreement.

Certain or all Funds entered into credit default swap contracts primarily to manage and/or gain exposure to credit risk. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives credit protection and the seller of the contract guarantees the credit worthiness of a referenced debt obligation. These agreements may be privately negotiated in the over-the-counter market (OTC credit default swaps) or may be executed in a multilateral trade facility platform, such as a registered exchange (centrally cleared credit default swaps). The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, a basket of issuers or indices, or a tranche of a credit index or basket of issuers or indices. In the event of a default of the underlying referenced debt obligation, the buyer is entitled to receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation, a net settlement amount equal to the notional amount of the credit default swap less the recovery value of the referenced debt obligation, or other agreed upon amount. For centrally cleared credit default swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable. Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments are accrued daily as an unrealized appreciation or depreciation until the payments are made, at which time they are realized. Upfront payments and receipts are reflected in the Statements of Assets and Liabilities and represent compensating factors between stated terms of the credit default swap agreement and prevailing market conditions (credit spreads and other relevant factors). These upfront payments and receipts are amortized over the term of the contract as a realized gain or loss in the Statements of Operations.

Collateral requirements differ by type of derivative. Collateral terms are contract specific for OTC derivatives. For OTC derivatives traded under an ISDA master agreement, posting of collateral is required by either the Fund or the applicable counterparty if the total net exposure of all OTC derivatives with the applicable counterparty exceeds the minimum transfer amount, which typically ranges from \$100,000 to \$250,000, and can vary depending on the counterparty and the type of agreement. Generally, collateral is determined at the close of Fund business each day and any additional collateral required due to changes in derivative values may be delivered by the Fund or the counterparty the next business day, or within a few business days. Collateral

1. Organization and Significant Accounting Policies (continued)

c. Derivative Financial Instruments (continued)

pledged and/or received by the Fund, if any, is held in segregated accounts with the Fund's custodian/counterparty broker and can be in the form of cash and/or securities. Unrestricted cash may be invested according to the Funds' investment objectives. To the extent that the amounts due to the Fund from its counterparties are not subject to collateralization or are not fully collateralized, the Funds bears the risk of loss from counterparty non-performance.

Certain or all Funds entered into exchange traded futures contracts primarily to manage and/or gain exposure to equity price risk. A futures contract is an agreement between the Fund and a counterparty to buy or sell an asset at a specified price on a future date. Required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable in the Statements of Assets and Liabilities.

Certain or all Funds entered into OTC forward exchange contracts primarily to manage and/or gain exposure to certain foreign currencies. A forward exchange contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

The forward contract is marked-to-market daily and the change in value is recorded by the Funds as an unrealized gain or loss. When a forward foreign currency contract is closed, through either delivery or offset by entering into another forward foreign currency contract, the Funds recognize a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it is closed. Non-deliverable forward foreign currency exchange contracts are settled with the counterparty in cash without the delivery of foreign currency.

Certain or all Funds entered into OTC total return swap contracts primarily to manage and/or gain exposure to equity price risk of an underlying instrument such as a stock, bond, index or basket of securities or indices. A total return swap is an agreement between the Fund and a counterparty to exchange a return linked to an underlying instrument for a floating or fixed rate payment, both based upon a notional amount. Over the term of the contract, contractually required payments to be paid or received are accrued daily and recorded as unrealized appreciation or depreciation until the

payments are made, at which time they are recognized as realized gain or loss.

Certain or all Funds purchased or wrote option contracts primarily to manage and/or gain exposure to equity price risk. An option is a contract entitling the holder to purchase or sell a specific amount of shares or units of an asset or notional amount of a swap (swaption), at a specified price. When an option is purchased or written, an amount equal to the premium paid or received is recorded as an asset or liability, respectively. Upon exercise of an option, the acquisition cost or sales proceeds of the underlying investment is adjusted by any premium received or paid. Upon expiration of an option, any premium received or paid is recorded as a realized gain or loss. Upon closing an option other than through expiration or exercise, the difference between the premium received or paid and the cost to close the position is recorded as a realized gain or loss.

See Note 9 regarding other derivative information.

d. Securities Purchased on a When-Issued and Delayed Delivery Basis

Certain or all Funds purchase securities on a when-issued and delayed delivery basis, with payment and delivery scheduled for a future date. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Funds will generally purchase these securities with the intention of holding the securities, they may sell the securities before the settlement date.

e. Senior Floating Rate Interests

Certain or all Funds invest in senior secured corporate loans that pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. These base lending rates are generally the prime rate offered by a designated U.S. bank, the Secured Overnight Financing Rate (SOFR) or the London Interbank Offered Rate (LIBOR). Senior secured corporate loans often require prepayment of principal from excess cash flows or at the discretion of the borrower. As a result, actual maturity may be substantially less than the stated maturity. Senior secured corporate loans in which the Funds invest are generally readily marketable, but may be subject to certain restrictions on resale.

f. Equity-Linked Securities

Certain or all Funds invest in equity-linked securities. Equity-linked securities are hybrid financial instruments that generally combine both debt and equity characteristics into a single note form. Income received from equity-linked

1. Organization and Significant Accounting Policies (continued)

f. Equity-Linked Securities (continued)

securities is recorded as realized gains in the Statements of Operations and may be based on the performance of an underlying equity security, an equity index, or an option position. The risks of investing in equity-linked securities include unfavorable price movements in the underlying security and the credit risk of the issuing financial institution. There may be no guarantee of a return of principal with equity-linked securities and the appreciation potential may be limited. Equity-linked securities may be more volatile and less liquid than other investments held by the Funds.

g. Income and Deferred Taxes

It is the Funds' policy to qualify as a regulated investment company under the Internal Revenue Code. The Funds intend to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Funds may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which the Funds invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Funds invest. When a capital gain tax is determined to apply, Funds records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

Each Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of March 31, 2024, each Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Funds invest.

h. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income

(including interest income from payment-in-kind securities, if any) and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Certain or all Funds may receive other income from investments in senior secured corporate loans or unfunded commitments, including amendment fees, consent fees or commitment fees. These fees are recorded as income when received by the Funds. Dividend income and capital gain distributions are recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Funds. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the Funds based on the ratio of net assets of each Funds to the combined net assets of the Trust. Certain Fund specific expenses are allocated directly to the Fund that incurred the expense. These expenses are paid by the Fund or by the investment manager, as applicable, according to the terms of the unified management fee agreement.

i. Insurance

The scheduled payments of interest and principal for each insured municipal security in the Trust are insured by either a new issue insurance policy or a secondary insurance policy. Some municipal securities in the Funds are secured by collateral guaranteed by an agency of the U.S. government. Depending on the type of coverage, premiums for insurance are either added the cost basis of the security or paid by a third party.

Insurance companies typically insure municipal bonds that tend to be of very high quality, with the majority of underlying municipal bonds rated A or better. However, an event involving an insurer could have an adverse effect on the value of the securities insured by that insurance company. There can be no assurance the insurer will be able to fulfill its obligations under the terms of the policy.

1. Organization and Significant Accounting Policies (continued)

j. Accounting Estimates

The preparation of financial statement in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

k. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain

liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Funds, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

2. Shares of Beneficial Interest

Shares of the Funds are issued and redeemed at their respective NAV only in aggregations of a specific number of shares or multiples thereof (Creation Units). Only certain large institutional investors (Authorized Participants) may engage in creation or redemption transactions directly with the Funds. Once created, shares of the Funds generally trade in the secondary market in amounts less than one Creation Unit. The market price of the Funds' shares will be based on the price in the secondary market which may be at, above or below the most recent NAV. Creation Units may be issued and redeemed in exchange for a designated portfolio of securities and/or cash (which may include cash in lieu of certain securities).

Authorized Participants pay a standard transaction fee to the shareholder servicing agent when purchasing or redeeming Creation Units of the Funds regardless of the number of Creation Units that are being created or redeemed on the same day by the Authorized Participant. The standard transaction fee is imposed to offset transfer and other transaction costs associated with the issuance and redemption of Creation Units and is not charged to or paid by the Funds.

In addition, for cash Creation Unit transactions, a variable fee for creation transactions and redemption transactions may be charged to the Authorized Participant to cover certain brokerage, tax, foreign exchange, execution, market impact and other costs and expenses related to the execution of trades. Variable fees, if any, are included in capital share transactions in the Statements of Changes in Net Assets.

At March 31, 2024, there were an unlimited number of shares authorized (without par value). Transactions in the Funds' shares were as follows:

	Franklin Disruptive Commerce ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	100,000	\$ 2,850,864	—	\$ 5
Shares redeemed	(150,000)	(4,358,818)	(200,000)	(4,312,710)
Net increase (decrease)	(50,000)	\$ (1,507,954)	(200,000)	\$ (4,312,705)

2. Shares of Beneficial Interest (continued)

	Franklin Dynamic Municipal Bond ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	3,900,000	\$ 92,567,064	2,300,000	\$ 54,522,182
Shares redeemed	(100,000)	(2,397,739)	(1,150,000)	(27,122,874)
Net increase (decrease)	3,800,000	\$ 90,169,325	1,150,000	\$ 27,399,308

	Franklin Exponential Data ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	100,000	\$ 2,298,068	50,000	\$ 800,051
Net increase (decrease)	100,000	\$ 2,298,068	50,000	\$ 800,051

	Franklin Focused Growth ETF ^(c)					
	Six Months Ended March 31, 2024		Year Ended September 30, 2023 ^(a)		Year Ended September 30, 2022	
	Shares	Amount	Shares	Amount	Shares	Amount
Capital Transactions ^(b)						
Shares sold	1,742,411	\$ 45,475,603	400,540	8,729,317	315,963	\$ 8,974,322
Shares reinvested	—	—	—	—	4,116	131,564
Shares redeemed	(309,554)	(8,255,896)	(324,805)	(7,611,698)	(618,869)	(17,335,380)
Net increase (decrease)	1,432,857	\$ 37,219,707	75,735	\$ 1,117,619	(298,790)	\$ (8,229,494)
Class A ^(c)						
Shares sold ^(d)	85	1,821	1,233,955	28,366,209	1,213,199	33,600,799
Shares reinvested	—	—	—	—	15,386	489,286
Shares redeemed	(2,313,234)	(58,774,506)	(1,668,340)	(39,867,268)	(1,027,936)	(25,688,699)
Net increase (decrease)	(2,313,149)	\$ (58,772,685)	(434,385)	\$ (11,501,059)	200,649	\$ 8,401,386
Class C ^(c)						
Shares sold	—	—	94,040	2,082,520	97,172	2,671,024
Shares reinvested	—	—	—	—	1,220	38,258
Shares redeemed ^(d)	(208,269)	(5,148,740)	(94,696)	(2,108,435)	(82,494)	(1,997,545)
Net increase (decrease)	(208,269)	\$ (5,148,740)	(656)	\$ (25,915)	15,898	\$ 711,737
Class R ^(c)						
Shares sold	—	—	18,468	403,494	24,654	667,940
Shares reinvested	—	—	—	—	186	5,897
Shares redeemed	(44,493)	(1,122,328)	(11,616)	(273,083)	(18,389)	(477,266)
Net increase (decrease)	(44,493)	\$ (1,122,328)	6,852	\$ 130,411	6,451	\$ 196,571
Class R6 ^(c)						
Shares sold	—	—	3,859	93,822	—	—
Shares reinvested	—	—	—	—	13	415
Shares redeemed	—	—	(6,233)	(163,962)	—	—
Net increase (decrease)	—	—	(2,374)	\$ (70,140)	13	\$ 415

^a Effective September 13, 2023, Class R6 was liquidated.

^b Effective after the market close on November 3, 2024, the Fund's predecessor mutual fund, Franklin Focused Growth Fund, reorganized into this Fund (the "Reorganization"). The predecessor mutual fund's Advisor Class Shares' performance and financial history have been adopted by Franklin Focused Growth ETF and will be used going

2. Shares of Beneficial Interest (continued)

forward. As a result, the information prior to the Reorganization reflects that of the predecessor mutual fund's Advisor Class Shares. Shares of the other classes of the predecessor mutual fund were converted into Advisor Class Shares as a part of the Reorganization. Such conversion of the other classes of shares into Advisor Class Shares is included under "Shares sold".

^c Shares of the class of the Target Fund was converted into Advisor Class shares as a part of the Reorganization. Such conversion of shares into Advisor Class shares is included under "Shares redeemed".

^d May include a portion of Class C shares that were automatically converted to Class A.

	Franklin Genomic Advancements ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	100,000	\$ 2,619,395	50,000	\$ 1,681,091
Shares redeemed	(150,000)	(4,477,678)	(100,000)	(3,236,641)
Net increase (decrease)	(50,000)	\$ (1,858,283)	(50,000)	\$ (1,555,550)

	Franklin High Yield Corporate ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	2,700,000	\$ 62,093,762	4,100,000	\$ 91,766,853
Shares redeemed	(550,000)	(12,361,979)	(8,400,000)	(192,209,022)
Net increase (decrease)	2,150,000	\$ 49,731,783	(4,300,000)	\$ (100,442,169)

	Franklin Income Focus ETF	
	Period Ended March 31, 2024 ^a	
	Shares	Amount
Shares sold	6,800,001	\$ 171,680,612
Shares redeemed	(1)	(25)
Net increase (decrease)	6,800,000	\$ 171,680,587

	Franklin Intelligent Machines ETF			
	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	300,000	\$ 14,472,881	—	\$ 9
Shares redeemed	(150,000)	(7,358,242)	(50,000)	(1,933,844)
Net increase (decrease)	150,000	\$ 7,114,639	(50,000)	\$ (1,933,835)

2. Shares of Beneficial Interest (continued)**Franklin International Aggregate Bond ETF**

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	10,150,000	\$ 199,112,461	6,650,000	\$ 133,652,517
Shares redeemed	—	—	(750,000)	(16,852,142)
Net increase (decrease)	10,150,000	\$ 199,112,461	5,900,000	\$ 116,800,375

Franklin Investment Grade Corporate ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	2,700,000	\$ 56,799,349	5,450,000	\$ 117,743,152
Shares redeemed	(15,700,000)	(332,121,245)	(16,800,000)	(367,203,261)
Net increase (decrease)	(13,000,000)	\$ (275,321,896)	(11,350,000)	\$ (249,460,109)

Franklin Municipal Green Bond ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	400,000	\$ 9,269,420	1,150,000	\$ 27,070,685
Shares redeemed	(400,000)	(9,248,261)	(650,000)	(15,485,161)
Net increase (decrease)	—	\$ 21,159	500,000	\$ 11,585,524

Franklin Senior Loan ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	5,400,000	\$ 130,335,347	2,200,000	\$ 54,475,982
Shares redeemed	(600,000)	(14,373,090)	(5,400,000)	(130,264,760)
Net increase (decrease)	4,800,000	\$ 115,962,257	(3,200,000)	\$ (75,788,778)

Franklin Systematic Style Premia ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	5,600,000	\$ 126,521,854	2,350,000	\$ 50,962,500
Shares redeemed	(2,150,000)	(47,855,346)	(700,000)	(14,964,867)
Net increase (decrease)	3,450,000	\$ 78,666,508	1,650,000	\$ 35,997,633

2. Shares of Beneficial Interest (continued)

Franklin U.S. Core Bond ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	23,700,000	\$ 492,368,845	13,950,000	\$ 306,613,085
Shares redeemed	(9,950,000)	(207,773,857)	(8,850,000)	(193,323,619)
Net increase (decrease)	13,750,000	\$ 284,594,988	5,100,000	\$ 113,289,466

Franklin U.S. Low Volatility ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	350,000	\$ 17,082,101	650,000	\$ 30,177,151
Shares redeemed	(1,450,000)	(72,704,795)	(100,000)	(4,271,907)
Net increase (decrease)	(1,100,000)	\$ (55,622,694)	550,000	\$ 25,905,244

Franklin U.S. Treasury Bond ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	18,450,000	\$ 379,202,577	9,700,000	\$ 206,895,275
Shares redeemed	(3,750,000)	(76,251,616)	(7,300,000)	(158,561,494)
Net increase (decrease)	14,700,000	\$ 302,950,961	2,400,000	\$ 48,333,781

Franklin Ultra Short Bond ETF

	Year Ended March 31, 2024		Year Ended March 31, 2023	
	Shares	Amount	Shares	Amount
Shares sold	50,000	\$ 1,239,556	50,000	\$ 1,219,162
Shares redeemed	—	—	(100,000)	(2,451,895)
Net increase (decrease)	50,000	\$ 1,239,556	(50,000)	\$ (1,232,733)

*For the period June 06, 2023 (commencement of operations) to March 31, 2024.

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Funds are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Institutional, LLC (FT Institutional)	Investment manager
Franklin Templeton Investimentos (Brasil) Ltda. (FTI Brasil)	Investment manager
Franklin Templeton Investment Management Limited (FTIML)	Investment manager
Franklin Templeton Investment Trust Management Co., Ltd. (FT Korea)	Investment manager
Franklin Templeton Investments (ME) Limited (FTIME)	Investment manager
Franklin Templeton Investments Corp. (FTIC)	Investment manager
Franklin Advisory Services, LLC (FASL)	Investment manager
Templeton Asset Management Ltd. (TAML)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter

a. Management Fees

The Funds pay a unified management fee to Advisers whereby Advisers has agreed to reimburse the Funds' acquired fund fees and expenses (if any) and pay all of the ordinary operating expenses of the Funds, including custody, transfer agency, and Trustee fees and expenses, among others, but excluding payments under the Funds' Rule 12b-1 plan (if any), brokerage expenses (including any costs incidental to transactions in portfolio securities or instruments), taxes, interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges), litigation expenses (including litigation to which the Trust or a Fund may be a party and indemnification of the Trustees and officers with respect thereto), and other non-routine or extraordinary expenses. The fee is calculated daily and paid monthly according to the terms of the management agreement.

With respect to Franklin Focused Growth ETF, for the period October 1, 2023 through November 3, 2023 the predecessor mutual fund paid an investment management fee to Advisers, the investment advisor to the predecessor fund based on the average daily net assets of the fund as follows:

Average Daily Net Assets	Annual Rate
Up to and including \$500 million	0.700%
Over \$500 million, up to and including \$1 billion	0.600%
Over \$1 billion, up to and including \$3 billion	0.550%
Over \$3 billion, up to and including \$5 billion	0.500%
In excess of \$5 billion	0.450%

Effective after the market close on November 3, 2023, pursuant to the investment management agreement with the Trust on behalf of the Fund, the Fund pays Advisers a unified management fee equal to the annual rate of 0.55% based on the average daily net assets of the Fund. Pursuant to the investment management agreement, Advisers reimburses the Fund for all acquired fund fees and expenses (if any) and pay all of the ordinary operating expenses of the Funds, including custody, transfer agency and Trustee fees and expenses, among others, but excluding payments under the Funds' Rule 12b-1 plan (if any), brokerage expenses (including any costs incidental to transactions in portfolio securities or instruments), taxes, interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges), litigation expenses (including litigation to which the Trust or a Fund may be a party and indemnification of the Trustees and officers with respect thereto), and other non-routine or extraordinary expenses. The fee is calculated daily and paid monthly according to the terms of the management agreement.

3. Transactions with Affiliates (continued)

a. Management Fees (continued)

The gross effective investment management fees are based on the average daily net assets of each of the Funds as follows:

	Gross Effective Investment Management Fee Rate
Franklin Disruptive Commerce ETF	0.50%
Franklin Dynamic Municipal Bond ETF	0.30%
Franklin Exponential Data ETF	0.50%
Franklin Focused Growth ETF	0.58%
Franklin Genomic Advancements ETF	0.50%
Franklin High Yield Corporate ETF	0.40%
Franklin Income Focus ETF	0.38%
Franklin Intelligent Machines ETF	0.50%
Franklin International Aggregate Bond ETF	0.25%
Franklin Investment Grade Corporate ETF	0.35%
Franklin Municipal Green Bond ETF	0.30%
Franklin Senior Loan ETF	0.45%
Franklin Systematic Style Premia ETF	0.65%
Franklin U.S. Core Bond ETF	0.15%
Franklin U.S. Low Volatility ETF	0.29%
Franklin U.S. Treasury Bond ETF	0.09%
Franklin Ultra Short Bond ETF	0.15%

b. Administrative Fees

Under an agreement with Advisers and FTIML, FT Services provides administrative services to the Funds. The fee is paid by Advisers and FTIML based on the Funds' average daily net assets, and is not an additional expense of the Funds.

c. Waiver and Expense Reimbursements

For Franklin Systematic Style Premia ETF, pursuant to the terms of the Fund's Investment Management Agreement, the investment manager reimburses the Fund for all acquired Fund fees as well as all expenses related to the Fund's investment in a Cayman Islands-based company that is wholly owned by the Fund (the "Subsidiary"). Thus, expenses incurred in connection with the Fund's investment in the Subsidiary are not separately disclosed because they are paid/reimbursed by the investment manager under the unitary management fee structure. Total expenses waived or paid are not subject to recapture subsequent to the Funds' fiscal year end.

d. Transfer Agent Fees

Each class of shares pays transfer agent fees, calculated monthly and paid monthly, to Investor Services for its performance of shareholder servicing obligations. Effective October 1, 2023, the fees are allocated to the Funds based upon relative assets and relative transactions. Prior to October 1, 2023, the fees were based on an annualized asset based fee of 0.016% plus a transaction based fee. In addition, each class reimburses Investor Services for out of pocket expenses incurred and, except for Class R6, reimburses shareholder servicing fees paid to third parties. These fees are accrued and allocated daily based upon their relative proportion of such classes' aggregate net assets. Class R6 pays Investor Services transfer agent fees allocated specifically to that class based upon its relative assets and relative transactions.

For the year ended March 31, 2024, the Funds paid transfer agent fees as noted in the Statements of Operations of which the following amounts were retained by Investor Services:

3. Transactions with Affiliates (continued)

d. Transfer Agent Fees (continued)

	Franklin Focused Growth ETF
Transfer agent Fees	\$ 4,137

e. Investments in Affiliated Management Investment Companies

Certain or all Funds invest in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a “Controlled Affiliate” of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund’s outstanding shares or has the power to exercise control over management or policies of such fund. The Funds do not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Funds are waived on assets invested in the affiliated management investment companies, as noted in the Statements of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the year ended March 31, 2024, investments in affiliated management investment companies were as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income	Dividend Income
Franklin Exponential Data ETF									
Non-Controlled Affiliates									
Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	\$ 38,455	\$ 284,744	\$ (210,977)	\$—	\$—	\$ 112,222	112,222	\$ 5,867	
Franklin Focused Growth ETF									
Non-Controlled Affiliates									
Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	\$ —	\$ 6,163,323	\$ (5,940,290)	\$—	\$—	\$ 223,033	223,033	\$ 16,367	
Franklin U.S. Core Bond ETF									
Non-Controlled Affiliates									
Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	\$17,621,864	\$515,690,725	\$(524,020,514)	\$—	\$—	\$9,292,075	9,292,075	\$816,045	
Franklin U.S. Treasury Bond ETF									
Non-Controlled Affiliates									
Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	\$ 4,054,622	\$100,410,478	\$(100,248,610)	\$—	\$—	\$4,216,490	4,216,490	\$145,632	
Franklin Ultra Short Bond ETF									
Non-Controlled Affiliates									
Institutional Fiduciary Trust - Money Market Portfolio, 5.16%	\$ 187,218	\$ 2,594,039	\$ (1,206,490)	\$—	\$—	\$1,574,767	1,574,767	\$ 34,603	

3. Transactions with Affiliates (continued)

f. Other Affiliated Transactions

At March 31, 2024, the shares of the Funds were owned by the following investment entities:

Funds	Shares	Percentage of Outstanding Shares ^a
Franklin Disruptive Commerce ETF		
Franklin Resources Inc.	25,000	7.1%
Franklin High Yield Corporate ETF		
Franklin Conservative Allocation Fund	748,283	6.6%
Franklin Moderate Allocation Fund	878,070	7.7%
Franklin 529 Portfolios	3,007,496	26.5%
	<u>4,633,849</u>	<u>40.8%</u>
Franklin International Aggregate Bond ETF		
Franklin 529 Portfolios	6,159,428	25.4%
Franklin Investment Grade Corporate ETF		
Franklin Conservative Allocation Fund	1,038,089	6.1%
Franklin Moderate Allocation Fund	1,218,448	7.1%
Franklin 529 Portfolios	4,233,257	24.8%
	<u>6,489,794</u>	<u>38.0%</u>
Franklin Municipal Green Bond ETF		
Franklin Federal Limited-Term Tax-Free Income Fund	1,550,000	33.0%
Franklin Systematic Style Premia ETF		
Franklin Conservative Allocation Fund	379,126	4.9%
Franklin Moderate Allocation Fund	697,448	9.1%
Franklin Growth Allocation Fund	552,332	7.2%
Franklin Global Allocation Fund	2,225,000	28.9%
	<u>3,853,906</u>	<u>50.1%</u>
Franklin U.S. Core Bond ETF		
Franklin Conservative Allocation Fund	8,302,066	10.0%
Franklin Moderate Allocation Fund	9,743,591	11.7%
Franklin 529 Portfolios	33,594,851	40.3%
	<u>51,640,508</u>	<u>62.0%</u>
Franklin U.S. Treasury Bond ETF		
Franklin Conservative Allocation Fund	4,312,937	12.4%
Franklin Moderate Allocation Fund	5,061,822	14.5%
Franklin 529 Portfolios	17,423,233	49.9%
	<u>26,797,992</u>	<u>76.8%</u>

^aInvestment activities of significant shareholders could have a material impact on the Funds.

4. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains. At March 31, 2024, the capital loss carryforwards were as follows:

4. Income Taxes (continued)

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Capital loss carryforwards not subject to expiration:				
Long term	\$ 2,194,534	\$ 2,966,240	\$ 484,200	\$ 2,213,321
Short term	8,655,889	2,696,665	656,787	10,067,085
Total capital loss carryforwards	\$10,850,423	\$ 5,662,905	\$ 1,140,987	\$12,280,406

	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Capital loss carryforwards not subject to expiration:				
Long term	\$ 2,766,082	\$ 9,185,599	\$ 257,664	\$ 641,604
Short term	6,659,748	611,627	52,606	1,074,421
Total capital loss carryforwards	\$ 9,425,830	\$ 9,797,226	\$ 310,270	\$ 1,716,025

	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Capital loss carryforwards not subject to expiration:				
Long term	\$ 8,816,042	\$ 42,044,031	\$ 8,867,599	\$ 6,678,729
Short term	4,582,567	8,581,106	2,843,949	2,223,265
Total capital loss carryforwards	\$13,398,609	\$ 50,625,137	\$11,711,548	\$ 8,901,994

	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Capital loss carryforwards not subject to expiration:				
Long term	\$ —	\$102,854,242	\$ 3,249,552	\$59,692,482
Short term	14,529,905	43,993,776	1,087,788	14,923,649
Total capital loss carryforwards	\$ 14,529,905	\$146,848,018	\$ 4,337,340	\$74,616,131

	Franklin Ultra Short Bond ETF
Capital loss carryforwards not subject to expiration:	
Long term	\$ 13,918
Short term	33,902
Total capital loss carryforwards	\$ 47,820

For tax purposes, the Funds may elect to defer any portion of a post-October capital loss or late-year ordinary loss to the first day of the following fiscal year. At March 31, 2024, the deferred losses were as follows:

4. Income Taxes (continued)

	Franklin Focused Growth ETF	Franklin Intelligent Machines ETF	Franklin International Aggregate Bond ETF
Post October capital losses	\$ —	\$ —	\$ —
Late-year ordinary losses	\$528	\$664	\$1,525,338

For tax purposes, capital losses may be carried over to offset future capital gains. During the year ended March 31, 2024, the following Fund utilized capital loss carryforwards as follows:

	Franklin Focused Growth ETF
Capital loss carryforwards utilized	\$2,712,616

The tax character of distributions paid during the period ended March 31, 2024 and 2023, were as follows:

	Franklin Dynamic Municipal Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from:		
Tax exempt income	\$5,006,865	\$2,737,527
Ordinary income	133,566	680
	\$5,140,431	\$2,738,207

	Franklin High Yield Corporate ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$15,176,528	\$14,565,851

	Franklin Income Focus ETF
	Year Ended March 31, 2024
Distributions paid from Ordinary income	\$4,536,958

	Franklin International Aggregate Bond ETF	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$4,135,239	\$30,078,202

4. Income Taxes (continued)**Franklin Investment Grade
Corporate ETF**

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$26,347,663	\$24,150,574

**Franklin Municipal Green
Bond ETF**

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from:		
Tax exempt income	\$3,985,182	\$2,942,579
Ordinary income	53,418	—
	\$4,038,600	\$2,942,579

Franklin Senior Loan ETF

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$21,412,594	\$13,839,060

**Franklin Systematic Style
Premia ETF**

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$1,644,064	\$2,011,501

Franklin U.S. Core Bond ETF

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$58,908,890	\$36,861,021

**Franklin U.S. Low Volatility
ETF**

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$2,439,590	\$2,283,102

**Franklin U.S. Treasury
Bond ETF**

	Year Ended March 31, 2024	Year Ended March 31, 2023
Distributions paid from Ordinary income	\$16,803,834	\$9,684,869

4. Income Taxes (continued)

	Franklin Ultra Short Bond ETF			
	Year Ended March 31, 2024	Year Ended March 31, 2023		
Distributions paid from Ordinary income	\$126,651	\$62,292		

At March 31, 2024, the cost of investments, net unrealized appreciation (depreciation) and undistributed ordinary income for income tax purposes were as follows:

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Cost of investments	\$ 9,652,553	\$ 192,166,065	\$ 5,735,312	\$ 38,352,617
Unrealized appreciation	\$ 2,326,215	\$ 5,728,712	\$ 1,285,009	\$ 29,613,832
Unrealized depreciation	(758,609)	(2,542,167)	(210,658)	(156,984)
Net unrealized appreciation (depreciation)	\$ 1,567,606	\$ 3,186,545	\$ 1,074,351	\$ 29,456,848
Distributable earnings – undistributed ordinary income	\$ 11,711	\$ —	\$ 6,435	\$ —
Distributions earning – undistributed tax except income	\$ —	\$ 729,028	\$ —	\$ —

	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Cost of investments	\$ 10,605,896	\$ 271,531,688	\$169,072,101	\$ 15,921,417
Unrealized appreciation	\$ 1,297,577	\$ 5,613,658	\$ 5,920,116	\$ 4,695,394
Unrealized depreciation	(2,197,939)	(10,935,945)	(1,017,293)	(565,199)
Net unrealized appreciation (depreciation)	\$ (900,362)	\$ (5,322,287)	\$ 4,902,823	\$ 4,130,195
Distributable earnings – undistributed ordinary income	\$ —	\$ 1,581,700	\$ 760,286	\$ —

	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Cost of investments	\$496,478,848	\$ 400,069,334	\$111,800,885	\$342,798,889
Unrealized appreciation	\$ 7,771,771	\$ 2,027,354	\$ 2,144,371	\$ 2,947,360
Unrealized depreciation	(28,891,787)	(42,157,535)	(2,431,953)	(4,978,985)
Net unrealized appreciation (depreciation)	\$ (21,120,016)	\$ (40,130,181)	\$ (287,582)	\$ (2,031,625)
Distributable earnings – undistributed ordinary income	\$ —	\$ 1,362,560	\$ —	\$ 2,625,166
Distributions earning – undistributed tax except income	\$ —	\$ —	\$ 373,980	\$ —

4. Income Taxes (continued)

	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Cost of investments	\$148,110,709	\$1,836,584,823	\$100,877,452	\$723,181,124
Unrealized appreciation	\$ 21,324,002	\$ 13,323,352	\$ 22,272,324	\$ 805,691
Unrealized depreciation	(1,517,888)	(135,243,198)	(3,070,406)	(10,935,649)
Net unrealized appreciation (depreciation)	\$ 19,806,114	\$ (121,919,846)	\$ 19,201,918	\$ (10,129,958)
Distributable earnings – undistributed ordinary income	\$ 3,594,562	\$ 8,338,309	\$ 199,250	\$ 2,608,733
	Franklin Ultra Short Bond ETF			
Cost of investments	\$ 3,709,771			
Unrealized appreciation	\$ 9,519			
Unrealized depreciation	(2,714)			
Net unrealized appreciation (depreciation)	\$ 6,805			
Distributable earnings – undistributed ordinary income	\$ 17,715			

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatment of foreign currency transactions, passive foreign investment company shares and in-kind transactions, bond discounts and premiums and investments in FLSP Holdings Corporation.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities and in-kind transactions, if any) for the year ended March 31, 2024, were as follows:

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Purchases	\$ 1,549,841	\$202,447,321	\$ 281,863	\$ 6,115,624
Sales	\$ 1,343,182	\$112,013,409	\$ 305,410	\$ 34,139,565
	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Purchases	\$ 1,844,851	\$ 83,703,069	\$186,677,425	\$ 2,123,685
Sales	\$ 1,882,228	\$ 67,028,804	\$ 55,174,897	\$ 2,029,844
	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Purchases	\$318,987,339	\$153,558,527	\$ 47,976,546	\$130,301,301
Sales	\$ 89,342,528	\$145,156,287	\$ 48,149,307	\$ 37,588,493

5. Investment Transactions (continued)

	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Purchases	\$163,814,047	\$839,442,424	\$ 35,905,019	\$742,543,703
Sales	\$145,988,955	\$600,355,641	\$ 33,070,096	\$448,097,977
	Franklin Ultra Short Bond ETF			
Purchases	\$ 688,917			
Sales	\$ 1,277,340			

In-kind transactions associated with creation and redemptions for the year ended March 31, 2024, were as follows:

	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Cost of Securities Received	\$ 2,745,837	\$ —	\$ 2,253,193	\$ 3,019,843
Value of Securities Delivered ^a	\$ 4,289,536	\$ —	\$ —	\$ 2,966,172
	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Cost of Securities Received	\$ 2,339,930	\$ 45,832,449	\$ 34,517,665	\$ 13,872,710
Value of Securities Delivered ^a	\$ 4,150,392	\$ 8,797,006	\$ —	\$ 7,112,932
	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Cost of Securities Received	\$ —	\$ 48,455,723	\$ —	\$ —
Value of Securities Delivered ^a	\$ —	\$317,944,305	\$ —	\$ —
	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Cost of Securities Received	\$ —	\$ —	\$ 16,884,446	\$ —
Value of Securities Delivered ^a	\$ —	\$ —	\$ 71,814,434	\$ —
	Franklin Ultra Short Bond ETF			
Cost of Securities Received	\$ —			
Value of Securities Delivered ^a	\$ —			

^aRealized gains and losses from in-kind redemptions, as shown on the Statement of Operations, are not recognized by the Funds for tax purposes.

6. Global Credit Facility

The Funds, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling \$2.675 billion (Global Credit Facility) which matures on January 31, 2025. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Funds could, in addition to interest charged on any borrowings made by the Funds and other costs incurred by the Funds, pay its/their share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon their relative share of the aggregate net assets of

6. Global Credit Facility (continued)

all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. During the year ended March 31, 2024, the Funds did not use the Global Credit Facility.

7. Concentration of Risk

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local, regional and global economic, political and social conditions, which may result in greater market volatility. Political and financial uncertainty in many foreign regions may increase market volatility and the economic risk of investing in foreign securities. In addition, certain foreign securities may not be as liquid as U.S. securities.

Certain investments in Chinese companies are made through a special structure known as a (VIE). In a VIE structure, foreign investors, such as Franklin Disruptive Commerce ETF & Franklin U.S. Core Bond ETF will only own stock in a shell company rather than directly in the VIE, which must be owned by Chinese nationals (and/or Chinese companies) to obtain the licenses and/or assets required to operate in a restricted or prohibited sector in China. The value of the shell company is derived from its ability to consolidate the VIE into its financials pursuant to contractual arrangements that allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership. While VIEs are a longstanding industry practice and are well known by Chinese officials and regulators, the structure historically has not been formally recognized under Chinese law and it is uncertain whether Chinese officials or regulators will withdraw their implicit acceptance of the structure. It is also uncertain whether the contractual arrangements, which may be subject to conflicts of interest between the legal owners of the VIE and foreign investors, would be enforced by Chinese courts or arbitration bodies. Prohibitions of these structures by the Chinese government, or the inability to enforce such contracts, from which the shell company derives its value, would likely cause the VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Funds' returns and net asset value.

8. Credit Risk and Defaulted Securities

At March 31, 2024, Franklin Dynamic Municipal Bond ETF, Franklin Municipal Green Bond ETF, Franklin High Yield Corporate ETF, and Franklin Senior Loan ETF had 40.84%, 8.45%, 91.70%, and 88.07%, respectively, of their portfolio invested in high yield securities, senior secured floating rate notes, or other securities rated below investment grade and unrated securities, if any. These securities may be more sensitive to economic conditions causing greater price volatility and are potentially subject to a greater risk of loss due to default than higher rated securities.

The Fund may purchase the pre-default or defaulted debt of distressed companies. Distressed companies are financially troubled and could be or are already involved in financial restructuring or bankruptcy. Risks associated with purchasing these securities include the possibility that the bankruptcy or other restructuring process takes longer than expected, or that distributions in restructuring are less than anticipated, either or both of which may result in unfavorable consequences to the Fund. If it becomes probable that the income on debt securities, including those distressed companies, will not be collected, the Fund discontinues accruing income and recognizes an adjustment for uncollectible interest. At March 31, 2024, Franklin High Yield Corporate ETF, Franklin Dynamic Municipal Bond ETF and Franklin Senior Loan ETF the aggregate long value of distressed company securities for which interest recognition has been discontinued representing 0.12%, 0.00% and 0.18% of the Fund's net assets respectively. For information as to specific securities, see the accompanying Schedule of Investments.

9. Other Derivative Information

At March 31, 2024, the Funds' investments in derivative contracts are reflected in the Statements of Asset and Liabilities as follows:

9. Other Derivative Information (continued)

	Asset Derivatives		Liability Derivatives	
	Statements of Assets and Liabilities Location	Fair Value	Statements of Assets and Liabilities Location	Fair Value
Franklin Income Focus ETF				
Equity contracts	Options written, at value	\$ —	Options written, at value	\$ 87,500
Totals		\$ —		\$ 87,500
Franklin International Aggregate Bond ETF				
Foreign exchange contracts	Unrealized appreciation on OTC forward exchange contracts	\$7,448,406	Unrealized depreciation on OTC forward exchange contracts	\$ 868,963
Totals		\$7,448,406		\$ 868,963
Franklin Systematic Style Premia ETF				
Foreign exchange contracts	Unrealized appreciation on OTC forward exchange contracts	\$ 446,297	Unrealized depreciation on OTC forward exchange contracts	\$ 618,514
Equity contracts	Variation margin on futures contracts	4,131,425 ^a	Variation margin on futures contracts	1,698,154 ^a
Equity contracts	Swap contracts	—	Swap contracts	—
Totals		\$4,577,722		\$2,316,668
Franklin U.S. Core Bond ETF				
Interest rate contracts	Variation margin on futures contracts	\$ 91,653 ^a	Variation margin on futures contracts	\$ 75,546 ^a
Totals		\$ 91,653		\$ 75,546

^aThis amount reflects the cumulative appreciation (depreciation) of future contracts as reported in the Schedule of Investments. Only the variation margin receivable/payable at year end is separately reported within the Statements of Assets and Liabilities. Prior variation margin movements were recorded to cash upon receipt or payment.

For the year ended March 31, 2024, the effect of derivative contracts in the Funds' Statements of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statements of Operations Locations	Net Realized Gain (Loss) for the Period	Statements of Operations Locations	Net Change in Unrealized Appreciation (Depreciation) for the Period
Franklin Income Focus ETF				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts	Futures contracts	\$ (429,440)	Futures contracts	\$ —
Equity contracts	Written options	118,313	Written options	(54,922)
Totals		\$ (311,127)		\$ (54,922)
Franklin International Aggregate Bond ETF				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Foreign exchange contracts	Forward exchange contracts	\$7,726,531	Forward exchange contracts	\$4,467,211
Franklin Investment Grade Corporate ETF				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts	Futures contracts	\$ (476,974)	Futures contracts	\$ 492,300

9. Other Derivative Information (continued)

Derivative Contracts Not Accounted for as Hedging Instruments	Statements of Operations Locations	Net Realized Gain (Loss) for the Period	Statements of Operations Locations	Net Change in Unrealized Appreciation (Depreciation) for the Period
Franklin Systematic Style Premia ETF				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Foreign exchange contracts	Forward exchange contracts	\$1,483,690	Forward exchange contracts	\$ (519,203)
Equity contracts	Futures contracts	(508,203)	Futures contracts	1,365,624
Equity contracts	Swap contracts	—	Swap contracts	—
Totals		<u>\$ 975,487</u>		<u>\$ 846,421</u>
Franklin U.S. Core Bond ETF				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts	Futures contracts	\$ (816,917)	Futures contracts	\$ (745,406)
Credit contracts	Swap contracts	73,750	Swap Contracts	(77,367)
Totals		<u>\$ (743,167)</u>		<u>\$ (822,773)</u>

For the year ended March 31, 2024, the average month end notional amount of futures contracts, swap contracts, options and average month end contract value for forward exchange contracts were as follows:

	Franklin Income Focus ETF	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF
Futures contracts	\$4,507,548	\$ —	\$1,668,393
Forward exchange contracts	\$ —	\$363,876,644	\$ —
Written Options	\$ 19,520	\$ —	\$ —
	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	
Credit default contracts	\$ —	\$ 6,923,077	
Total Return Swaps	\$ 60,227,532	\$ —	
Futures contracts	\$152,254,367	\$65,239,472	
Forward exchange contracts	\$ 85,498,849	\$ —	

At March 31, 2024, the Funds' OTC derivative assets and liabilities are as follows:

9. Other Derivative Information (continued)

	Gross and Net Amounts of Assets and Liabilities Presented in the Statements of Assets and Liabilities	
	Assets^a	Liabilities^a
Franklin International Aggregate Bond ETF		
Foreign exchange contracts	\$7,448,406	\$868,963
Franklin Systematic Style Premia ETF		
Total Return Swaps	\$—	\$—
Foreign exchange contracts	\$446,297	\$618,514

^aAbsent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statements of Assets and Liabilities.

At March 31, 2024, the Funds' OTC derivative assets, which may be offset against the Funds' OTC derivative liabilities and collateral received from the counterparty, are as follows:

	Gross and Net Amounts of Assets Presented in the Statements of Assets and Liabilities	Amounts Not Offset in the Statements of Assets and Liabilities			Net Amount (Not less than zero)
		Financial Instruments Available for Offset	Financial Instruments Collateral Received	Cash Collateral Received	
Franklin International Aggregate Bond ETF Counterparty					
BNPS	\$3,002,849	\$(258,976)	\$—	\$—	\$2,743,873
CITI	4,445,557	(609,987)	—	—	3,835,570
Total	\$7,448,406	\$(868,963)	\$—	\$—	\$6,579,443
Franklin Systematic Style Premia ETF Counterparty					
MSCO	\$ 446,297	\$(446,297)	\$—	\$—	\$ —
MSCS	—	—	—	—	—
Total	\$ 446,297	\$(446,297)	\$—	\$—	\$ —

At March 31, 2024, the Funds' OTC derivative liabilities, which may be offset against the Funds' OTC derivative assets and collateral pledged to the counterparty, are as follows:

9. Other Derivative Information (continued)

	Gross and Net Amounts of Liabilities Presented in the Statements of Assets and Liabilities	Amounts Not Offset in the Statements of Assets and Liabilities			Net Amount (Not less than zero)
		Financial Instruments Available for Offset	Financial Instruments Collateral Pledged	Cash Collateral Pledged	
Franklin International Aggregate Bond ETF Counterparty					
BNPS	\$258,976	\$(258,976)	\$ —	\$ —	\$ —
CITI	609,987	(609,987)	—	—	—
Total	\$868,963	\$(868,963)	\$ —	\$ —	\$ —
Franklin Systematic Style Premia ETF Counterparty					
MSCO	\$618,514	\$(446,297)	\$ —	\$ —	\$172,217

See Note 1(c) regarding derivative financial instruments.

10. Fair Value Measurements

The Funds follow a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Funds' own market assumptions (unobservable inputs). These inputs are used in determining the value of the Funds' financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Funds' own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of March 31, 2024, in valuing the Funds' assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin Disruptive Commerce ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 11,220,159	\$ —	\$ —	\$ 11,220,159
Franklin Dynamic Municipal Bond ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ —	\$ 653,904	\$ 653,904
Senior Floating Rate Interests	—	875,329	—	875,329
Municipal Bonds	—	193,823,377	—	193,823,377
Total Investments in Securities	\$ —	\$ 194,698,706	\$ 653,904	\$ 195,352,610

10. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Exponential Data ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 6,697,441	\$ —	\$ —	\$ 6,697,441
Short-Term Investments	112,222	—	—	112,222
Total Investments in Securities	\$ 6,809,663	\$ —	\$ —	\$ 6,809,663
Franklin Focused Growth ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 67,586,432	\$ —	\$ —	\$ 67,586,432
Short-Term Investments	223,033	—	—	223,033
Total Investments in Securities	\$ 67,809,465	\$ —	\$ —	\$ 67,809,465
Franklin Genomic Advancements ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 9,705,534	\$ —	\$ — ^c	\$ 9,705,534
Franklin High Yield Corporate ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 250,974,224	\$ — ^c	\$ 250,974,224
Senior Floating Rate Interests	—	8,564,644	—	8,564,644
Equity Investments ^b	1,418,552	—	—	1,418,552
U.S. Government & Agency Securities	—	5,251,981	—	5,251,981
Total Investments in Securities	\$ 1,418,552	\$ 264,790,849	\$ —	\$ 266,209,401
Franklin Income Focus ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 79,338,146	\$ —	\$ 79,338,146
Equity-Linked Securities	—	23,932,752	—	23,932,752
Equity Investments ^b	48,422,934	—	—	48,422,934
U.S. Government & Agency Securities	—	22,281,092	—	22,281,092
Total Investments in Securities	\$ 48,422,934	\$ 125,551,990	\$ —	\$ 173,974,924
Liabilities:				
Other Financial Instruments:				
Call Options Written	\$ 87,500	\$ —	\$ —	\$ 87,500
Franklin Intelligent Machines ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 20,051,612	\$ —	\$ — ^c	\$ 20,051,612
Franklin International Aggregate Bond ETF				
Assets:				
Investments in Securities: ^a				
Foreign Government and Agency Securities	\$ —	\$ 457,332,828	\$ —	\$ 457,332,828
Corporate Bonds & Notes	—	16,891,656	—	16,891,656
U.S. Government & Agency Securities	—	1,134,348	—	1,134,348
Total Investments in Securities	\$ —	\$ 475,358,832	\$ —	\$ 475,358,832

10. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin International Aggregate Bond ETF (continued)				
Other Financial Instruments:				
Forward Exchange Contracts	\$ —	\$ 7,448,406	\$ —	\$ 7,448,406
Liabilities:				
Other Financial Instruments:				
Forward Exchange Contracts	\$ —	\$ 868,963	\$ —	\$ 868,963
Franklin Investment Grade Corporate ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 353,933,252	\$ —	\$ 353,933,252
U.S. Government & Agency Securities	—	6,005,901	—	6,005,901
Total Investments in Securities	\$ —	\$ 359,939,153	\$ —	\$ 359,939,153
Franklin Municipal Green Bond ETF				
Assets:				
Investments in Securities: ^a				
Municipal Bonds	\$ —	\$ 111,513,303	\$ —	\$ 111,513,303
Franklin Senior Loan ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 17,672,378	\$ —	\$ 17,672,378
Senior Floating Rate Interests	—	274,344,251	—	274,344,251
Asset-Backed Securities	—	1,987,513	—	1,987,513
U.S. Government & Agency Securities	—	46,763,122	—	46,763,122
Total Investments in Securities	\$ —	\$ 340,767,264	\$ —	\$ 340,767,264
Franklin Systematic Style Premia ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 98,627,019	\$ —	\$ — ^c	\$ 98,627,019
Short-Term Investments	69,289,804	—	—	69,289,804
Total Investments in Securities	\$ 167,916,823	\$ —	\$ —	\$ 167,916,823
Other Financial Instruments:				
Forward Exchange Contracts	\$ —	\$ 446,297	\$ —	\$ 446,297
Futures Contracts	4,131,425	—	—	4,131,425
Total Other Financial Instruments	\$ 4,131,425	\$ 446,297	\$ —	\$ 4,577,722
Liabilities:				
Other Financial Instruments:				
Forward Exchange Contracts	\$ —	\$ 618,514	\$ —	\$ 618,514
Futures Contracts	1,698,154	—	—	1,698,154
Total Other Financial Instruments	\$ 1,698,154	\$ 618,514	\$ —	\$ 2,316,668

10. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin U.S. Core Bond ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 532,544,909	\$ —	\$ 532,544,909
Municipal Bonds	—	20,034,024	—	20,034,024
Mortgage-Backed Securities	—	5,564,076	—	5,564,076
Foreign Government and Agency Securities	—	14,923,950	—	14,923,950
Asset-Backed Securities	—	38,189,008	—	38,189,008
U.S. Government & Agency Securities	—	1,094,116,935	—	1,094,116,935
Short-Term Investments	9,292,075	—	—	9,292,075
Total Investments in Securities	\$ 9,292,075	\$ 1,705,372,902	\$ —	\$ 1,714,664,977
Other Financial Instruments:				
Futures Contracts	\$ 91,653	\$ —	\$ —	\$ 91,653
Liabilities:				
Other Financial Instruments:				
Futures Contracts	\$ 75,546	\$ —	\$ —	\$ 75,546
Franklin U.S. Low Volatility ETF				
Assets:				
Investments in Securities: ^a				
Equity Investments ^b	\$ 119,164,897	\$ —	\$ —	\$ 119,164,897
U.S. Government & Agency Securities	—	914,474	—	914,474
Total Investments in Securities	\$ 119,164,897	\$ 914,474	\$ —	\$ 120,079,371
Franklin U.S. Treasury Bond ETF				
Assets:				
Investments in Securities: ^a				
U.S. Government & Agency Securities	\$ —	\$ 708,834,676	\$ —	\$ 708,834,676
Short-Term Investments	4,216,490	—	—	4,216,490
Total Investments in Securities	\$ 4,216,490	\$ 708,834,676	\$ —	\$ 713,051,166
Franklin Ultra Short Bond ETF				
Assets:				
Investments in Securities: ^a				
Corporate Bonds & Notes	\$ —	\$ 1,842,709	\$ —	\$ 1,842,709
Asset-Backed Securities	—	200,151	—	200,151
Short-Term Investments	1,574,767	98,949	—	1,673,716
Total Investments in Securities	\$ 1,574,767	\$ 2,141,809	\$ —	\$ 3,716,576

^aFor detailed categories, see the accompanying Schedules of Investments.

^bIncludes common and preferred stocks, warrants, as well as other equity investments.

^cIncludes financial instruments determined to have no value.

11. Investments in FLSP Holdings Corporation

Franklin Systematic Style Premia ETF, (the “Fund”), invests in certain financial instruments and commodities/or commodity-linked derivative investments. The FLSP Holdings Corporation is a Cayman Islands exempted company with limited liability, is a wholly-owned subsidiary of the Fund, and is able to invest in certain financial instruments and/or commodity-linked derivative investments consistent with the investment objective of the Fund. At March 31, 2024, the Franklin Systematic Style Premia ETF investment(s) in FLSP Holdings Corporation is reflected in the Fund’s Consolidated Schedule of Investments. At March 31, 2024, the net assets of the FLSP Holdings Corporation were \$6,098,399, representing 3.31% of the Fund’s consolidated net assets. The Fund’s investment(s) in the FLSP Holdings Corporation is limited to 25% of consolidated assets.

12. New Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. In January 2021 and December 2022, the FASB issued ASU No. 2021-01 and ASU No. 2022-06, with further amendments to Topic 848. The amendments in the ASUs provide optional temporary accounting recognition and financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021 for certain LIBOR settings and 2023 for the remainder. The ASUs are effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2024. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

13. Subsequent Events

The Funds have evaluated subsequent events through the issuance of these Financial Statements and determined that no events have occurred that require disclosure other than those already disclosed in the financial statements, except for the following:

On February 29, 2024, the Board approved changes to Franklin U.S. Low Volatility ETF's (i) name and ticker symbol, (ii) investment goal, strategies and policies (including the Fund's 80% investment policy), (iii) primary benchmark index, and (iv) other related changes. Effective on or about May 31, 2024, the Fund will be renamed the Franklin Income Equity Focus ETF (Ticker: INCE). The Fund's investment goal will change to seek income and capital appreciation with an emphasis on lower volatility.

Abbreviations

Selected Portfolio		Currency	Counterparty		
ADR	American Depositary Receipt	AUD	Australian Dollar	BNPS	BNP Paribas SA.
AMT	Alternative Minimum Tax	CAD	Canadian Dollar	CITI	CITIBANK
CAC	Cotation Assistée en Continu (French Index)	CNY	Chinese Yuan Renminbi	MSCO	Morgan Stanley
CDI	Clearing House Electronic Subregister System Depositary Interest	EUR	Euro	MSCS	Morgan Stanley Capital Services Inc.
CLO	Collateralized Loan Obligation	GBP	United Kingdom Pound		
CSCDA	California Statewide Communities Development Authority	JPY	Japanese Yen		
FRN	Floating Rate Note	MXN	Mexican Peso		
LIBOR	London Interbank Offered Rate	PLN	Polish Zloty		
OAT	Obligation Assumable by the Treasurer	SEK	Swedish Krona		
PIK	Payment-In-Kind	USD	United States Dollar		
REIT	Real Estate Investment Trust				
SBA	Small Business Administration				
SOFR	Secured Overnight Financing Rate				
SPA	Standby Purchase Agreement				
ULSD	Ultra-Low Sulfur Diesel				
VRDN	Variable Rate Demand Note				

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Templeton ETF Trust and Shareholders of Franklin Disruptive Commerce ETF, Franklin Dynamic Municipal Bond ETF, Franklin Exponential Data ETF, Franklin Focused Growth ETF, Franklin Genomic Advancements ETF, Franklin High Yield Corporate ETF, Franklin Income Focus ETF, Franklin Intelligent Machines ETF, Franklin International Aggregate Bond ETF, Franklin Investment Grade Corporate ETF, Franklin Municipal Green Bond ETF, Franklin Senior Loan ETF, Franklin Systematic Style Premia ETF, Franklin U.S. Core Bond ETF, Franklin U.S. Low Volatility ETF, Franklin U.S. Treasury Bond ETF and Franklin Ultra Short Bond ETF

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of each of the funds listed in the table below (seventeen of the funds constituting Franklin Templeton ETF Trust, hereafter collectively referred to as the "Funds") as of March 31, 2024, the related statements of operations and of changes in net assets for each of the periods indicated in the table below, including the related notes, and the financial highlights for each of the periods indicated in the table below (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of March 31, 2024, the results of each of their operations and the changes in each of their net assets for each of the periods indicated in the table below and each of the financial highlights for each of the periods indicated in the table below in conformity with accounting principles generally accepted in the United States of America.

Franklin Disruptive Commerce ETF⁽¹⁾

Franklin Dynamic Municipal Bond ETF⁽¹⁾

Franklin Exponential Data ETF⁽¹⁾

Franklin Focused Growth ETF⁽²⁾

Franklin Genomic Advancements ETF⁽¹⁾

Franklin High Yield Corporate ETF⁽¹⁾

Franklin Income Focus ETF⁽³⁾

Franklin Intelligent Machines ETF⁽¹⁾

Franklin International Aggregate Bond ETF⁽¹⁾

Franklin Investment Grade Corporate ETF⁽¹⁾

Franklin Municipal Green Bond ETF⁽¹⁾

Franklin Senior Loan ETF⁽¹⁾

Franklin Systematic Style Premia ETF⁽⁴⁾

Franklin U.S. Core Bond ETF⁽¹⁾

Franklin U.S. Low Volatility ETF⁽¹⁾

Franklin U.S. Treasury Bond ETF⁽¹⁾

Franklin Ultra Short Bond ETF⁽¹⁾

⁽¹⁾ Statement of assets and liabilities, including the schedule of investments, as of March 31, 2024, the related statement of operations for the year ended March 31, 2024, the statements of changes in net assets for each of the two years in the period ended March 31, 2024 and the financial highlights for each of the periods indicated therein.

Report of Independent Registered Public Accounting Firm (continued)

⁽²⁾ Statement of assets and liabilities, including the schedule of investments, as of March 31, 2024, the related statements of operations for the period October 1, 2023 through March 31, 2024 and for the year ended September 30, 2023, the statements of changes in net assets for the period October 1, 2023 through March 31, 2024 and for each of the two years in the period ended September 30, 2023 and the financial highlights for the period October 1, 2023 through March 31, 2024 and each of the five years in the period ended September 30, 2023.

⁽³⁾ Statement of assets and liabilities, including the schedule of investments, as of March 31, 2024, the related statement of operations, the statements of changes in net assets and the financial highlights for the period June 06, 2023 (commencement of operations) to March 31, 2024.

⁽⁴⁾ Consolidated statement of assets and liabilities, including the consolidated schedule of investments, as of March 31, 2024, the related consolidated statement of operations for the year ended March 31, 2024, the consolidated statements of changes in net assets for each of the two years in the period ended March 31, 2024 and the consolidated financial highlights for each of the four years in the period ended March 31, 2024 and for the period December 18, 2019 (commencement of operations) to March 31, 2020.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of March 31, 2024 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP

San Francisco, California

May 22, 2024

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax information (unaudited)

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Funds is required to be furnished to shareholders with respect to the income earned and distributions paid during their fiscal year.

The Funds below hereby report the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended March 31, 2024:

	Pursuant to:	Franklin Disruptive Commerce ETF	Franklin Dynamic Municipal Bond ETF	Franklin Exponential Data ETF	Franklin Focused Growth ETF
Exempt-Interest Dividends	§852(b)(5)(A)	\$—	\$5,006,865	\$—	\$—
Interest-Related Dividends	§871(k)(1)(C)	\$—	\$ 133,566	\$—	\$—
Section 163(j) Interest Dividends	§163(j)	\$—	\$ 133,566	\$—	\$—
	Pursuant to:	Franklin Genomic Advancements ETF	Franklin High Yield Corporate ETF	Franklin Income Focus ETF	Franklin Intelligent Machines ETF
Dividends Received Deduction (DRD) . . .	§854(b)(1)(A)	\$—	\$ —	\$ 600,636	\$—
Qualified Dividend Income (QDI)	§854(b)(1)(B)	\$—	\$ —	\$ 674,050	\$—
Interest-Related Dividends	§871(k)(1)(C)	\$—	\$11,715,646	\$3,025,667	\$—
Section 163(j) Interest Dividends	§163(j)	\$—	\$14,228,926	\$3,458,152	\$—
	Pursuant to:	Franklin International Aggregate Bond ETF	Franklin Investment Grade Corporate ETF	Franklin Municipal Green Bond ETF	Franklin Senior Loan ETF
Exempt-Interest Dividends	§852(b)(5)(A)	\$ —	\$ —	\$3,985,182	\$ —
Interest-Related Dividends	§871(k)(1)(C)	\$ 824,399	\$21,428,122	\$ 53,418	\$21,412,594
Section 163(j) Interest Dividends	§163(j)	\$4,135,329	\$25,383,723	\$ 53,418	\$21,412,594
	Pursuant to:	Franklin Systematic Style Premia ETF	Franklin U.S. Core Bond ETF	Franklin U.S. Low Volatility ETF	Franklin U.S. Treasury Bond ETF
Dividends Received Deduction (DRD) . . .	§854(b)(1)(A)	\$ 720,512	\$ —	\$2,439,590	\$ —
Qualified Dividend Income (QDI)	§854(b)(1)(B)	\$1,394,269	\$ —	\$2,439,590	\$ —
Interest-Related Dividends	§871(k)(1)(C)	\$1,322,936	\$55,193,184	\$ —	\$16,803,834
Section 163(j) Interest Dividends	§163(j)	\$ 923,552	\$58,908,890	\$ —	\$16,803,834
	Pursuant to:				Franklin Ultra Short Bond ETF
Interest-Related Dividends	§871(k)(1)(C)				\$115,259
Section 163(j) Interest Dividends	§163(j)				\$126,651

Tax information (unaudited) (continued)

Under Section 853 of the Internal Revenue Code, the Funds below intend to elect to pass through to their shareholders the following amounts, or amounts as finally determined, of foreign taxes paid and foreign source income earned by the Funds during the fiscal year ended March 31, 2024:

	Franklin International Aggregate Bond ETF
Foreign Taxes Paid	\$ 90
Foreign Source Income	\$8,657,382

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Rohit Bhagat (1964) One Franklin Parkway San Mateo, CA 94403-1906	Lead Independent Trustee	Since 2016	60	AssetMark Financial Holdings, Inc. (investment solutions) (2018-present) and PhonePe (2020-present) (payment and financial services); Meesho (eCommerce) (2023-present); and formerly , Axis Bank (banking and financial) (2013-2021), FlipKart Limited (2019-December 2020) (eCommerce company); CapFloat Financial Services Pvt., Ltd. (non-banking finance company) (2018) and Zentific Investment Management (hedge fund) (2015-2018); Advisor, Optimal Asset Management (investment technology and advisory services company) (2015-2018); Chief Executive Officer and Director, FinTech Evolution Acquisition (February 2021-March 2023).

Principal Occupation During at Least the Past 5 Years:

Managing Member, Mukt Capital, LLC (private investment firm) (2014-present); and **formerly**, Chairman, Asia Pacific, BlackRock (investment management) (2009-2012); Global Chief Operating Officer, Barclays Global Investors (investment management) (2005-2009); and Senior Partner, The Boston Consulting Group (management consulting) (1992-2005).

Deborah D. McWhinney (1955) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2020	60	IHS Markit (information services) (2015-present), Borg Warner (automotive) (2018-present), LegalShield (consumer services) (2020-present); and formerly , Fluor Corporation (construction and engineering) (2014-2020) and Focus Financial Partner, LLC (financial services) (2018-2020).
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Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Board Member, Lloyds Banking Group (2015-2018) (financial institution) and Fresenius Medical Group (2016-2018) (healthcare); Chief Executive Officer (2013-2014) and Chief Operating Officer (2011-2013), CitiGroup Global Enterprise Payments (financial services); and President, Citi's Personal Banking and Wealth Management (2009-2011).

Anantha K. Pradeep (1963) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2016	60	None
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Principal Occupation During at Least the Past 5 Years:

Chief Executive Officer, Smilable, Inc. (technology company) (2014-present); Chief Executive Officer, MachineVantage (technology company) (2018-present); Founder and Managing Partner, Consult Meridian, LLC (consulting company) (2009-present); and **formerly**, Founder, BoardVantage (board portal solutions provider delivering paperless process for boards and leadership) (2000-2002).

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Jennifer M. Johnson² (1964) One Franklin Parkway San Mateo, CA 94403-1906	Trustee and Chairperson of the Board	Since 2016	70	None
Principal Occupation During at Least the Past 5 Years: Chief Executive Officer, President and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton fund complex; and formerly , Chief Operating Officer and Executive Vice President, Franklin Resources, Inc. (1994-2015); Executive Vice President of Operations and Technology, Franklin Resources, Inc. (2005-2010); and Senior Vice President, Franklin Resources, Inc. (2003-2005).				
Harris Goldblat (1969) 100 First Stamford Place 6th Floor 6th Floor Stamford, CT. 06902	Vice President and Secretary	Since June 2023	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Associate General Counsel, Franklin Templeton; officer of certain funds in the Franklin Templeton fund complex; formerly, Managing Director and Associate General Counsel for Legg Mason & Co.				
Fred Jensen (1963) 280 Park Avenue New York, NY 10018	Chief Compliance Officer	Since 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Director - Global Compliance of Franklin Templeton; Managing Director of Legg Mason & Co.; Director of Compliance, Legg Mason Office of the Chief Compliance Officer; Chief Compliance Officer, Franklin Advisory Services, LLC; Compliance Officer, Franklin Advisers, Inc.; officer of certain funds in the Franklin Templeton fund complex; formerly, Chief Compliance Officer of Legg Mason Global Asset Allocation; Chief Compliance Officer, Legg Mason Private Portfolio; Chief Compliance Officer to The Reserves Funds (investment adviser, funds and broker-dealer) and Ambac Financial Group (investment adviser, funds and broker-dealer).				
Susan Kerr (1949) 280 Park Avenue New York, NY 10017	Vice President - AML Compliance	Since 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, LMIS; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer - Finance and Administration	Since January 2024	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; and officer of certain funds in the Franklin Templeton fund complex.				
David Mann (1973) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2023	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Head of Global ETF Product and Capital Markets, Franklin Templeton; and officer of certain funds in the Franklin Templeton fund complex.				
Todd Mathias (1983) One Franklin Parkway, San Mateo, Ca 94403-1906	Vice President	Since March 2022	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Head of US ETF Product Strategy, Franklin Templeton; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Patrick O'Connor (1967) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer – Investment Management	Since 2016	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: President and Chief Investment Officer, Franklin Advisory Services, LLC; Senior Vice President, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				
Vivek Pai (1970) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Treasurer, Chief Financial Officer and Chief Accounting Officer	Since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Treasurer, U.S. Fund Administration & Reporting and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.				

Note 1: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

1. Information is for the calendar year ended December 31, 2023, unless otherwise noted. We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton fund complex. These portfolios have a common investment manager or affiliated investment managers.

2. Jennifer M. Johnson is considered to be an interested person of the Fund under the federal securities laws due to her position as an officer and director of Franklin Resources, Inc., which is the parent company of the Fund's investment manager and distributor.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Rohit Bhagat and Deborah D. McWhinney as its audit committee financial experts. The Board believes that Mr. Bhagat and Ms. McWhinney qualify as such an expert in view of their extensive business background and experience, including extensive experience in the asset management and financial services industries. Mr. Bhagat has been a Member and Chairman of the Fund's Audit Committee since 2017. Ms. McWhinney has been a member of the Fund Audit Committee since 2020. As a result of such background and experience, the Board believes that Mr. Bhagat and Ms. McWhinney have acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that presents a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Mr. Bhagat and Ms. McWhinney are independent Board members as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON ETF TRUST

Franklin Disruptive Commerce ETF

Franklin Dynamic Municipal Bond ETF

(formerly Franklin Liberty Federal Intermediate Tax-Free Bond Opportunities ETF)

Franklin Exponential Data ETF

Franklin Genomic Advancements ETF

Franklin Intelligent Machines ETF

Franklin High Yield Corporate ETF*

Franklin International Aggregate Bond ETF*

Franklin Investment Grade Corporate ETF*

Franklin Senior Loan ETF*

Franklin Systematic Style Premia ETF*

Franklin Ultra Short Bond ETF*

Franklin U.S. Core Bond ETF*

Franklin U.S. Low Volatility ETF*

Franklin U.S. Treasury Bond ETF*

Franklin Municipal Green Bond ETF*

(formerly Franklin Liberty Federal Tax-Free Bond ETF)

(each a Fund)

**Effective August 1, 2022, "Liberty" was removed from the name of the Fund.*

At a meeting held on May 25, 2022 (Meeting), the Board of Trustees (Board) of Franklin Templeton ETF Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved the continuance of (i) the investment management agreement between Franklin Advisers, Inc. (FAV) and the Trust, on behalf of each Fund (except the Franklin International Aggregate Bond ETF); (ii) an investment management agreement between Franklin Templeton Investment Management Limited (FTIML) and the Trust, on behalf of the Franklin International Aggregate Bond ETF; (iii) an investment sub-advisory agreement between FAV and Franklin Templeton Institutional, LLC (FT Institutional), an affiliate of FAV, on behalf of each of the Franklin Investment Grade Corporate ETF and Franklin U.S. Treasury Bond ETF; and (iv) an investment sub-advisory agreement between FTIML and FAV, an affiliate of FTIML, on behalf of the Franklin International Aggregate Bond ETF (each a Management Agreement) for an additional one-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of each Management Agreement. Although the Management Agreements for the

Funds were considered at the same Board meeting, the Board considered the information provided to it about the Funds together and with respect to each Fund separately as the Board deemed appropriate. FAV, FTIML and FT Institutional are each referred to herein as a Manager.

In considering the continuation of each Management Agreement, the Board reviewed and considered information provided by each Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to each Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a virtual contract renewal meeting at which the Independent Trustees conferred amongst themselves and Independent Trustee counsel about contract renewal matters and subsequently, requested additional information from management that the Independent Trustees reviewed and considered at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of each Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by each Manager; (ii) the investment performance of each Fund; (iii) the costs of the services provided and profits realized by each Manager and its affiliates from the relationship with each Fund; (iv) the extent to which economies of scale are realized as each Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of each Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of each Management Agreement are fair and reasonable and that the continuance of such Management Agreement is in the best interests of the applicable Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by each Manager and its affiliates to the Funds and their shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of each Manager; the structure of investment

personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for each Fund; reports on expenses; legal and compliance matters; risk controls; pricing and other services provided by each Manager and its affiliates; and management fees charged by each Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board acknowledged the ongoing integration of the Legg Mason family of funds into the Franklin Templeton (FT) family of funds and developing strategies to address areas of heightened concern in the registered fund industry, including various regulatory initiatives and recent geopolitical concerns. The Board also considered the investment management services that the Manager provides to the Cayman Islands-based company, which is wholly owned by the Franklin Systematic Style Premia ETF (Cayman Subsidiary).

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of Franklin Resources, Inc. (FRI), the Managers' parent, and its commitment to the registered fund business as evidenced by its continued introduction of new funds, reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to being a global leader in stewardship and sustainability and the recent addition of a senior executive focused on environmental, social and governance and climate control initiatives.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by each Manager and its affiliates to the Funds and their shareholders.

Fund Performance

The Board reviewed and considered the performance results of each Fund for various time periods ended February 28, 2022. The Board considered the performance returns for each Fund in comparison to the performance returns of registered funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the registered funds included in a Performance Universe. The Board also reviewed and considered Fund performance

reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. The Board noted its ongoing discussions with management about the performance of the Funds to date, particularly as compared to peers, the importance of performance to asset growth and growth of market share, and the performance of the Funds in periods of volatility. In addition, the Board acknowledged information provided regarding management's strategy behind the overall product line up, the sources of asset growth, the nature of management's research, potential use of innovative data and technology, and investments in marketing and distribution. Finally, the Board noted management's high level of client engagement and the strength of its compliance program. A summary of each Fund's performance results is below.

Franklin Disruptive Commerce ETF, Franklin Exponential Data ETF and Franklin Genomic Advancements ETF - The Performance Universe for the Franklin Disruptive Commerce ETF included the Fund and all retail and institutional consumer services funds and exchange-traded funds. The Performance Universe for the Franklin Exponential Data ETF included the Fund and all retail and institutional science and technology funds and exchange-traded funds. The Performance Universe for the Franklin Genomic Advancements ETF included the Fund and all retail and institutional health/biotechnology funds and exchange-traded funds. The Franklin Disruptive Commerce ETF and the Franklin Genomic Advancements ETF commenced operations on February 25, 2020, and the Franklin Exponential Data ETF commenced operations on January 12, 2021, and thus have been in operation for less than three years. The Board noted that the Funds' annualized total returns for the one-year period were below the medians of their respective Performance Universes. The Board discussed this performance with management and management explained that the Performance Universe for each of the Franklin Disruptive Commerce ETF and the Franklin Genomic Advancements ETF was not directly comparable to the respective Fund. The Board concluded that, based on the foregoing and the short operating history of these two funds, each Fund's Management Agreement should be continued for an additional one-year period and management's efforts should continue to be closely monitored. The Board further concluded that, given the Franklin Exponential Data ETF's short operating history, the Board would need more time to evaluate the performance of the Fund.

Franklin Dynamic Municipal Bond ETF and Franklin Senior Loan ETF - The Performance Universe for the Franklin

Dynamic Municipal Bond ETF included the Fund and all retail and institutional intermediate municipal debt funds and exchange-traded funds. The Performance Universe for the Franklin Senior Loan ETF included the Fund and all retail and institutional loan participation funds and exchange-traded funds. The Franklin Dynamic Municipal Bond ETF commenced operations on August 31, 2017, and the Franklin Senior Loan ETF commenced operations on May 30, 2018, and thus have been in operation for less than five years. The Board noted that the Funds' annualized total returns for the one- and three-year periods were above the medians of their respective Performance Universes. The Board concluded that the Funds' performance was satisfactory.

Franklin Intelligent Machines ETF, Franklin Systematic Style Premia ETF and Franklin U.S. Treasury Bond ETF - The Performance Universe for the Franklin Intelligent Machines ETF included the Fund and all retail and institutional science and technology funds and exchange-traded funds. The Performance Universe for the Franklin Systematic Style Premia ETF included the Fund and all retail and institutional absolute-return funds and exchange-traded funds. The Performance Universe for the Franklin U.S. Treasury Bond ETF included the Fund and all retail and institutional general US Treasury funds and exchange-traded funds. The Franklin Intelligent Machines ETF commenced operations on February 25, 2020, the Franklin Systematic Style Premia ETF commenced operations on December 18, 2019 and the Franklin U.S. Treasury Bond ETF commenced operations on June 9, 2020, and thus have been in operation for less than three years. The Board noted that the Funds' annualized total returns for the one-year period were above the medians of their respective Performance Universes. The Board concluded that the Funds' performance was satisfactory.

Franklin Investment Grade Corporate ETF - The Performance Universe for the Fund included the Fund and all retail and institutional BBB-rated corporate debt funds and exchange-traded funds. The Fund commenced operations on October 3, 2016 and thus has been in operation for less than ten years. The Board noted that the Fund's annualized total return for the one-, three- and five-year periods was below the median of its Performance Universe. The Board discussed this performance with management and management explained that the Fund's relative underperformance in comparison to its Performance Universe was due, in part, to the Fund having less exposure to high yield securities than its peers, noting that high yield securities strongly outperformed investment grade bonds during the one-year period. Management further explained the steps

the portfolio management team is taking in an effort to improve the Fund's peer rankings. Based on the foregoing, the Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, and that management's efforts should continue to be closely monitored.

Franklin High Yield Corporate ETF and Franklin Municipal Green Bond ETF - The Performance Universe for the Franklin High Yield Corporate ETF included the Fund and all retail and institutional high yield funds and exchange-traded funds. The Performance Universe for the Franklin Municipal Green Bond ETF included the Fund and all retail and institutional general and insured municipal debt funds and exchange-traded funds. The Franklin High Yield Corporate ETF commenced operations on May 30, 2018, and the Franklin Municipal Green Bond ETF commenced operations on August 31, 2017, and thus have been in operation for less than five years. The Board noted that Funds' annualized total returns for the for the one-year period were below the medians of their respective Performance Universes, but the Funds' annualized total returns for the three-year period were above the medians and in the first (best) or second quintiles of their respective Performance Universes. The Board also noted the short operating history of each Fund and that each Fund had an annualized total return that exceeded 4.45% for the three-year period. The Board concluded that each Fund's performance was acceptable.

Franklin International Aggregate Bond ETF - The Performance Universe for the Fund included the Fund and all retail and institutional international income funds and exchange-traded funds. The Fund commenced operations on May 30, 2018 and thus has been in operation for less than five years. The Board noted that the annualized total return the Fund for the one-year period was above the median of its Performance Universe, but its annualized total return for the three-year period was below its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Franklin U.S. Low Volatility ETF - The Performance Universe for the Fund included the Fund and all retail and institutional large-cap core funds and exchange-traded funds. The Fund commenced operations on September 20, 2016 and thus has been in operation for less than ten years. The Board noted that the Fund's annualized total return for the one-year period was above the median of its Performance Universe, but its annualized total return for the three- and five-year periods was below the median of its Performance Universe.

The Board noted that, while the Fund's annualized total return for the three- and five-year periods was below median, it was 14.55% and 13.77%, respectively. The Board concluded that the Fund's performance was satisfactory.

Franklin U.S. Core Bond ETF and Franklin Ultra Short Bond ETF - The Performance Universe for the Franklin U.S. Core Bond ETF included the Fund and all retail and institutional core bond funds and exchange-traded funds. The Performance Universe for the Franklin Ultra Short Bond ETF included the Fund and all retail and institutional ultra-short obligation funds and exchange-traded funds. The Franklin U.S. Core Bond ETF Fund commenced operations on September 17, 2019 and the Franklin Ultra Short Bond ETF commenced operations on July 14, 2020, and thus have been in operation for less than three years. The Board noted that the Funds' annualized total returns for the one-year period were below the medians of their respective Performance Universes. The Board concluded that, given each Fund's short operating history, the Board would need additional time to evaluate the performance of the Fund.

Comparative Fees and Expenses

The Board reviewed and considered information regarding each Fund's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; underlying fund expenses; Rule 12b-1 and non-Rule 12b-1 service fees; and other non-management fees. The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate) of each Fund in comparison to the median expense ratio and median Management Rate, respectively, of other exchange-traded funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from each fund's most recent annual or semi-annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of the methodology used by Broadridge to select the exchange-traded funds included in an Expense Group.

Franklin Disruptive Commerce ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund, two other consumer services funds, and one financial services fund. The Board noted that the Management Rate and the actual total expense ratio for the Fund were below the medians of its Expense Group. The Board also noted the small size of the Fund's Expense Group. The Board further noted that effective October 1, 2021, the Fund implemented a unified management fee (Unified Fee). The Board also noted that pursuant to the Unified Fee arrangement the Manager reimburses the Fund for all of its acquired fund fees and expenses (if any) and pays all of the ordinary operating expenses of the Fund, except for (i) the Fund's Unified Fee, (ii) payments under the Fund's Rule 12b-1 plan (if any), (iii) brokerage expenses, (iv) taxes, (v) interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges), (vi) litigation expenses (including litigation to which the Trust or the Fund may be a party and indemnification of the Trustees and officers with respect thereto), and (vii) other non-routine or extraordinary expenses (Unified Fee Arrangement). The Board concluded that the Management Rate charged to the Fund is reasonable.

Franklin Exponential Data ETF, Franklin Genomic Advancements ETF, Franklin Intelligent Machines ETF, Franklin International Aggregate Bond ETF, Franklin Senior Loan ETF, Franklin Systematic Style Premia ETF, Franklin Ultra Short Bond ETF, Franklin U.S. Core Bond ETF and Franklin U.S. Treasury Bond ETF - The Expense Group for the Franklin Exponential Data ETF was comprised of actively managed exchange-traded funds, which included the Fund, four other science and technology funds, two global science/technology funds, and one financial services fund. The Expense Group for the Franklin Genomic Advancements ETF was comprised of actively managed exchange-traded funds, which included the Fund, one other health/biotechnology fund, and three science and technology funds. The Expense Group for the Franklin Intelligent Machines ETF was comprised of actively managed exchange-traded funds, which included the Fund and four other science and technology funds. The Expense Group for the Franklin International Aggregate Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund, one other international income fund, and four emerging markets hard currency debt funds. The Expense Group for the Franklin Senior Loan ETF was comprised of actively managed exchange-traded funds, which included the Fund and six other loan participation

funds. The Expense Group for the Franklin Systematic Style Premia ETF was comprised of actively managed exchange-traded funds, which included the Fund, two other absolute-return funds, four alternative long/short equity funds, and one alternative multi-strategy fund. The Expense Group for the Franklin Ultra Short Bond ETF was comprised of pure index exchange-traded funds, which included the Fund and nine other ultra-short obligation funds. The Expense Group for the Franklin U.S. Core Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund, three other core bond funds, and five short investment-grade debt funds. The Expense Group for the Franklin U.S. Treasury Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund and eight general US government funds. The Board noted that the Management Rates and actual total expense ratios for the Funds were below the medians of their respective Expense Groups. The Board also noted the small size of the Franklin Genomic Advancements ETF's, the Franklin Intelligent Machines ETF's, the Franklin International Aggregate Bond ETF's, Franklin Senior Loan ETF's and the Franklin Systematic Style Premia ETF's Expense Groups. The Board further noted that effective October 1, 2021, the Funds implemented a Unified Fee. The Board also noted the terms of the Unified Fee Arrangement. The Board further noted that FAV is paid by FTIML out of the management fee FTIML receives from the Franklin International Aggregate Bond ETF and that the allocation of the fee between FTIML and FAV reflected the services provided by each to the Fund. The Board also noted that FT Institutional is paid by FAV out of the management fee FAV receives from the Franklin U.S. Treasury Bond ETF and that the allocation of the fee between FAV and FT Institutional reflected the services provided by each to the Fund. The Board concluded that the Management Rate charged to each Fund and the sub-advisory fee paid to each of FAV and FT Institutional are reasonable.

Franklin Dynamic Municipal Bond ETF and Franklin Municipal Green Bond ETF - The Expense Group for the Franklin Dynamic Municipal Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund and five other intermediate municipal debt funds. The Expense Group for the Franklin Municipal Green Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund and four other general and insured municipal debt funds. The Board noted that the Management Rate for the Funds was above the medians of their respective Expense Groups, but the actual total expense ratio was equal to the medians of their respective Expense

Groups. The Board also noted the small size of the Funds' Expense Groups and that the Funds' actual total expense ratio reflected an expense cap from management. The Board concluded that the Management Rates charged to the Funds are reasonable.

Franklin Investment Grade Corporate ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund and three other BBB-rated corporate debt funds. The Board noted that the Management Rate for the Fund was approximately 1.6 basis points above the median of its Expense Group, but its actual total expense ratio was below the median of its Expense Group. The Board also noted the small size of the Expense Group. The Board further noted that effective October 1, 2021, the Fund implemented a Unified Fee. The Board also noted the terms of the Unified Fee Arrangement. The Board also noted that FT Institutional is paid by FAV out of the management fee FAV receives from the Fund and that the allocation of the fee between FAV and FT Institutional reflected the services provided by each to the Fund. The Board concluded that the Management Rate charged to the Fund and the sub-advisory fee paid to FT Institutional are reasonable.

Franklin High Yield Corporate ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund and eight other high yield funds. The Board noted that the Management Rate for the Fund was equal to the median of its Expense Group, but its actual total expense ratio was below the median of its Expense Group. The Board further noted that effective October 1, 2021, the Fund implemented a Unified Fee. The Board also noted the terms of the Unified Fee Arrangement. The Board concluded that the Management Rate charged to the Fund is reasonable.

Franklin U.S. Low Volatility ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund, one other large-cap core fund, one large-cap value fund, and two multi-cap value funds. The Board noted that the Management Rate for the Fund was below the median of its Expense Group, but its actual expense ratio was equal to the median of its Expense Group. The Board also noted the small size of the Expense Group. The Board further noted that effective October 1, 2021, the Fund implemented a Unified Fee. The Board also noted the terms of the Unified Fee Arrangement. The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by each Manager and its affiliates in connection with the operation of each Fund. In this respect, the Board considered the Fund profitability analysis that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual funds during the 12-month period ended September 30, 2021, being the most recent fiscal year-end for FRI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Funds' profitability report presentations from prior years. The Board also noted that PricewaterhouseCoopers LLP, auditor to FRI and certain FT funds, has been engaged to periodically review and assess the allocation methodologies to be used solely by the Funds' Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of fund operations conducted by each Manager and its affiliates may not be fully reflected in the expenses allocated to each Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures but, over the long run, is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Funds, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which each Manager and its affiliates might derive ancillary benefits from fund operations, including potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by each Manager and its affiliates from providing services to each Fund was not excessive in view of the nature, extent and quality of services provided to each Fund.

Economies of Scale

The Board reviewed and considered the extent to which each Manager may realize economies of scale, if any, as each Fund grows larger and whether each Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale, the Board noted the existence of management fee breakpoints for certain of the Funds, which operate generally to share any economies of scale with a Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered that each Fund (except the Franklin Dynamic Municipal Bond ETF and Franklin Municipal Green Bond ETF) would likely experience benefits from the Unified Fee at the Fund's projected asset levels because of the applicable Manager's contractual requirement to bear most of the Fund's ordinary operating expenses. The Board noted that, under the Unified Fee, it is not anticipated that any of the Funds will generate significant, if any, profit for the applicable Manager and/or its affiliates for some time. The Board considered management's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments the Managers incur across the FT family of funds as a whole. The Board also noted that, as of December 31, 2021, each Fund (except for the Franklin Investment Grade Corporate ETF and the Franklin U.S. Core Bond ETF) had net assets below \$500 million (and in most cases much less). The Board also noted management's representation that, while the Franklin Investment Grade Corporate ETF and the Franklin U.S. Core Bond ETF had net assets of \$1.03 billion and \$1.69 billion, respectively, as of December 31, 2021, the only Fund that experienced a profit for the fiscal year ended September 30, 2021 was the Franklin Investment Grade Corporate ETF. The Board recognized that there would not likely be any economies of scale for a Fund until the Fund's assets grow.

Conclusion

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of each Management Agreement for an additional one-year period.

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON ETF TRUST

Franklin Liberty High Yield Corporate ETF

Franklin Liberty International Aggregate Bond ETF

Franklin Liberty Senior Loan ETF
Franklin Liberty Systematic Style Premia ETF
(each a Fund)

At a meeting held on May 26, 2021 (Meeting), the Board of Trustees (Board) of Franklin Templeton ETF Trust (Trust), including a majority of the trustees who are not “interested persons” as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved the continuance of the investment management agreements between Franklin Advisers, Inc. (FAI) and the Trust, on behalf of the Franklin Liberty High Yield Corporate ETF, the Franklin Liberty Senior Loan ETF and the Franklin Liberty Systematic Style Premia ETF, an investment management agreement between Franklin Templeton Investment Management Limited (FTIML) and the Trust, on behalf of the Franklin Liberty International Aggregate Bond ETF and an investment sub-advisory agreement between FTIML and FAI, on behalf of the Franklin Liberty International Aggregate Bond ETF (each a Management Agreement) for an additional one-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of each Management Agreement. Although the Management Agreements for the Funds were considered at the same Board meeting, the Board considered the information provided to it about the Funds together and with respect to each Fund separately as the Board deemed appropriate. FAI and FTIML are each referred to herein as a Manager.

In considering the continuation of each Management Agreement, the Board reviewed and considered information provided by each Manager at the Meeting and throughout the year at meetings of the Board and its committees, including a number of special meetings during the pandemic to enhance Board oversight of Fund-related matters during this period. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to each Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a telephonic contract renewal meeting at which the Independent Trustees conferred amongst themselves and Independent Trustee counsel about contract renewal matters and, in some cases, requested additional information from each Manager relating to the contract. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of each Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by each Manager; (ii)

the investment performance of each Fund; (iii) the costs of the services provided and profits realized by the Manager and its affiliates from the relationship with each Fund; (iv) the extent to which economies of scale are realized as each Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of each Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of each Management Agreement are fair and reasonable and that the continuance of such Management Agreement is in the best interests of the applicable Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board’s determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by each Manager and its affiliates to the Funds and their shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of each Manager; as well as information on succession planning where appropriate; the structure of investment personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for each Fund; reports on expenses; legal and compliance matters; risk controls; pricing and other services provided by each Manager and its affiliates; and management fees charged by each Manager and its affiliates to US funds and other accounts, including management’s explanation of differences among accounts where relevant. The Board noted management’s continuing efforts and expenditures in establishing effective business continuity plans, including the effectiveness of those plans during the pandemic, and developing strategies to address areas of heightened concern in the registered fund industry, such as cybersecurity in the current work-from-home environment and liquidity risk management. The Board also considered the investment management services that the Manager provides to the Cayman Islands-based company, which is wholly owned by the Franklin Liberty Systematic Style Premia ETF (Cayman Subsidiary).

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the Franklin Templeton (FT) family of funds. The Board noted the financial position of Franklin Resources, Inc. (FRI), the Managers’ parent, and its commitment to the

registered fund business as evidenced by its continued introduction of new funds, reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Funds by the FT organization. The Board specifically noted FT's commitment to enhancing services and controlling costs, as reflected in its outsourcing of certain administrative functions, and growth opportunities, as evidenced by its recent acquisition of the Legg Mason companies. The Board also noted FT's attention focused on expanding the distribution opportunities for all funds in the FT family of funds.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by each Manager and its affiliates to the Funds and their shareholders.

Fund Performance

The Board reviewed and considered the performance results of each Fund for the one-year period ended February 28, 2021. The Board considered the performance returns for each Fund in comparison to the performance returns of registered funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the registered funds included in a Performance Universe.

The Board also reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. The Board noted its ongoing discussions with each Manager about the performance of the Funds to date, particularly as compared to peers, the importance of performance to asset growth and growth of market share, and the performance of the Funds in periods of volatility. In addition, the Board acknowledged information provided regarding each Manager's strategy behind the overall product line-up, the sources of asset growth, the nature of each Manager's research, potential use of innovative data and technology, and investments in marketing and distribution. Finally, the Board noted each Manager's high level of client engagement and the strength of its compliance program. A summary of each Fund's performance results is below.

The Performance Universe for the Franklin Liberty High Yield Corporate ETF included the Fund and all retail and institutional high yield funds and exchange-traded funds. The Performance Universe for the Franklin Liberty Senior Loan ETF included the Fund and all retail and institutional

loan participation funds and exchange-traded funds. The Funds commenced operations on May 30, 2018, and thus have been in operation for less than three years. The Board noted that the Funds' annualized total returns for the one-year period were above the medians of their respective Performance Universes. The Board concluded that the Funds' performance was satisfactory.

The Performance Universe for the Franklin Liberty International Aggregate Bond ETF included the Fund and all retail and institutional international income funds and exchange-traded funds. The Performance Universe for the Franklin Liberty Systematic Style Premia ETF included the Fund and all retail and institutional absolute-return funds and exchange-traded funds. The Franklin Liberty International Aggregate Bond ETF commenced operations on May 30, 2018 and the Franklin Liberty Systematic Style Premia ETF commenced operations on December 18, 2019, and thus have been in operation for less than three years. The Board noted that the Funds' annualized total returns for the one-year period were below the medians of their respective Performance Universes. The Board concluded that the Funds' performance was acceptable given their short periods of operation.

Comparative Fees and Expenses

The Board reviewed and considered information regarding each Fund's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; underlying fund expenses; Rule 12b-1 and non-Rule 12b-1 service fees; and other non-management fees. The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate) of each Fund in comparison to the median expense ratio and median Management Rate, respectively, of other exchange-traded funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from each fund's most recent annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of

the methodology used by Broadridge to select the exchange-traded funds included in an Expense Group.

Franklin Liberty High Yield Corporate ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund and five other high yield funds. The Board noted that the Management Rate for the Fund was approximately five basis points above the median of its Expense Group, but its actual total expense ratio was below the median of its Expense Group. The Board also noted that the Fund's actual total expense ratio reflected a fee waiver from management. The Board concluded that the Management Rate charged to the Fund is reasonable.

Franklin Liberty International Aggregate Bond ETF and Franklin Liberty Senior Loan ETF - The Expense Group for the Franklin Liberty International Aggregate Bond ETF was comprised of actively managed exchange-traded funds, which included the Fund, one other international income fund, and three emerging markets hard currency debt funds. The Expense Group for the Franklin Liberty Senior Loan ETF was comprised of actively managed exchange-traded funds, which included the Fund and four other loan participation funds. The Board noted that the Management Rate and actual total expense ratio for each Fund were below the medians of its respective Expense Group. The Board also noted the small size of each Expense Group and that each Fund's actual total expense ratio reflected a fee waiver from management. The Board further noted that FAI is paid by FTIML out of the management fee FTIML receives from the Franklin Liberty International Aggregate Bond ETF. The Board concluded that the Management Rates charged to the Funds are reasonable.

Franklin Liberty Systematic Style Premia ETF - The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund, one other absolute-return fund, one alternative long/short equity fund, and one alternative multi-strategy fund. The Board noted that the Management Rate for the Fund was equal to the median of its Expense Group, and its actual total expense ratio was below the median of its Expense Group. The Board also noted the small size of the Fund's Expense Group and that the Fund's actual total expense ratio reflected a fee waiver from management. The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by each Manager and its affiliates in connection with the operation of each Fund. In this respect,

the Board considered the Fund profitability analysis that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual funds during the 12-month period ended September 30, 2020, being the most recent fiscal year-end for FRI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Funds' profitability report presentations from prior years. The Board further noted management's representation that the profitability analysis excluded the impact of the recent acquisition of the Legg Mason companies and that management expects to incorporate the legacy Legg Mason companies into the profitability analysis beginning next year. The Board also noted that PricewaterhouseCoopers LLP, auditor to FRI and certain FT funds, has been engaged to periodically review and assess the allocation methodologies to be used solely by the Funds' Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of fund operations conducted by each Manager and its affiliates may not be fully reflected in the expenses allocated to each Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures by each Manager but, over the long run is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Funds, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which each Manager and its affiliates might derive ancillary benefits from fund operations, including revenues generated from transfer agent services, potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by each Manager and its affiliates from providing services to each Fund was not excessive in view of the nature, extent and quality of services provided to each Fund.

Economies of Scale

The Board reviewed and considered the extent to which each Manager may realize economies of scale, if any, as each Fund grows larger and whether each Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale, the Board noted the existence of management fee breakpoints for each Fund (except the Franklin Liberty Systematic Style Premia ETF), which operate generally to share any economies of scale with the Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered management's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments the Managers incur across the FT family of funds as a whole. The Board concluded that to the extent economies of scale may be realized by a Manager and its affiliates, the management fee structure for each Fund (except the Franklin Liberty Systematic Style Premia ETF) provided a sharing of benefits with the Fund and its shareholders as the Fund grows. The Board noted that as of December 31, 2020, the net assets of each Fund were less than approximately \$228 million. The Board recognized that there would not likely be any economies of scale for a Fund until the Fund's assets grow.

Conclusion

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of each Management Agreement for an additional one-year period.

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON ETF TRUST

Franklin Income Focus ETF (Fund)

At a meeting held on March 3, 2023 (Meeting), the Board of Trustees (Board) of Franklin Templeton ETF Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved an investment management agreement between Franklin Advisers, Inc. (Manager) and the Trust, on behalf of the Fund, for an initial two-year period (the Management Agreement). The Independent Trustees received advice from and met separately with Independent Trustee counsel in

considering whether to approve the Management Agreement.

In considering the approval of the Management Agreement, the Board reviewed and considered information provided by the Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board reviewed and considered all of the factors it deemed relevant in approving the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services to be provided by the Manager; (ii) the costs of the services to be provided by the Manager; and (iii) the extent to which economies of scale may be realized as the Fund grows. The Board also reviewed and considered the form of the Management Agreement and the terms of the Management Agreement which were explained at the Meeting. The Board noted that the Manager would provide general investment management and administrative services and that the Fund would operate under a unified management fee structure whereby the Manager would reimburse the Fund for all acquired fund fees and expenses and pay all of the ordinary operating expenses of the Fund, except for certain excluded items (Unified Fee). The Board also noted that the Unified Fee was consistent with the current management fee structure for the existing Franklin Templeton (FT) exchange-traded funds.

In approving the Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of the proposed Management Agreement are fair and reasonable and that such Management Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services to be provided by the Manager and its affiliates to the Fund and its shareholders. This information included, among other things, the Fund's proposed investment strategies and the ability of the Manager to implement such investment strategies; the qualifications, background and experience of the investment personnel that will be responsible for the day-to-day portfolio management of the Fund; the Manager's experience as the Manager of other funds and accounts, including other series of the Trust and other funds in the FT family of funds; the Manager's strength and reputation within the industry; the personnel, operations, financial condition, and investment management capabilities,

methodologies and resources of the Manager; and the Manager's compliance capabilities, as demonstrated by, among other things, its policies and procedures reasonably designed to prevent violations of the Federal Securities Laws (as defined in Rule 38a-1 of the Investment Company Act of 1940). Following consideration of such information, the Board was satisfied with the nature, extent and quality of services to be provided by the Manager and its affiliates to the Fund and its shareholders.

Fund Performance

The Board noted that, as the Fund had not yet commenced investment operations, there was no investment performance for the Fund. The Board also considered the proposed performance benchmark for the Fund and how such benchmark would be utilized to measure performance of the Manager.

Comparative Fees and Expenses

The Board reviewed and considered information regarding the Fund's estimated total expense ratio, noting that the Fund will pay a Unified Fee. The Board considered the estimated total expense ratio and, separately, the proposed contractual Unified Fee, without the effect of fee waivers, if any (Management Rate) of the Fund in comparison to the median expense ratio and median Management Rate, respectively, of other exchange-traded funds deemed comparable to and with a similar expense structure as the Fund (Expense Group) as selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. Broadridge fee and expense data is based upon information taken from each fund's most recent annual report (excluding the Fund), which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of the methodology used by Broadridge to select the exchange-traded funds included in the Expense Group.

The Expense Group for the Fund was comprised of actively managed exchange-traded funds, which included the Fund and nine other flexible portfolio funds. The Board noted that the proposed Management Rate and estimated total expense ratio for the Fund were below the median of its Expense Group. The Board noted that pursuant to the

proposed Unified Fee arrangement the Manager would reimburse the Fund for all of its acquired fund fees and expenses (if any) and pay all of the ordinary operating expenses of the Fund, except for (i) the Fund's Unified Fee, (ii) payments under the Fund's Rule 12b-1 plan (if any), (iii) brokerage expenses (including any costs incidental to transactions in portfolio securities or instruments), (iv) taxes, (v) interest (including borrowing costs and dividend expenses on securities sold short and overdraft charges), (vi) litigation expenses (including litigation to which the Trust or the Fund may be a party and indemnification of the Trustees and officers with respect thereto), and (vii) other non-routine or extraordinary expenses. After consideration of the above, the Board concluded that the Management Rate to be charged to the Fund is reasonable.

Profitability

The Board noted that the Manager (and its affiliates) could not report any financial results from their relationships with the Fund because the Fund has not yet commenced investment operations, and thus, the Board could not evaluate the Manager's (or its affiliates') profitability with respect to the Fund.

Economies of Scale

The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale in the future, the Board noted that it is not anticipated that the Fund will generate significant, if any, profit for the Manager and/or its affiliates for some time.

Conclusion

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the Management Agreement for the Fund for an initial two-year period.

Liquidity Risk Management Program Franklin Templeton ETF Trust In Kind ETF

Franklin U.S. Low Volatility ETF

Each of the Funds has adopted and implemented a written Liquidity Risk Management Program (the "LRMP") as required by Rule 22e-4 under the Investment Company Act of 1940 (the "Liquidity Rule"). The LRMP is designed to assess and manage each Fund's liquidity risk, which is

defined as the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors' interests in the Fund. Each of the Funds is an exchange-traded fund ("ETF") that is considered an "In-Kind ETF" under the Liquidity Rule, which means that the Fund satisfies requests for redemption through in-kind transfers of portfolio securities, positions, and other assets, except for a de minimis amount of cash, and publishes its portfolio holdings daily. In accordance with the Liquidity Rule, the LRMP includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund's liquidity risk; (2) prohibiting the Fund's acquisition of Illiquid investments that would result in the Fund holding more than 15% of its net assets in Illiquid assets. The LRMP also requires reporting to the SEC (on a non-public basis) and to the Board if the Fund's holdings of Illiquid assets exceed 15% of the Fund's net assets. As an In-Kind ETF, the Fund is not required to include in the LRMP policies and procedures relating to classification of portfolio holdings into four liquidity categories or establishing a highly liquid investment minimum ("HLIM").

The Funds' Board of Trustees approved the appointment of the Director of Liquidity Risk within the Investment Risk Management Group (the "IRMG") as the Administrator of the LRMP. The IRMG maintains the Investment Liquidity Committee (the "ILC") to provide oversight and administration of policies and procedures governing liquidity risk management for FT products and portfolios. The ILC includes representatives from Franklin Templeton's Risk, Trading, Global Compliance, Legal, Investment Compliance, Investment Operations, Valuation Committee, Product Management and Global Product Strategy.

In assessing and managing each Fund's liquidity risk, the ILC considers, as relevant, a variety of factors, including the Fund's investment strategy and the liquidity of its portfolio investments during both normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources including the Funds' interfund lending facility and line of credit. Because the Funds are ETFs, the ILC also considers, as relevant, (1) the relationship between the Fund's portfolio liquidity and the way in which, and the prices and spread at which, Fund shares trade, including the efficiency of the arbitrage function and the level of active participation by market participants, including authorized participants and (2) the effect of the composition of baskets on the overall liquidity of the Fund's portfolio.

At meetings of the Funds' Board of Trustees held in May 2023, the Program Administrator provided a written report to the Board addressing the adequacy and effectiveness of the program for the year ended December 31, 2022. The Program Administrator report concluded that (i.) the LRMP, as adopted and implemented, remains reasonably designed to assess and manage each Fund's liquidity risk; (ii.) the LRMP, including the Highly Liquid Investment Minimum ("HLIM") where applicable, was implemented and operated effectively and achieved the goal of assessing and managing each Fund's liquidity risk; and (iii.) each Fund was able to meet requests for redemption without significant dilution of remaining investors' interests in the Fund.

Liquidity Risk Management Program Franklin Templeton ETF Trust Non In Kind ETF

Franklin Disruptive Commerce ETF
Franklin Dynamic Municipal Bond ETF
Franklin Exponential Data ETF
Franklin Genomic Advancements ETF
Franklin Intelligent Machines ETF
Franklin High Yield Corporate ETF
Franklin International Aggregate Bond ETF
Franklin Investment Grade Corporate ETF
Franklin Systematic Style Premia ETF
Franklin Ultra Short Bond ETF
Franklin U.S. Core Bond ETF
Franklin U.S. Treasury Bond ETF
Franklin Municipal Green Bond ETF

Each of the Franklin Templeton and Legg Mason Funds has adopted and implemented a written Liquidity Risk Management Program (the "LRMP") as required by Rule 22e-4 under the Investment Company Act of 1940 (the "Liquidity Rule"). The LRMP is designed to assess and manage each Fund's liquidity risk, which is defined as the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors' interests in the Fund. In accordance with the Liquidity Rule, the LRMP includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund's liquidity risk; (2) classification of each Fund's portfolio holdings into one of four liquidity categories (Highly Liquid, Moderately Liquid, Less Liquid, and Illiquid); (3) for Funds that do not primarily hold assets that are Highly Liquid, establishing and maintaining a minimum percentage of the Fund's net assets in Highly Liquid investments (called a "Highly Liquid

Investment Minimum” or “HLIM”); and (4) prohibiting the Fund’s acquisition of Illiquid investments that would result in the Fund holding more than 15% of its net assets in Illiquid assets. The LRMP also requires reporting to the Securities and Exchange Commission (“SEC”) (on a non-public basis) and to the Board if the Fund’s holdings of Illiquid assets exceed 15% of the Fund’s net assets. Funds with HLIMs must have procedures for addressing HLIM shortfalls, including reporting to the Board and, with respect to HLIM shortfalls lasting more than seven consecutive calendar days, reporting to the SEC (on a non-public basis).

The Director of Liquidity Risk within the Investment Risk Management Group (the “IRMG”) is the appointed Administrator of the LRMP. The IRMG maintains the Investment Liquidity Committee (the “ILC”) to provide oversight and administration of policies and procedures governing liquidity risk management for Franklin Templeton and Legg Mason products and portfolios. The ILC includes representatives from Franklin Templeton’s Risk, Trading, Global Compliance, Legal, Investment Compliance, Investment Operations, Valuation Committee, Product Management and Global Product Strategy.

In assessing and managing each Fund’s liquidity risk, the ILC considers, as relevant, a variety of factors, including the Fund’s investment strategy and the liquidity of its portfolio investments during both normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources including the Funds’ interfund lending facility and line of credit. Classification of the Fund’s portfolio holdings in the four liquidity categories is based on the number of days it is reasonably expected to take to convert the investment to cash (for Highly Liquid and Moderately Liquid holdings) or sell or dispose of the investment (for Less Liquid and Illiquid investments), in current market conditions without significantly changing the investment’s market value.

Each Fund primarily holds liquid assets that are defined under the Liquidity Rule as “Highly Liquid Investments,” and therefore is not required to establish an HLIM. Highly Liquid Investments are defined as cash and any investment reasonably expected to be convertible to cash in current market conditions in three business days or less without the conversion to cash significantly changing the market value of the investment.

At meetings of the Funds’ Board of Trustees held in May 2023, the Program Administrator provided a written report to the Board addressing the adequacy and effectiveness of the program for the year ended December 31, 2022. The

Program Administrator report concluded that (i.) the LRMP, as adopted and implemented, remains reasonably designed to assess and manage each Fund’s liquidity risk; (ii.) the LRMP, including the Highly Liquid Investment Minimum (“HLIM”) where applicable, was implemented and operated effectively to achieve the goal of assessing and managing each Fund’s liquidity risk; and (iii.) each Fund was able to meet requests for redemption without significant dilution of remaining investors’ interests in the Fund.

Liquidity Risk Management Program Franklin Templeton ETF Trust

Franklin Senior Loan ETF

Each of the Funds has adopted and implemented a written Liquidity Risk Management Program (the “LRMP”) as required by Rule 22e-4 under the Investment Company Act of 1940 (the “Liquidity Rule”). The LRMP is designed to assess and manage each Fund’s liquidity risk, which is defined as the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors’ interests in the Fund. In accordance with the Liquidity Rule, the LRMP includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund’s liquidity risk; (2) classification of each Fund’s portfolio holdings into one of four liquidity categories (Highly Liquid, Moderately Liquid, Less Liquid, and Illiquid); (3) for Funds that do not primarily hold assets that are Highly Liquid, establishing and maintaining a minimum percentage of the Fund’s net assets in Highly Liquid investments (called a “Highly Liquid Investment Minimum” or “HLIM”); and (4) prohibiting the Fund’s acquisition of Illiquid investments that would result in the Fund holding more than 15% of its net assets in Illiquid assets. The LRMP also requires reporting to the Securities and Exchange Commission (“SEC”) (on a non-public basis) and to the Board if the Fund’s holdings of Illiquid assets exceed 15% of the Fund’s net assets. Funds with HLIMs must have procedures for addressing HLIM shortfalls, including reporting to the Board and, with respect to HLIM shortfalls lasting more than seven consecutive calendar days, reporting to the SEC (on a non-public basis).

The Funds’ Board of Trustees approved the appointment of the Director of Liquidity Risk within the Investment Risk Management Group (the “IRMG”) as the Administrator of the LRMP. The IRMG maintains the Investment Liquidity Committee (the “ILC”) to provide oversight and administration of policies and procedures governing liquidity risk management for FT products and portfolios. The ILC

includes representatives from Franklin Templeton's Risk, Trading, Global Compliance, Investment Compliance, Investment Operations, Valuation Committee, Product Management and Global Product Strategy.

In assessing and managing each Fund's liquidity risk, the ILC considers, as relevant, a variety of factors, including (i) the Fund's investment strategy and the liquidity of its portfolio investments during both normal and reasonably foreseeable stressed conditions; (ii) its short and long-term cash flow projections; (iii) its cash holdings and access to other funding sources including the Funds' interfund lending facility and line of credit; (iv) the relationship between the Fund's portfolio liquidity and the way in which, and the prices and spread at which, Fund shares trade, including the efficiency of the arbitrage function and the level of active participation by market participants, including authorized participants and (v) the effect of the composition of baskets on the overall liquidity of the Fund's portfolio. Classification of the Fund's portfolio holdings in the four liquidity categories is based on the number of days it is reasonably expected to take to convert the investment to cash (for Highly Liquid and Moderately Liquid holdings) or sell or dispose of the investment (for Less Liquid and Illiquid investments), in current market conditions without significantly changing the investment's market value.

The Fund primarily holds investments where the time required to settle a sale of the investment may exceed 7 calendar days and are classified as "Less Liquid Investments". Less liquid Investments are defined as any investment reasonably expected to be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment, but where the sale or disposition is reasonably expected to settle in more than seven calendar days. The Fund established and maintained a HLIM. During the reporting period, the Fund maintained the necessary level of Highly Liquid Investments and did not experience any HLIM shortfalls.

At meetings of the Funds' Board of Trustees held in May 2023, the Program Administrator provided a written report to the Board addressing the adequacy and effectiveness of the program for the year ended December 31, 2022. The Program Administrator report concluded that (i.) the LRMP, as adopted and implemented, remains reasonably designed to assess and manage each Fund's liquidity risk; (ii.) the LRMP, including the Highly Liquid Investment Minimum ("HLIM") where applicable, was implemented and operated effectively to achieve the goal of assessing and managing

each Fund's liquidity risk; and (iii.) each Fund was able to meet requests for redemption without significant dilution of remaining investors' interests in the Fund.

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Schedule of Investments

The Trust files a complete schedule of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

Premium/Discount Information

Information about the differences between the daily market price on the secondary market for the shares of each Fund and each Fund's net asset value may be found on each Fund's website at franklintempleton.com

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Authorized for distribution only when accompanied or preceded by a summary prospectus and/or prospectus. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. A prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



Annual Report
Franklin Templeton ETF Trust

Investment Managers

Franklin Advisers, Inc.
Franklin Templeton
Investment
Management Limited

Distributor

Franklin Distributors, LLC
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franklintempleton.com

Investor Services

Transfer Agent
State Street Bank and
Trust Company
1 Heritage Drive
Mail Stop OHD0100
North Quincy, MA 02171