



FRANKLIN
TEMPLETON

Franklin Custodian Funds

Financial Statements and Other Important Information

Annual | September 30, 2024

Franklin DynaTech Fund

Franklin Growth Fund

Franklin Income Fund

Franklin U.S. Government Securities Fund

Franklin Utilities Fund

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Financial Highlights

Franklin DynaTech Fund

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$116.42	\$92.78	\$157.23	\$121.24	\$82.84
Income from investment operations ^a :					
Net investment (loss) ^b	(0.59)	(0.38)	(0.64)	(0.82)	(0.38)
Net realized and unrealized gains (losses)	50.04	24.02	(61.59)	36.81	39.44
Total from investment operations	49.45	23.64	(62.23)	35.99	39.06
Less distributions from:					
Net realized gains	—	—	(2.22)	—	(0.66)
Net asset value, end of year	\$165.87	\$116.42	\$92.78	\$157.23	\$121.24
Total return ^c	42.49%	25.47%	(40.15)%	29.68%	47.47%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.79%	0.83%	0.82%	0.79%	0.85%
Expenses net of waiver and payments by affiliates	0.79% ^d	0.83% ^{d,e}	0.82% ^{d,e}	0.79% ^{d,e}	0.84% ^e
Net investment (loss)	(0.41)%	(0.35)%	(0.50)%	(0.56)%	(0.39)%
Supplemental data					
Net assets, end of year (000's)	\$11,920,330	\$8,669,145	\$7,214,315	\$12,129,483	\$8,378,574
Portfolio turnover rate	11.94%	15.29%	40.72%	18.77%	13.82%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin DynaTech Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$93.09	\$74.75	\$128.06	\$99.49	\$68.60
Income from investment operations ^a :					
Net investment (loss) ^b	(1.34)	(0.95)	(1.29)	(1.55)	(0.91)
Net realized and unrealized gains (losses)	39.90	19.29	(49.80)	30.12	32.46
Total from investment operations	38.56	18.34	(51.09)	28.57	31.55
Less distributions from:					
Net realized gains	—	—	(2.22)	—	(0.66)
Net asset value, end of year	\$131.65	\$93.09	\$74.75	\$128.06	\$99.49
Total return ^c	41.41%	24.55%	(40.60)%	28.72%	46.37%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.54%	1.58%	1.57%	1.54%	1.60%
Expenses net of waiver and payments by affiliates	1.54% ^d	1.58% ^{d,e}	1.57% ^{d,e}	1.54% ^{d,e}	1.59% ^e
Net investment (loss)	(1.16)%	(1.10)%	(1.26)%	(1.31)%	(1.14)%
Supplemental data					
Net assets, end of year (000's)	\$947,544	\$774,154	\$715,976	\$1,339,016	\$1,095,702
Portfolio turnover rate	11.94%	15.29%	40.72%	18.77%	13.82%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin DynaTech Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$111.57	\$89.14	\$151.52	\$117.13	\$80.26
Income from investment operations ^a :					
Net investment (loss) ^b	(0.92)	(0.62)	(0.91)	(1.14)	(0.60)
Net realized and unrealized gains (losses)	47.92	23.05	(59.25)	35.53	38.13
Total from investment operations	47.00	22.43	(60.16)	34.39	37.53
Less distributions from:					
Net realized gains	—	—	(2.22)	—	(0.66)
Net asset value, end of year	\$158.57	\$111.57	\$89.14	\$151.52	\$117.13
Total return	42.12%	25.16%	(40.29)%	29.36%	47.09%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.04%	1.08%	1.07%	1.04%	1.10%
Expenses net of waiver and payments by affiliates	1.04% ^c	1.08% ^{c,d}	1.07% ^{c,d}	1.04% ^{c,d}	1.09% ^d
Net investment (loss)	(0.66)%	(0.60)%	(0.75)%	(0.81)%	(0.63)%
Supplemental data					
Net assets, end of year (000's)	\$268,319	\$212,068	\$188,831	\$311,646	\$221,041
Portfolio turnover rate	11.94%	15.29%	40.72%	18.77%	13.82%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin DynaTech Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$123.35	\$97.95	\$165.26	\$127.01	\$86.46
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.11)	— ^c	(0.18)	(0.36)	(0.05)
Net realized and unrealized gains (losses)	53.11	25.40	(64.91)	38.61	41.26
Total from investment operations	53.00	25.40	(65.09)	38.25	41.21
Less distributions from:					
Net realized gains	—	—	(2.22)	—	(0.66)
Net asset value, end of year	\$176.35	\$123.35	\$97.95	\$165.26	\$127.01
Total return	42.97%	25.92%	(39.92)%	30.12%	47.97%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.45%	0.48%	0.46%	0.46%	0.50%
Expenses net of waiver and payments by affiliates	0.45% ^d	0.47% ^e	0.45% ^e	0.46% ^{d,e}	0.50% ^{d,e}
Net investment income (loss)	(0.07)%	—% ^f	(0.13)%	(0.23)%	(0.05)%
Supplemental data					
Net assets, end of year (000's)	\$8,980,818	\$7,515,703	\$6,322,021	\$9,820,184	\$5,817,028
Portfolio turnover rate	11.94%	15.29%	40.72%	18.77%	13.82%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

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

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^fRounds to less than 0.01%.

Franklin DynaTech Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$121.56	\$96.64	\$163.27	\$125.58	\$85.58
Income from investment operations ^a :					
Net investment (loss) ^b	(0.24)	(0.11)	(0.34)	(0.48)	(0.15)
Net realized and unrealized gains (losses)	52.31	25.03	(64.07)	38.17	40.81
Total from investment operations	52.07	24.92	(64.41)	37.69	40.66
Less distributions from:					
Net realized gains	—	—	(2.22)	—	(0.66)
Net asset value, end of year	\$173.63	\$121.56	\$96.64	\$163.27	\$125.58
Total return	42.83%	25.79%	(39.99)%	30.01%	47.83%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.54%	0.58%	0.57%	0.54%	0.60%
Expenses net of waiver and payments by affiliates	0.54% ^c	0.58% ^{c,d}	0.57% ^{c,d}	0.54% ^{c,d}	0.59% ^d
Net investment (loss)	(0.16)%	(0.10)%	(0.26)%	(0.32)%	(0.15)%
Supplemental data					
Net assets, end of year (000's)	\$3,280,611	\$2,499,474	\$2,280,138	\$4,352,531	\$2,884,489
Portfolio turnover rate	11.94%	15.29%	40.72%	18.77%	13.82%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Schedule of Investments, September 30, 2024

Franklin DynaTech Fund

	Country	Shares	Value
Common Stocks 99.2%			
Aerospace & Defense 1.5%			
^a Axon Enterprise, Inc.	United States	925,000	\$369,630,000
Automobiles 1.4%			
^a Tesla, Inc.	United States	1,350,000	353,200,500
Banks 0.0%[†]			
^a NU Holdings Ltd., A.	Brazil	500,000	6,825,000
Biotechnology 1.3%			
^a Argenx SE	Netherlands	100,000	54,073,875
^a Ascendis Pharma A/S, ADR	Denmark	100,000	14,931,000
^a Crinetics Pharmaceuticals, Inc.	United States	350,000	17,885,000
^a Insmed, Inc.	United States	250,000	18,250,000
^a Krystal Biotech, Inc.	United States	150,000	27,304,500
^a Merus NV	Netherlands	300,000	14,988,000
^a Natera, Inc.	United States	900,000	114,255,000
^a United Therapeutics Corp.	United States	125,000	44,793,750
^a Vertex Pharmaceuticals, Inc.	United States	25,000	11,627,000
			318,108,125
Broadline Retail 9.0%			
^a Amazon.com, Inc.	United States	10,000,000	1,863,300,000
^a MercadoLibre, Inc.	Brazil	200,000	410,392,000
			2,273,692,000
Capital Markets 1.4%			
Moody's Corp.	United States	150,000	71,188,500
MSCI, Inc., A.	United States	75,000	43,719,750
Tradeweb Markets, Inc., A.	United States	2,000,000	247,340,000
			362,248,250
Communications Equipment 0.4%			
^a Arista Networks, Inc.	United States	280,000	107,469,600
Construction & Engineering 0.8%			
Quanta Services, Inc.	United States	700,000	208,705,000
Diversified Consumer Services 0.1%			
^a Duolingo, Inc., A.	United States	100,000	28,202,000
Electrical Equipment 0.0%[†]			
Vertiv Holdings Co., A.	United States	100,000	9,949,000
Electronic Equipment, Instruments & Components 0.5%			
Amphenol Corp., A.	United States	1,200,000	78,192,000
^a Celestica, Inc.	Canada	250,000	12,780,000
Keyence Corp.	Japan	100,000	47,922,883
			138,894,883
Energy Equipment & Services 0.4%			
Baker Hughes Co., A.	United States	1,000,000	36,150,000
^a Oceaneering International, Inc.	United States	1,000,000	24,870,000
TechnipFMC plc	United Kingdom	1,250,000	32,787,500
			93,807,500
Entertainment 0.2%			
^a Netflix, Inc.	United States	50,000	35,463,500
^a Spotify Technology SA	United States	50,000	18,426,500
			53,890,000
Financial Services 4.4%			
Mastercard, Inc., A.	United States	1,700,000	839,460,000

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Financial Services (continued)			
Visa, Inc., A.	United States	1,000,000	\$274,950,000
			1,114,410,000
Ground Transportation 0.9%			
^a Uber Technologies, Inc.	United States	3,000,000	225,480,000
Health Care Equipment & Supplies 3.5%			
^a Boston Scientific Corp.	United States	300,000	25,140,000
^a Globus Medical, Inc., A	United States	50,000	3,577,000
^a IDEXX Laboratories, Inc.	United States	500,000	252,610,000
^a Intuitive Surgical, Inc.	United States	1,050,000	515,833,500
^a PROCEPT BioRobotics Corp.	United States	550,000	44,066,000
Stryker Corp.	United States	50,000	18,063,000
^a TransMedics Group, Inc.	United States	150,000	23,550,000
			882,839,500
Health Care Providers & Services 0.6%			
^a HealthEquity, Inc.	United States	500,000	40,925,000
UnitedHealth Group, Inc.	United States	200,000	116,936,000
			157,861,000
Health Care Technology 0.2%			
Pro Medicus Ltd.	Australia	400,000	49,240,948
^a Veeva Systems, Inc., A	United States	50,000	10,493,500
			59,734,448
Hotels, Restaurants & Leisure 1.2%			
Booking Holdings, Inc.	United States	40,000	168,484,800
^a DoorDash, Inc., A	United States	700,000	99,911,000
^a MakeMyTrip Ltd.	India	400,000	37,180,000
			305,575,800
Interactive Media & Services 9.1%			
Alphabet, Inc., A	United States	7,000,000	1,160,950,000
Meta Platforms, Inc., A	United States	2,000,000	1,144,880,000
			2,305,830,000
IT Services 1.8%			
^a Gartner, Inc.	United States	125,000	63,345,000
^a Shopify, Inc., A	Canada	4,800,000	384,574,999
^a Wix.com Ltd.	Israel	25,000	4,179,250
			452,099,249
Life Sciences Tools & Services 3.3%			
Danaher Corp.	United States	1,350,000	375,327,000
^{a,b} Tempus AI, Inc., A	United States	396,200	22,424,920
Thermo Fisher Scientific, Inc.	United States	700,000	432,999,000
			830,750,920
Media 0.0%[†]			
^a Trade Desk, Inc. (The), A.	United States	100,000	10,965,000
Pharmaceuticals 3.0%			
AstraZeneca plc, ADR	United Kingdom	1,000,000	77,910,000
Eli Lilly & Co.	United States	700,000	620,158,000
^a Intra-Cellular Therapies, Inc.	United States	150,000	10,975,500
^a Ligand Pharmaceuticals, Inc.	United States	75,000	7,506,750
Novo Nordisk A/S, ADR.	Denmark	350,000	41,674,500
			758,224,750

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services 0.1%			
Verisk Analytics, Inc., A	United States	100,000	\$26,796,000
Semiconductors & Semiconductor Equipment 26.1%			
^a Advanced Micro Devices, Inc.	United States	1,600,000	262,528,000
Analog Devices, Inc.	United States	2,000,000	460,340,000
^a ARM Holdings plc, ADR	United States	100,000	14,301,000
ASM International NV	Netherlands	200,000	131,963,826
ASML Holding NV, ADR	Netherlands	750,000	624,937,500
Broadcom, Inc.	United States	1,600,000	276,000,000
Entegris, Inc.	United States	200,000	22,506,000
Intel Corp.	United States	500,000	11,730,000
KLA Corp.	United States	500,000	387,205,000
Lam Research Corp.	United States	500,000	408,040,000
Monolithic Power Systems, Inc.	United States	500,000	462,250,000
NVIDIA Corp.	United States	29,000,000	3,521,760,000
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	250,000	43,417,500
			6,626,978,826
Software 25.6%			
^a Appfolio, Inc., A	United States	200,000	47,080,000
^a AppLovin Corp., A	United States	600,000	78,330,000
^a Aspen Technology, Inc.	United States	25,000	5,970,500
^a Cadence Design Systems, Inc.	United States	2,000,000	542,060,000
Constellation Software, Inc.	Canada	75,000	244,019,670
^a Datadog, Inc., A	United States	450,000	51,777,000
^a Descartes Systems Group, Inc. (The)	Canada	800,000	82,368,000
^a Fair Isaac Corp.	United States	50,000	97,176,000
^a Guidewire Software, Inc.	United States	100,000	18,294,000
^a HubSpot, Inc.	United States	325,000	172,770,000
Intuit, Inc.	United States	1,000,000	621,000,000
^a Klaviyo, Inc., A	United States	400,000	14,152,000
^a Life360, Inc.	United States	100,000	3,935,000
^{a,c} Lumine Group, Inc., Reg S	Canada	500,000	11,683,366
^a Manhattan Associates, Inc.	United States	300,000	84,414,000
Microsoft Corp.	United States	4,500,000	1,936,350,000
^a Monday.com Ltd.	United States	500,000	138,885,000
^a Palo Alto Networks, Inc.	United States	1,000,000	341,800,000
Roper Technologies, Inc.	United States	350,000	194,754,000
Salesforce, Inc.	United States	400,000	109,484,000
^a Samsara, Inc., A	United States	200,000	9,624,000
^a ServiceNow, Inc.	United States	1,100,000	983,829,000
^a SPS Commerce, Inc.	United States	125,000	24,271,250
^a Synopsys, Inc.	United States	1,150,000	582,348,500
^a Tyler Technologies, Inc.	United States	150,000	87,558,000
^a Workday, Inc., A	United States	100,000	24,441,000
			6,508,374,286
Technology Hardware, Storage & Peripherals 2.3%			
Apple, Inc.	United States	2,500,000	582,500,000
Trading Companies & Distributors 0.1%			
Fastenal Co.	United States	200,000	14,284,000
Total Common Stocks (Cost \$9,563,643,922)			25,187,325,637

Franklin DynaTech Fund (continued)

	Country	Warrants	Value
Warrants 0.0%			
Software 0.0%			
^{a,d} Constellation Software, Inc., 3/31/40	Canada	50,000	\$—
Total Warrants (Cost \$—)			—
Total Long Term Investments (Cost \$9,563,643,922)			25,187,325,637
Short Term Investments 0.9%			
	Country	Shares	Value
Money Market Funds 0.8%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	220,607,622	220,607,622
Total Money Market Funds (Cost \$220,607,622)			220,607,622
^gInvestments from Cash Collateral Received for Loaned Securities 0.1%			
Money Market Funds 0.1%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	19,487,000	19,487,000
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$19,487,000)			19,487,000
Total Short Term Investments (Cost \$240,094,622)			240,094,622
Total Investments (Cost \$9,803,738,544) 100.1%			\$25,427,420,259
Other Assets, less Liabilities (0.1)%			(29,798,387)
Net Assets 100.0%			\$25,397,621,872

See Abbreviations on page 100.

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

^a Non-income producing.

^b A portion or all of the security is on loan at September 30, 2024. See Note 1(e).

^c Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities 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. Regulation S securities 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 September 30, 2024, the value of this security was \$11,683,366, representing less than 0.1% of net assets.

^d Fair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

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

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

^g See Note 1(e) regarding securities on loan.

Financial Highlights

Franklin Growth Fund

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$115.08	\$105.41	\$151.73	\$129.91	\$110.04
Income from investment operations ^a :					
Net investment income (loss) ^b	0.09	0.19	0.01	(0.06)	0.33
Net realized and unrealized gains (losses)	38.24	20.19	(32.51)	32.67	25.99
Total from investment operations	38.33	20.38	(32.50)	32.61	26.32
Less distributions from:					
Net investment income	(0.22)	—	—	(0.18)	(0.46)
Net realized gains	(7.45)	(10.71)	(13.82)	(10.61)	(5.99)
Total distributions	(7.67)	(10.71)	(13.82)	(10.79)	(6.45)
Net asset value, end of year	\$145.74	\$115.08	\$105.41	\$151.73	\$129.91
Total return ^c	34.70%	20.43%	(23.83)%	26.44%	25.09%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.79%	0.80%	0.80%	0.79%	0.82%
Expenses net of waiver and payments by affiliates	0.79% ^d	0.80% ^{d,e}	0.80% ^{d,e}	0.79% ^{d,e}	0.81% ^e
Net investment income (loss)	0.07%	0.17%	0.01%	(0.04)%	0.29%
Supplemental data					
Net assets, end of year (000's)	\$12,619,339	\$10,072,509	\$9,118,403	\$12,927,577	\$10,990,297
Portfolio turnover rate	7.35%	2.86%	4.95% ^f	6.04% ^f	9.01%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^fExcludes the value of portfolio activity as a result of in-kind transactions.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$98.08	\$91.92	\$134.93	\$117.27	\$100.21
Income from investment operations ^a :					
Net investment (loss) ^b	(0.76)	(0.57)	(0.87)	(1.01)	(0.47)
Net realized and unrealized gains (losses)	32.30	17.44	(28.32)	29.28	23.52
Total from investment operations	31.54	16.87	(29.19)	28.27	23.05
Less distributions from:					
Net realized gains	(7.45)	(10.71)	(13.82)	(10.61)	(5.99)
Net asset value, end of year	\$122.17	\$98.08	\$91.92	\$134.93	\$117.27
Total return ^c	33.69%	19.53%	(24.40)%	25.51%	24.16%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.54%	1.55%	1.55%	1.54%	1.57%
Expenses net of waiver and payments by affiliates	1.54% ^d	1.55% ^{d,e}	1.55% ^{d,e}	1.54% ^{d,e}	1.56% ^e
Net investment (loss)	(0.68)%	(0.59)%	(0.75)%	(0.79)%	(0.46)%
Supplemental data					
Net assets, end of year (000's)	\$355,424	\$333,956	\$407,722	\$666,348	\$727,093
Portfolio turnover rate	7.35%	2.86%	4.95% ^f	6.04% ^f	9.01%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^fExcludes the value of portfolio activity as a result of in-kind transactions.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$113.60	\$104.43	\$150.77	\$129.28	\$109.49
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.24)	(0.10)	(0.32)	(0.41)	0.05
Net realized and unrealized gains (losses)	37.75	19.98	(32.20)	32.51	25.86
Total from investment operations	37.51	19.88	(32.52)	32.10	25.91
Less distributions from:					
Net investment income	—	—	—	—	(0.13)
Net realized gains	(7.45)	(10.71)	(13.82)	(10.61)	(5.99)
Total distributions	(7.45)	(10.71)	(13.82)	(10.61)	(6.12)
Net asset value, end of year	\$143.66	\$113.60	\$104.43	\$150.77	\$129.28
Total return	34.36%	20.13%	(24.01)%	26.13%	24.78%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.04%	1.05%	1.05%	1.04%	1.07%
Expenses net of waiver and payments by affiliates	1.04% ^c	1.05% ^{c,d}	1.05% ^{c,d}	1.04% ^{c,d}	1.06% ^d
Net investment income (loss)	(0.18)%	(0.09)%	(0.25)%	(0.29)%	0.04%
Supplemental data					
Net assets, end of year (000's)	\$305,786	\$256,889	\$249,874	\$395,301	\$420,082
Portfolio turnover rate	7.35%	2.86%	4.95% ^e	6.04% ^e	9.01%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^eExcludes the value of portfolio activity as a result of in-kind transactions.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$116.16	\$106.22	\$152.40	\$130.31	\$110.37
Income from investment operations ^a :					
Net investment income ^b	0.52	0.56	0.46	0.41	0.71
Net realized and unrealized gains (losses)	38.60	20.34	(32.72)	32.76	26.06
Total from investment operations	39.12	20.90	(32.26)	33.17	26.77
Less distributions from:					
Net investment income	(0.61)	(0.25)	(0.10)	(0.47)	(0.84)
Net realized gains	(7.45)	(10.71)	(13.82)	(10.61)	(5.99)
Total distributions	(8.06)	(10.96)	(13.92)	(11.08)	(6.83)
Net asset value, end of year	\$147.22	\$116.16	\$106.22	\$152.40	\$130.31
Total return	35.14%	20.83%	(23.57)%	26.86%	25.51%
Ratios to average net assets					
Expenses ^c	0.46%	0.47% ^d	0.46% ^d	0.47% ^d	0.48% ^d
Net investment income	0.39%	0.49%	0.34%	0.29%	0.63%
Supplemental data					
Net assets, end of year (000's)	\$2,735,878	\$2,114,155	\$2,000,923	\$3,113,946	\$2,999,370
Portfolio turnover rate	7.35%	2.86%	4.95% ^e	6.04% ^e	9.01%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^eExcludes the value of portfolio activity as a result of in-kind transactions.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$116.21	\$106.25	\$152.47	\$130.38	\$110.41
Income from investment operations ^a :					
Net investment income ^b	0.42	0.47	0.34	0.30	0.62
Net realized and unrealized gains (losses)	38.62	20.36	(32.74)	32.79	26.07
Total from investment operations	39.04	20.83	(32.40)	33.09	26.69
Less distributions from:					
Net investment income	(0.52)	(0.16)	—	(0.39)	(0.73)
Net realized gains	(7.45)	(10.71)	(13.82)	(10.61)	(5.99)
Total distributions	(7.97)	(10.87)	(13.82)	(11.00)	(6.72)
Net asset value, end of year	\$147.28	\$116.21	\$106.25	\$152.47	\$130.38
Total return	35.04%	20.73%	(23.64)%	26.76%	25.41%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.54%	0.55%	0.55%	0.54%	0.57%
Expenses net of waiver and payments by affiliates	0.54% ^c	0.55% ^{c,d}	0.55% ^{c,d}	0.54% ^{c,d}	0.56% ^d
Net investment income	0.32%	0.42%	0.25%	0.21%	0.54%
Supplemental data					
Net assets, end of year (000's)	\$3,353,961	\$2,860,970	\$2,652,765	\$4,229,679	\$3,549,412
Portfolio turnover rate	7.35%	2.86%	4.95% ^e	6.04% ^e	9.01%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

^eExcludes the value of portfolio activity as a result of in-kind transactions.

Schedule of Investments, September 30, 2024

Franklin Growth Fund

	Country	Shares	Value
Common Stocks 98.1%			
Aerospace & Defense 4.3%			
BWX Technologies, Inc.	United States	1,344,011	\$146,093,996
Curtiss-Wright Corp.	United States	244,600	80,397,574
Lockheed Martin Corp.	United States	202,955	118,639,375
Northrop Grumman Corp.	United States	562,697	297,143,405
RTX Corp.	United States	1,505,110	182,359,127
			824,633,477
Beverages 2.4%			
Constellation Brands, Inc., A	United States	452,178	116,521,749
^a Monster Beverage Corp.	United States	3,914,026	204,194,737
PepsiCo, Inc.	United States	813,145	138,275,307
			458,991,793
Biotechnology 1.8%			
AbbVie, Inc.	United States	435,787	86,059,217
Amgen, Inc.	United States	576,436	185,733,443
^a Regeneron Pharmaceuticals, Inc.	United States	72,246	75,947,885
			347,740,545
Broadline Retail 4.4%			
^a Amazon.com, Inc.	United States	4,539,124	845,774,975
Building Products 2.0%			
Trane Technologies plc	United States	989,869	384,791,776
Capital Markets 4.7%			
BlackRock, Inc.	United States	123,820	117,568,328
Blackstone, Inc.	United States	798,607	122,290,690
Charles Schwab Corp. (The)	United States	2,102,782	136,281,301
Intercontinental Exchange, Inc.	United States	1,350,590	216,958,778
S&P Global, Inc.	United States	350,525	181,088,226
Tradeweb Markets, Inc., A	United States	1,129,220	139,650,637
			913,837,960
Chemicals 3.1%			
Air Products and Chemicals, Inc.	United States	473,767	141,059,387
Ecolab, Inc.	United States	590,978	150,894,413
Linde plc.	United States	664,827	317,029,403
			608,983,203
Commercial Services & Supplies 0.6%			
Republic Services, Inc., A	United States	616,799	123,877,911
Construction Materials 0.9%			
Martin Marietta Materials, Inc.	United States	334,397	179,989,185
Consumer Staples Distribution & Retail 1.2%			
Costco Wholesale Corp.	United States	253,449	224,687,608
Electric Utilities 1.1%			
NextEra Energy, Inc.	United States	2,555,446	216,011,850
Electrical Equipment 1.4%			
AMETEK, Inc.	United States	674,967	115,898,584
Eaton Corp. plc.	United States	437,964	145,158,788
			261,057,372
Electronic Equipment, Instruments & Components 1.7%			
Amphenol Corp., A	United States	4,932,630	321,410,171

Franklin Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Financial Services 3.9%			
Mastercard, Inc., A	United States	964,326	\$476,184,179
Visa, Inc., A	United States	1,011,118	278,006,894
			754,191,073
Ground Transportation 3.0%			
Canadian Pacific Kansas City Ltd.	Canada	1,346,949	115,218,018
Old Dominion Freight Line, Inc.	United States	383,100	76,098,984
^a Uber Technologies, Inc.	United States	557,439	41,897,115
Union Pacific Corp.	United States	1,433,210	353,257,601
			586,471,718
Health Care Equipment & Supplies 3.7%			
Abbott Laboratories.	United States	741,502	84,538,643
^a Edwards Lifesciences Corp.	United States	966,324	63,767,721
^a Intuitive Surgical, Inc.	United States	878,240	431,452,965
Stryker Corp.	United States	388,847	140,474,867
			720,234,196
Health Care Providers & Services 1.3%			
UnitedHealth Group, Inc.	United States	442,515	258,729,670
Health Care Technology 0.4%			
^a Veeva Systems, Inc., A	United States	408,813	85,797,584
Hotels, Restaurants & Leisure 1.7%			
^a Airbnb, Inc., A	United States	579,890	73,535,851
Booking Holdings, Inc.	United States	28,173	118,668,057
^a Chipotle Mexican Grill, Inc., A	United States	2,460,000	141,745,200
			333,949,108
Industrial REITs 0.6%			
Prologis, Inc.	United States	840,900	106,188,852
Interactive Media & Services 3.8%			
Alphabet, Inc., A	United States	2,056,520	341,073,842
Alphabet, Inc., C	United States	2,401,900	401,573,661
			742,647,503
IT Services 2.0%			
^{a,b,c} Canva, Inc., B	Australia	25,413	31,148,647
^a MongoDB, Inc., A	United States	186,200	50,339,170
^a Shopify, Inc., A	Canada	411,700	32,993,638
TE Connectivity plc	Ireland	1,770,857	267,381,699
			381,863,154
Life Sciences Tools & Services 5.3%			
Agilent Technologies, Inc.	United States	1,038,568	154,206,577
Danaher Corp.	United States	1,132,672	314,905,470
^a Mettler-Toledo International, Inc.	United States	149,209	223,768,737
Thermo Fisher Scientific, Inc.	United States	370,334	229,077,502
West Pharmaceutical Services, Inc.	United States	358,800	107,697,408
			1,029,655,694
Machinery 3.6%			
Deere & Co.	United States	353,851	147,672,638
Illinois Tool Works, Inc.	United States	753,519	197,474,724
Ingersoll Rand, Inc.	United States	1,980,276	194,383,892
Parker-Hannifin Corp.	United States	48,700	30,769,634

Franklin Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery (continued)			
Xylem, Inc.	United States	983,901	\$132,856,152
			703,157,040
Pharmaceuticals 2.9%			
AstraZeneca plc, ADR.	United Kingdom	2,110,216	164,406,929
Eli Lilly & Co.	United States	456,384	404,328,841
			568,735,770
Professional Services 0.4%			
Automatic Data Processing, Inc.	United States	105,229	29,120,021
Verisk Analytics, Inc., A.	United States	178,221	47,756,099
			76,876,120
Semiconductors & Semiconductor Equipment 12.8%			
^{a,d} ARM Holdings plc, ADR.	United States	356,500	50,983,065
ASML Holding NV, ADR.	Netherlands	388,894	324,045,926
Lam Research Corp.	United States	28,550	23,299,084
^a Lattice Semiconductor Corp.	United States	695,800	36,926,106
Monolithic Power Systems, Inc.	United States	359,745	332,584,252
NVIDIA Corp.	United States	10,506,670	1,275,930,005
NXP Semiconductors NV.	China	665,330	159,685,853
Texas Instruments, Inc.	United States	1,326,618	274,039,480
			2,477,493,771
Software 16.9%			
^a Adobe, Inc.	United States	143,493	74,297,806
^a Autodesk, Inc.	United States	790,713	217,825,617
^{a,b,c} Checkout Payments Group Ltd., B.	United Kingdom	96,603	8,855,741
^a CrowdStrike Holdings, Inc., A.	United States	132,753	37,233,234
Intuit, Inc.	United States	710,431	441,177,651
Microsoft Corp.	United States	2,793,768	1,202,158,370
^a PTC, Inc.	United States	1,026,515	185,450,200
Salesforce, Inc.	United States	534,162	146,205,481
^a ServiceNow, Inc.	United States	524,995	469,550,278
^{a,b,c} Stripe, Inc., B.	United States	540,043	14,879,583
^a Synopsys, Inc.	United States	537,220	272,042,836
^a Tyler Technologies, Inc.	United States	114,252	66,691,177
^a Workday, Inc., A.	United States	546,901	133,668,073
			3,270,036,047
Technology Hardware, Storage & Peripherals 4.0%			
Apple, Inc.	United States	3,279,793	764,191,769
Textiles, Apparel & Luxury Goods 0.8%			
NIKE, Inc., B.	United States	1,757,536	155,366,182
Trading Companies & Distributors 1.0%			
Fastenal Co.	United States	2,605,313	186,071,454
Water Utilities 0.4%			
American Water Works Co., Inc.	United States	579,967	84,814,374
Total Common Stocks (Cost \$4,532,212,581)			18,998,258,905
Convertible Preferred Stocks 0.6%			
IT Services 0.0%[†]			
^{a,b,c} Canva, Inc., A.	Australia	2,353	2,884,066
^{a,b,c} Canva, Inc., A-3.	Australia	94	115,216

Franklin Growth Fund (continued)

	Country	Shares	Value
Convertible Preferred Stocks (continued)			
IT Services (continued)			
^{a,b,c} Canva, Inc., A-4	Australia	8	\$9,806
^{a,b,c} Canva, Inc., A-5	Australia	5	6,128
			<u>3,015,216</u>
Software 0.5%			
^{a,b,c} Gusto, Inc., E	United States	822,494	26,007,722
^{a,b,c} OneTrust LLC, C.	United States	849,894	14,987,106
^{a,b,c} Stripe, Inc., I	United States	1,759,545	48,480,020
			<u>89,474,848</u>
Trading Companies & Distributors 0.1%			
^{a,b,c} Anduril Industries, Inc., F.	United States	1,150,134	25,000,003
Total Convertible Preferred Stocks (Cost \$106,287,288)			<u>117,490,067</u>
Preferred Stocks 0.7%			
Life Sciences Tools & Services 0.7%			
^e Sartorius AG, 0.29%	Germany	475,000	133,572,335
Total Preferred Stocks (Cost \$164,568,096)			<u>133,572,335</u>
Total Long Term Investments (Cost \$4,803,067,965)			<u>19,249,321,307</u>
Short Term Investments 0.7%			
Money Market Funds 0.7%			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	132,381,860	132,381,860
Total Money Market Funds (Cost \$132,381,860)			<u>132,381,860</u>
Investments from Cash Collateral Received for Loaned Securities 0.0%[†]			
Money Market Funds 0.0%[†]			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	3,085,000	3,085,000
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$3,085,000)			<u>3,085,000</u>
Total Short Term Investments (Cost \$135,466,860)			<u>135,466,860</u>
Total Investments (Cost \$4,938,534,825) 100.1%			<u>\$19,384,788,167</u>
Other Assets, less Liabilities (0.1)%			<u>(14,400,221)</u>
Net Assets 100.0%			<u>\$19,370,387,946</u>

See Abbreviations on page 100.

[†]Rounds to less than 0.1% of net assets.^gNon-income producing.^bFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.^cSee Note 7 regarding restricted securities.^dA portion or all of the security is on loan at September 30, 2024. See Note 1(e).

Franklin Growth Fund (continued)

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

^fSee Note 3(f) regarding investments in affiliated management investment companies.

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

^hSee Note 1(e) regarding securities on loan.

Financial Highlights

Franklin Income Fund

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.19	\$2.14	\$2.47	\$2.08	\$2.30
Income from investment operations ^a :					
Net investment income ^b	0.09	0.09	0.07	0.08	0.08
Net realized and unrealized gains (losses)	0.30	0.09	(0.24)	0.42	(0.18)
Total from investment operations	0.39	0.18	(0.17)	0.50	(0.10)
Less distributions from:					
Net investment income	(0.13)	(0.13)	(0.11)	(0.11)	(0.12)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.13)	(0.13)	(0.16)	(0.11)	(0.12)
Net asset value, end of year	\$2.45	\$2.19	\$2.14	\$2.47	\$2.08
Total return ^c	18.33%	8.33%	(7.28)%	24.55%	(4.48)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.71%	0.71%	0.72%	0.72%	0.71%
Expenses net of waiver and payments by affiliates	0.70%	0.71% ^d	0.71% ^e	0.72% ^{d,e}	0.70% ^e
Net investment income	4.04%	4.02%	3.08%	3.19%	3.64%
Supplemental data					
Net assets, end of year (000's)	\$23,331,018	\$19,705,319	\$16,829,899	\$16,044,379	\$10,072,437
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.20	\$2.15	\$2.48	\$2.08	\$2.30
Income from investment operations ^a :					
Net investment income ^b	0.10	0.09	0.08	0.08	0.08
Net realized and unrealized gains (losses)	0.28	0.09	(0.24)	0.43	(0.18)
Total from investment operations	0.38	0.18	(0.16)	0.51	(0.10)
Less distributions from:					
Net investment income	(0.13)	(0.13)	(0.12)	(0.11)	(0.12)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.13)	(0.13)	(0.17)	(0.11)	(0.12)
Net asset value, end of year	\$2.45	\$2.20	\$2.15	\$2.48	\$2.08
Total return ^c	17.91%	8.43%	(7.10)%	25.19%	(4.39)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.61%	0.61%	0.62%	0.62%	0.61%
Expenses net of waiver and payments by affiliates	0.60%	0.61% ^d	0.61% ^e	0.62% ^{d,e}	0.60% ^e
Net investment income	4.15%	4.11%	3.15%	3.32%	3.74%
Supplemental data					
Net assets, end of year (000's)	\$30,981,936	\$29,633,019	\$30,236,582	\$35,704,730	\$32,693,224
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.24	\$2.19	\$2.52	\$2.12	\$2.34
Income from investment operations ^a :					
Net investment income ^b	0.09	0.08	0.07	0.07	0.07
Net realized and unrealized gains (losses)	0.29	0.09	(0.25)	0.43	(0.18)
Total from investment operations	0.38	0.17	(0.18)	0.50	(0.11)
Less distributions from:					
Net investment income	(0.12)	(0.12)	(0.10)	(0.10)	(0.11)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.12)	(0.12)	(0.15)	(0.10)	(0.11)
Net asset value, end of year	\$2.50	\$2.24	\$2.19	\$2.52	\$2.12
Total return ^c	17.43%	8.19%	(7.89)%	24.09%	(4.80)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.11%	1.11%	1.12%	1.13%	1.11%
Expenses net of waiver and payments by affiliates	1.10%	1.11% ^d	1.11% ^e	1.12% ^e	1.10% ^e
Net investment income	3.65%	3.61%	2.63%	2.84%	3.24%
Supplemental data					
Net assets, end of year (000's)	\$4,549,815	\$4,905,480	\$5,654,802	\$7,507,658	\$9,339,238
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.15	\$2.10	\$2.43	\$2.04	\$2.26
Income from investment operations ^a :					
Net investment income ^b	0.09	0.08	0.07	0.07	0.07
Net realized and unrealized gains (losses)	0.27	0.09	(0.24)	0.43	(0.18)
Total from investment operations	0.36	0.17	(0.17)	0.50	(0.11)
Less distributions from:					
Net investment income	(0.12)	(0.12)	(0.11)	(0.11)	(0.11)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.12)	(0.12)	(0.16)	(0.11)	(0.11)
Net asset value, end of year	\$2.39	\$2.15	\$2.10	\$2.43	\$2.04
Total return	17.41%	8.21%	(7.61)%	24.75%	(4.82)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.96%	0.96%	0.97%	0.97%	0.96%
Expenses net of waiver and payments by affiliates	0.95%	0.96% ^c	0.96% ^d	0.97% ^{c,d}	0.95% ^d
Net investment income	3.80%	3.77%	2.84%	2.97%	3.40%
Supplemental data					
Net assets, end of year (000's)	\$334,157	\$300,283	\$270,060	\$257,109	\$221,584
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.19	\$2.14	\$2.47	\$2.07	\$2.29
Income from investment operations ^a :					
Net investment income ^b	0.10	0.10	0.08	0.08	0.09
Net realized and unrealized gains (losses)	0.28	0.09	(0.24)	0.44	(0.19)
Total from investment operations	0.38	0.19	(0.16)	0.52	(0.10)
Less distributions from:					
Net investment income	(0.13)	(0.14)	(0.12)	(0.12)	(0.12)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.13)	(0.14)	(0.17)	(0.12)	(0.12)
Net asset value, end of year	\$2.44	\$2.19	\$2.14	\$2.47	\$2.07
Total return	18.18%	9.17%	(7.38)%	25.53%	(4.23)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.41%	0.41%	0.42%	0.43%	0.40%
Expenses net of waiver and payments by affiliates	0.40%	0.40%	0.40% ^c	0.41% ^c	0.39% ^c
Net investment income	4.35%	4.35%	3.43%	3.50%	3.96%
Supplemental data					
Net assets, end of year (000's)	\$1,938,998	\$1,662,931	\$1,158,685	\$748,355	\$1,626,735
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.18	\$2.13	\$2.46	\$2.07	\$2.28
Income from investment operations ^a :					
Net investment income ^b	0.10	0.10	0.08	0.08	0.08
Net realized and unrealized gains (losses)	0.28	0.09	(0.24)	0.43	(0.17)
Total from investment operations	0.38	0.19	(0.16)	0.51	(0.09)
Less distributions from:					
Net investment income	(0.13)	(0.14)	(0.12)	(0.12)	(0.12)
Net realized gains	—	—	(0.05)	—	—
Total distributions	(0.13)	(0.14)	(0.17)	(0.12)	(0.12)
Net asset value, end of year	\$2.43	\$2.18	\$2.13	\$2.46	\$2.07
Total return	18.20%	9.16%	(7.44)%	24.98%	(3.86)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.46%	0.46%	0.47%	0.47%	0.46%
Expenses net of waiver and payments by affiliates	0.45%	0.46% ^c	0.46% ^d	0.47% ^{c,d}	0.45% ^d
Net investment income	4.30%	4.27%	3.32%	3.46%	3.89%
Supplemental data					
Net assets, end of year (000's)	\$14,603,259	\$12,941,766	\$11,638,757	\$11,969,691	\$9,712,076
Portfolio turnover rate	49.72%	56.23%	77.65%	68.93%	69.13%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Schedule of Investments, September 30, 2024

Franklin Income Fund

	Country	Shares	Value
Common Stocks 22.3%			
Aerospace & Defense 1.3%			
^{a,b} Boeing Co. (The)	United States	1,000,000	\$152,040,000
^b Lockheed Martin Corp.	United States	1,250,000	730,700,000
RTX Corp.	United States	950,000	115,102,000
			997,842,000
Air Freight & Logistics 0.3%			
United Parcel Service, Inc., B	United States	1,500,000	204,510,000
Banks 1.9%			
^b Bank of America Corp.	United States	8,000,000	317,440,000
^b Citigroup, Inc.	United States	2,500,000	156,500,000
Fifth Third Bancorp	United States	4,000,000	171,360,000
^b JPMorgan Chase & Co.	United States	1,000,000	210,860,000
PNC Financial Services Group, Inc. (The)	United States	1,250,000	231,062,500
Truist Financial Corp.	United States	1,000,000	42,770,000
US Bancorp	United States	5,814,951	265,917,709
			1,395,910,209
Beverages 1.4%			
Coca-Cola Co. (The)	United States	3,000,000	215,580,000
^b PepsiCo, Inc.	United States	5,000,000	850,250,000
			1,065,830,000
Biotechnology 0.2%			
^b Amgen, Inc.	United States	500,000	161,105,000
Chemicals 0.7%			
Air Products and Chemicals, Inc.	United States	1,000,000	297,740,000
Albemarle Corp.	United States	1,000,000	94,710,000
LyondellBasell Industries NV, A	United States	1,700,000	163,030,000
			555,480,000
Communications Equipment 0.5%			
Cisco Systems, Inc.	United States	7,395,000	393,561,900
Containers & Packaging 0.1%			
International Paper Co.	United States	1,000,000	48,850,000
Diversified Telecommunication Services 0.3%			
Verizon Communications, Inc.	United States	5,000,000	224,550,000
Electric Utilities 2.9%			
American Electric Power Co., Inc.	United States	2,000,000	205,200,000
^b Duke Energy Corp.	United States	3,500,000	403,550,000
Edison International	United States	1,800,000	156,762,000
Entergy Corp.	United States	500,000	65,805,000
NextEra Energy, Inc.	United States	5,300,975	448,091,417
Southern Co. (The)	United States	8,000,000	721,440,000
Xcel Energy, Inc.	United States	3,000,000	195,900,000
			2,196,748,417
Energy Equipment & Services 0.1%			
Halliburton Co.	United States	3,500,000	101,675,000
Ground Transportation 0.6%			
Union Pacific Corp.	United States	1,750,000	431,340,000
Health Care Equipment & Supplies 0.3%			
^b Abbott Laboratories.	United States	500,000	57,005,000
Medtronic plc	United States	2,000,000	180,060,000
			237,065,000

Franklin Income Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services 0.4%			
^b CVS Health Corp.	United States	5,000,000	\$314,400,000
Household Products 1.2%			
^b Procter & Gamble Co. (The)	United States	5,000,000	866,000,000
Industrial Conglomerates 0.4%			
^b Honeywell International, Inc.	United States	1,500,000	310,065,000
IT Services 0.2%			
^b International Business Machines Corp.	United States	750,000	165,810,000
Machinery 0.1%			
Illinois Tool Works, Inc.	United States	300,000	78,621,000
Media 0.2%			
Comcast Corp., A	United States	4,000,000	167,080,000
Metals & Mining 0.4%			
Fortescue Ltd.	Australia	5,000,000	70,533,101
^b Rio Tinto plc, ADR.	Australia	3,500,000	249,095,000
			319,628,101
Multi-Utilities 0.7%			
Dominion Energy, Inc.	United States	5,000,000	288,950,000
Sempra.	United States	3,000,000	250,890,000
			539,840,000
Oil, Gas & Consumable Fuels 3.8%			
Chevron Corp.	United States	7,500,000	1,104,525,000
ConocoPhillips	United States	3,500,000	368,480,000
Exxon Mobil Corp.	United States	8,343,000	977,966,460
Shell plc, ADR.	United States	4,000,000	263,800,000
TotalEnergies SE, ADR.	France	3,000,000	193,860,000
			2,908,631,460
Pharmaceuticals 2.8%			
^a Bausch Health Cos., Inc.	United States	5,000,000	40,800,000
^{a,c} Endo, Inc.	United States	4,484,322	114,260,525
Johnson & Johnson	United States	8,000,000	1,296,480,000
Merck & Co., Inc.	United States	3,000,000	340,680,000
Pfizer, Inc.	United States	10,000,000	289,400,000
			2,081,620,525
Semiconductors & Semiconductor Equipment 0.2%			
Analog Devices, Inc.	United States	350,000	80,559,500
Microchip Technology, Inc.	United States	800,000	64,232,000
			144,791,500
Specialty Retail 0.8%			
^b Home Depot, Inc. (The).	United States	1,488,300	603,059,160
Technology Hardware, Storage & Peripherals 0.0%†			
Dell Technologies, Inc., C	United States	7,400	877,196
Tobacco 0.5%			
Philip Morris International, Inc.	United States	3,000,000	364,200,000
Total Common Stocks (Cost \$14,129,999,021).			16,879,091,468

Franklin Income Fund (continued)

	Country	Shares	Value
Management Investment Companies 0.5%			
Capital Markets 0.5%			
^d Clarion Partners Real Estate Income Fund, Inc., Class I	United States	7,867,833	\$91,974,965
^{a,d,e,f} Franklin BSP Real Estate Credit BDC	United States	10,254,325	265,381,931
			357,356,896
Total Management Investment Companies (Cost \$361,158,594)			357,356,896
^gEquity-Linked Securities 19.2%			
Aerospace & Defense 0.8%			
^h Barclays Bank plc into Northrop Grumman Corp., 144A, 7%, 11/08/24	United States	315,000	166,984,584
^h Barclays Bank plc into RTX Corp., 144A, 7.5%, 10/16/25	United States	2,100,000	251,511,935
^h Wells Fargo Bank NA into Boeing Co. (The), 144A, 9%, 6/17/25	United States	1,350,000	212,555,466
			631,051,985
Air Freight & Logistics 0.3%			
^h J.P. Morgan Structured Products BV into United Parcel Service, Inc., 144A, 9%, 10/22/24	United States	1,530,000	214,563,060
Banks 1.6%			
^h BNP Paribas Issuance BV into Bank of America Corp., 144A, 8.5%, 2/26/25	United States	6,800,000	248,087,684
^h JPMorgan Chase Bank NA into Truist Financial Corp., 144A, 9.5%, 3/02/26	United States	5,400,000	233,622,338
^h Merrill Lynch International & Co. CV into Fifth Third Bancorp, 144A, 10%, 3/10/25	United States	3,150,000	120,583,695
^h Royal Bank of Canada into Citigroup, Inc., 144A, 8.5%, 8/27/25	United States	3,700,000	228,714,703
^h Royal Bank of Canada into Citigroup, Inc., 144A, 10%, 10/15/24	United States	6,300,000	303,100,913
^h Royal Bank of Canada into Truist Financial Corp., 144A, 8.5%, 8/04/25	United States	2,420,000	104,975,764
			1,239,085,097
Biotechnology 0.3%			
^h Merrill Lynch International & Co. CV into AbbVie, Inc., 144A, 7.5%, 4/23/25	United States	1,385,000	266,020,849
Broadline Retail 0.4%			
^h Goldman Sachs International Bank into Amazon.com, Inc., 144A, 9%, 11/20/24	United States	2,375,000	315,517,937
Building Products 0.2%			
^h Wells Fargo Bank NA into Johnson Controls International plc, 144A, 9%, 12/10/24	United States	2,450,000	142,357,385
Capital Markets 0.9%			
^h Goldman Sachs International Bank into Morgan Stanley, 144A, 9%, 12/24/24	United States	2,812,000	274,843,530
^h Merrill Lynch International & Co. CV into Charles Schwab Corp. (The), 144A, 9%, 2/25/25	United States	3,550,000	229,423,312
^h Merrill Lynch International & Co. CV into Morgan Stanley, 144A, 9%, 7/14/25	United States	1,650,000	169,678,312
			673,945,154
Chemicals 0.4%			
^h Barclays Bank plc into Air Products and Chemicals, Inc., 144A, 8.5%, 3/10/25	United States	730,000	186,350,048
^h National Bank of Canada into Albemarle Corp., 144A, 12%, 3/31/25	United States	830,000	82,522,887
			268,872,935

Franklin Income Fund (continued)

	Country	Shares	Value
^gEquity-Linked Securities (continued)			
Communications Equipment 0.7%			
^h Royal Bank of Canada into Cisco Systems, Inc., 144A, 8%, 9/17/25	United States	5,000,000	\$259,815,671
^h UBS AG into Cisco Systems, Inc., 144A, 8%, 6/10/25	United States	5,000,000	255,591,380
			515,407,051
Consumer Staples Distribution & Retail 0.4%			
^h UBS AG into Target Corp., 144A, 10%, 9/15/25	United States	1,900,000	287,954,981
Containers & Packaging 0.5%			
^h BNP Paribas SA into International Paper Co., 144A, 9%, 10/20/25	United States	5,100,000	250,614,687
^h Mizuho Markets Cayman LP into International Paper Co., 144A, 10%, 1/22/25	United States	2,900,000	122,537,633
			373,152,320
Electric Utilities 0.7%			
^h Mizuho Markets Cayman LP into NextEra Energy, Inc., 144A, 9%, 4/08/25	United States	3,290,000	229,969,161
^h Wells Fargo Bank NA into NextEra Energy, Inc., 144A, 8%, 5/20/25	United States	3,500,000	273,415,670
			503,384,831
Ground Transportation 0.4%			
^h Merrill Lynch BV into Union Pacific Corp., 144A, 8%, 11/05/24	United States	1,300,000	309,009,964
Health Care Providers & Services 0.3%			
^h Wells Fargo Bank NA into UnitedHealth Group, Inc., 144A, 7%, 7/14/25	United States	425,000	225,212,258
Hotels, Restaurants & Leisure 0.3%			
^h Wells Fargo Bank NA into Starbucks Corp., 144A, 8%, 3/04/25	United States	2,500,000	241,346,294
Insurance 0.4%			
^h BNP Paribas Issuance BV into MetLife, Inc., 144A, 9%, 10/23/24	United States	3,800,000	273,980,661
Interactive Media & Services 0.7%			
^h Citigroup Global Markets Holdings, Inc. into Alphabet, Inc., 144A, 8.5%, 8/20/25	United States	1,750,000	299,172,506
^h JPMorgan Chase Bank NA into Alphabet, Inc., 144A, 8%, 3/18/25	United States	1,805,000	264,539,034
			563,711,540
IT Services 0.3%			
^h Barclays Bank plc into International Business Machines Corp., 144A, 8.5%, 6/09/25	United States	1,340,000	257,473,767
Media 0.5%			
^h BNP Paribas Issuance BV into Comcast Corp., 144A, 8%, 1/15/25	United States	3,100,000	131,681,134
^h JPMorgan Chase Bank NA into Comcast Corp., 144A, 8.5%, 9/02/25	United States	6,100,000	250,878,788
			382,559,922
Metals & Mining 1.4%			
^h BNP Paribas Issuance BV into Freeport-McMoRan, Inc., 144A, 10%, 8/12/25	United States	3,100,000	149,634,717
^h Citigroup Global Markets Holdings, Inc. into Freeport-McMoRan, Inc., 144A, 10%, 5/20/25	United States	4,100,000	208,022,770
^h Mizuho Markets Cayman LP into Barrick Gold Corp., 144A, 9%, 7/01/25	Canada	3,225,000	59,859,239
^h Mizuho Markets Cayman LP into Freeport-McMoRan, Inc., 144A, 11%, 12/10/24	United States	7,539,000	340,771,798
^h UBS AG into Newmont Corp., 144A, 11%, 1/16/25	United States	6,000,000	279,064,788
			1,037,353,312

Franklin Income Fund (continued)

	Country	Shares	Value
^gEquity-Linked Securities (continued)			
Multi-Utilities 0.2%			
^h Wells Fargo Bank NA into Dominion Energy, Inc., 144A, 9%, 1/10/25	United States	2,130,000	\$119,047,919
Oil, Gas & Consumable Fuels 1.2%			
^h BNP Paribas Issuance BV into BP plc, 144A, 8.5%, 5/15/25	United States	4,750,000	157,212,624
^h Citigroup Global Markets Holdings, Inc. into BP plc, 144A, 10%, 12/30/24	United States	6,600,000	216,606,814
^h Citigroup Global Markets Holdings, Inc. into Exxon Mobil Corp., 144A, 9%, 3/12/25	United States	2,600,000	287,355,318
^h JPMorgan Chase Bank NA into Exxon Mobil Corp., 144A, 8.5%, 11/03/25	United States	2,500,000	285,847,139
			947,021,895
Pharmaceuticals 0.7%			
^h BNP Paribas SA into Pfizer, Inc., 144A, 10.5%, 7/23/25	United States	9,000,000	266,092,483
^h Mizuho Markets Cayman LP into Bristol-Myers Squibb Co., 144A, 9.5%, 5/08/25	United States	4,800,000	245,646,085
			511,738,568
Semiconductors & Semiconductor Equipment 3.4%			
^h Barclays Bank plc into Microchip Technology, Inc., 144A, 10%, 10/14/25	United States	1,950,000	157,030,456
^h Citigroup Global Markets Holdings, Inc. into Intel Corp., 144A, 10%, 10/03/24	United States	6,700,000	163,260,789
^h Goldman Sachs International Bank into Texas Instruments, Inc., 144A, 9%, 11/10/25	United States	1,670,000	295,384,603
^h Merrill Lynch BV into Micron Technology, Inc., 144A, 10%, 8/18/25	United States	1,615,000	170,458,385
^h Mizuho Markets Cayman LP into Microchip Technology, Inc., 144A, 10%, 11/12/24	United States	3,500,000	284,792,443
^h Morgan Stanley Finance II Ltd. into Microchip Technology, Inc., 144A, 10%, 3/03/25	United States	1,850,000	148,832,270
^h National Bank of Canada into Broadcom, Inc., 144A, 11.5%, 5/13/25	United States	200,000	279,364,778
^h Royal Bank of Canada into Texas Instruments, Inc., 144A, 8%, 6/11/25	United States	800,000	163,697,390
^h Royal Bank of Canada into Texas Instruments, Inc., 144A, 8.5%, 7/15/25	United States	890,000	180,422,396
^h UBS AG into Analog Devices, Inc., 144A, 9%, 9/17/25	United States	1,120,000	256,363,522
^h UBS AG into Intel Corp., 144A, 10%, 7/29/25	United States	5,100,000	132,662,927
^h Wells Fargo Bank NA into Intel Corp., 144A, 11%, 2/14/25	United States	4,000,000	102,883,921
^h Wells Fargo Bank NA into QUALCOMM, Inc., 144A, 10%, 10/22/25	United States	1,250,000	210,746,220
			2,545,900,100
Software 0.7%			
^h Merrill Lynch BV into Microsoft Corp, 144A, 7.5%, 10/06/25	United States	615,000	265,398,834
^h Mizuho Markets Cayman LP into Oracle Corp., 144A, 8.5%, 2/10/25	United States	2,350,000	303,220,341
			568,619,175
Specialty Retail 0.7%			
^h Citigroup Global Markets Holdings, Inc. into Home Depot, Inc. (The), 144A, 7.5%, 7/21/25	United States	745,000	275,756,670
^h J.P. Morgan Structured Products BV into Home Depot, Inc. (The), 144A, 8%, 10/15/25	United States	735,000	285,256,795
			561,013,465
Technology Hardware, Storage & Peripherals 0.8%			
^h Barclays Bank plc into Dell Technologies Inc, 144A, 12%, 9/03/25	United States	1,635,000	193,342,319

Franklin Income Fund (continued)

	Country	Shares	Value
^aEquity-Linked Securities (continued)			
Technology Hardware, Storage & Peripherals (continued)			
^b Mizuho Markets Cayman LP into Hewlett Packard Enterprise Co., 144A, 9.5%, 9/30/25	United States	9,500,000	\$179,108,226
^b UBS AG into Apple, Inc., 144A, 7%, 4/02/25	United States	1,150,000	222,195,463
			594,646,008
Total Equity-Linked Securities (Cost \$13,946,588,770)			14,569,948,433
Convertible Preferred Stocks 0.6%			
Chemicals 0.3%			
Albemarle Corp., 7.25%	United States	5,500,000	247,500,000
Electric Utilities 0.2%			
NextEra Energy, Inc., 7.299%	United States	2,500,000	138,625,000
Financial Services 0.1%			
^a FNMA, 5.375%	United States	4,240	52,152,000
Total Convertible Preferred Stocks (Cost \$741,511,639)			438,277,000
Preferred Stocks 0.0%[†]			
Financial Services 0.0%[†]			
^a FNMA, 8.25%, S.	United States	4,000,000	17,120,000
Total Preferred Stocks (Cost \$93,801,501)			17,120,000
		Principal Amount[†]	
Convertible Bonds 0.1%			
Pharmaceuticals 0.1%			
^b Jazz Investments I Ltd., Senior Note, 144A, 3.125%, 9/15/30	United States	50,000,000	52,325,000
Total Convertible Bonds (Cost \$50,000,000)			52,325,000
Corporate Bonds 45.3%			
Aerospace & Defense 1.8%			
Boeing Co. (The), Senior Bond, 3.2%, 3/01/29	United States	25,000,000	23,149,269
Senior Bond, 3.625%, 2/01/31	United States	59,000,000	54,069,061
Senior Bond, 3.6%, 5/01/34	United States	25,000,000	21,318,820
Senior Bond, 3.25%, 2/01/35	United States	25,000,000	20,364,732
^b Senior Bond, 144A, 6.528%, 5/01/34	United States	25,000,000	26,841,059
Senior Note, 2.196%, 2/04/26	United States	45,000,000	43,351,394
Senior Note, 5.04%, 5/01/27	United States	180,000,000	180,588,303
Senior Note, 3.25%, 2/01/28	United States	70,000,000	66,344,245
Senior Note, 5.15%, 5/01/30	United States	390,000,000	391,068,608
^b Senior Note, 144A, 6.388%, 5/01/31	United States	20,000,000	21,274,631
^b Bombardier, Inc., Senior Note, 144A, 7.25%, 7/01/31	Canada	40,000,000	42,337,400
RTX Corp., Senior Bond, 6.1%, 3/15/34	United States	25,000,000	27,609,283
Textron, Inc., Senior Bond, 3%, 6/01/30	United States	30,000,000	27,798,186
Senior Bond, 2.45%, 3/15/31	United States	40,000,000	34,997,262
^b TransDigm, Inc., Senior Secured Note, 144A, 6.75%, 8/15/28	United States	100,000,000	103,053,800
Senior Secured Note, 144A, 6.375%, 3/01/29	United States	135,000,000	139,450,946
Senior Secured Note, 144A, 6.875%, 12/15/30	United States	50,000,000	52,405,800
Senior Secured Note, 144A, 6.625%, 3/01/32	United States	100,000,000	104,259,200
			1,380,281,999

Franklin Income Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Air Freight & Logistics 0.0%[†]			
FedEx Corp., Senior Bond, 2.4%, 5/15/31	United States	29,000,000	\$25,670,789
Automobile Components 0.3%			
^h Dornoch Debt Merger Sub, Inc., Senior Note, 144A, 6.625%, 10/15/29	United States	85,000,000	74,905,086
Goodyear Tire & Rubber Co. (The), Senior Bond, 5%, 5/31/26	United States	57,000,000	56,169,368
ⁱ Senior Bond, 4.875%, 3/15/27	United States	34,757,000	33,973,491
Senior Bond, 5.25%, 4/30/31	United States	5,000,000	4,517,181
Senior Note, 5%, 7/15/29	United States	40,000,000	36,821,312
			206,386,438
Automobiles 0.9%			
Ford Motor Co., Senior Bond, 4.346%, 12/08/26	United States	65,000,000	64,463,159
Senior Bond, 3.25%, 2/12/32	United States	120,000,000	102,233,948
Senior Bond, 6.1%, 8/19/32	United States	195,000,000	199,948,053
General Motors Co., Senior Bond, 5%, 10/01/28	United States	25,000,000	25,323,933
Senior Bond, 5.6%, 10/15/32	United States	25,000,000	25,797,358
Senior Bond, 5.15%, 4/01/38	United States	140,000,000	134,277,657
^h Volkswagen Group of America Finance LLC, Senior Note, 144A, 1.25%, 11/24/25	Germany	97,000,000	93,416,408
			645,460,516
Banks 3.1%			
Bank of America Corp., ^j AA, Junior Sub. Bond, 6.1% to 3/16/25, FRN thereafter, Perpetual	United States	70,000,000	70,271,670
Senior Bond, 3.419% to 12/19/27, FRN thereafter, 12/20/28	United States	45,000,000	43,786,255
Senior Bond, 4.571% to 4/26/32, FRN thereafter, 4/27/33	United States	185,000,000	184,170,329
Sub. Bond, 5.425% to 8/14/34, FRN thereafter, 8/15/35	United States	90,000,000	92,294,357
Barclays plc, Senior Bond, 4.337%, 1/10/28	United Kingdom	31,000,000	30,810,639
Senior Bond, 2.645% to 6/23/30, FRN thereafter, 6/24/31	United Kingdom	49,000,000	43,815,470
Senior Bond, 5.746% to 8/08/32, FRN thereafter, 8/09/33	United Kingdom	100,000,000	104,613,366
Senior Bond, 7.437% to 11/01/32, FRN thereafter, 11/02/33	United Kingdom	75,000,000	86,616,603
Senior Bond, 6.692% to 9/12/33, FRN thereafter, 9/13/34	United Kingdom	70,000,000	77,886,637
Senior Note, 7.325% to 11/01/25, FRN thereafter, 11/02/26	United Kingdom	30,000,000	30,792,760
Senior Note, 5.501% to 8/08/27, FRN thereafter, 8/09/28	United Kingdom	80,000,000	82,083,013
Sub. Bond, 7.119% to 6/26/33, FRN thereafter, 6/27/34	United Kingdom	55,000,000	61,264,566
Citigroup, Inc., Senior Bond, 6.27% to 11/16/32, FRN thereafter, 11/17/33	United States	85,000,000	93,404,750
Sub. Bond, 6.174% to 5/24/33, FRN thereafter, 5/25/34	United States	155,000,000	165,447,544
Sub. Bond, 5.411% to 9/18/34, FRN thereafter, 9/19/39	United States	50,000,000	49,877,950
Fifth Third Bancorp, Senior Note, 6.339% to 7/26/28, FRN thereafter, 7/27/29	United States	20,000,000	21,267,700
Senior Note, 5.631% to 1/28/31, FRN thereafter, 1/29/32	United States	20,000,000	20,896,188
Fifth Third Bank NA, Senior Note, 5.852% to 10/26/24, FRN thereafter, 10/27/25	United States	65,185,000	65,208,273
JPMorgan Chase & Co., ^j Junior Sub. Bond, 6.875% to 5/31/29, FRN thereafter, Perpetual	United States	50,000,000	53,739,550
Senior Bond, 6.254% to 10/22/33, FRN thereafter, 10/23/34	United States	90,000,000	100,132,338
Senior Note, 5.04% to 1/22/27, FRN thereafter, 1/23/28	United States	40,000,000	40,674,028
KeyBank NA, Senior Note, 5.85%, 11/15/27	United States	50,000,000	51,856,689

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Banks (continued)			
KeyBank NA, (continued)			
Sub. Bond, 4.9%, 8/08/32	United States	35,000,000	\$34,086,838
Morgan Stanley Bank NA, Senior Note, 4.952% to 1/13/27, FRN thereafter, 1/14/28	United States	55,000,000	55,836,950
PNC Financial Services Group, Inc. (The),			
Senior Bond, 6.037% to 10/27/32, FRN thereafter, 10/28/33	United States	70,000,000	75,675,275
Senior Note, 5.582% to 6/11/28, FRN thereafter, 6/12/29	United States	20,000,000	20,822,867
Royal Bank of Canada, Senior Bond, 5%, 2/01/33	Canada	50,000,000	51,757,743
Truist Bank, Sub. Bond, 2.25%, 3/11/30	United States	42,645,000	37,631,385
Truist Financial Corp.,			
Senior Note, 6.047% to 6/07/26, FRN thereafter, 6/08/27	United States	45,000,000	46,191,081
Sub. Bond, 4.916% to 7/27/32, FRN thereafter, 7/28/33	United States	95,000,000	93,191,452
US Bancorp.,			
Senior Bond, 5.85% to 10/20/32, FRN thereafter, 10/21/33	United States	45,000,000	48,016,773
Senior Bond, 5.836% to 6/09/33, FRN thereafter, 6/12/34	United States	35,000,000	37,384,855
Senior Note, 5.775% to 6/11/28, FRN thereafter, 6/12/29	United States	40,000,000	41,932,321
Senior Note, 5.384% to 1/22/29, FRN thereafter, 1/23/30	United States	20,000,000	20,774,799
Wells Fargo & Co.,			
Senior Bond, 4.897% to 7/24/32, FRN thereafter, 7/25/33	United States	50,000,000	50,589,945
Senior Bond, 5.557% to 7/24/33, FRN thereafter, 7/25/34	United States	90,000,000	94,463,158
Senior Bond, 6.491% to 10/22/33, FRN thereafter, 10/23/34	United States	60,000,000	67,071,499
			2,346,337,616
Beverages 0.2%			
Coca-Cola Co. (The), Senior Bond, 1.65%, 6/01/30	United States	110,000,000	96,972,477
Constellation Brands, Inc., Senior Bond, 3.15%, 8/01/29	United States	35,000,000	33,225,209
			130,197,686
Biotechnology 0.3%			
AbbVie, Inc.,			
Senior Bond, 4.5%, 5/14/35	United States	45,000,000	44,874,687
Senior Note, 3.2%, 11/21/29	United States	65,000,000	62,176,484
Amgen, Inc.,			
Senior Bond, 2.45%, 2/21/30	United States	25,000,000	22,841,249
Senior Bond, 5.25%, 3/02/33	United States	50,000,000	52,071,883
Senior Note, 5.25%, 3/02/30	United States	20,000,000	20,873,922
			202,838,225
Broadline Retail 0.0%[†]			
Amazon.com, Inc., Senior Bond, 3.6%, 4/13/32	United States	32,500,000	31,420,877
Building Products 0.3%			
^b AmeriTex HoldCo Intermediate LLC, Senior Secured Note, 144A, 10.25%, 10/15/28	United States	39,000,000	40,845,987
^b Camelot Return Merger Sub, Inc., Senior Secured Note, 144A, 8.75%, 8/01/28	United States	47,600,000	48,217,039
Carrier Global Corp., Senior Note, 2.722%, 2/15/30	United States	65,000,000	60,111,354
^b EMRLD Borrower LP / Emerald Co-Issuer, Inc.,			
Senior Secured Note, 144A, 6.625%, 12/15/30	United States	50,000,000	51,617,250
Senior Secured Note, 144A, 6.75%, 7/15/31	United States	20,000,000	20,873,840
Johnson Controls International plc / Tyco Fire & Security Finance SCA, Senior Bond, 4.9%, 12/01/32	United States	39,500,000	40,353,197
			262,018,667
Capital Markets 1.2%			
Brookfield Finance, Inc., Senior Bond, 4.85%, 3/29/29	Canada	25,000,000	25,501,029

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Capital Markets (continued)			
Charles Schwab Corp. (The),			
Senior Bond, 5.853% to 5/18/33, FRN thereafter, 5/19/34 . . .	United States	30,000,000	\$32,137,401
Senior Bond, 6.136% to 8/23/33, FRN thereafter, 8/24/34 . . .	United States	30,000,000	32,809,225
Senior Note, 5.643% to 5/18/28, FRN thereafter, 5/19/29 . . .	United States	25,000,000	26,111,291
Senior Note, 6.196% to 11/16/28, FRN thereafter, 11/17/29 . .	United States	40,000,000	42,769,616
Goldman Sachs Group, Inc. (The),			
Senior Bond, 2.65% to 10/20/31, FRN thereafter, 10/21/32 . .	United States	100,000,000	87,884,645
Senior Bond, 6.561% to 10/23/33, FRN thereafter, 10/24/34 .	United States	100,000,000	112,937,788
Senior Bond, 5.851% to 4/24/34, FRN thereafter, 4/25/35 . . .	United States	65,000,000	69,869,532
Sub. Bond, 6.75%, 10/01/37	United States	60,000,000	69,120,215
Morgan Stanley,			
Senior Bond, 6.342% to 10/17/32, FRN thereafter, 10/18/33 .	United States	35,000,000	38,934,753
Senior Bond, 5.25% to 4/20/33, FRN thereafter, 4/21/34	United States	251,000,000	259,327,971
Senior Bond, 6.627% to 10/31/33, FRN thereafter, 11/01/34 . .	United States	30,000,000	33,945,628
Sub. Bond, 5.948% to 1/18/33, FRN thereafter, 1/19/38	United States	67,095,000	70,360,956
			901,710,050
Chemicals 0.9%			
Celanese US Holdings LLC,			
Senior Bond, 6.379%, 7/15/32	United States	50,000,000	53,479,964
Senior Note, 6.165%, 7/15/27	United States	40,000,000	41,463,043
Senior Note, 6.55%, 11/15/30	United States	20,000,000	21,568,799
^h Consolidated Energy Finance SA, Senior Note, 144A, 6.5%, 5/15/26	Switzerland	100,000,000	98,929,080
^h CVR Partners LP / CVR Nitrogen Finance Corp., Senior Secured Note, 144A, 6.125%, 6/15/28	United States	25,000,000	24,493,335
Dow Chemical Co. (The), Senior Bond, 6.3%, 3/15/33	United States	35,000,000	38,630,266
Huntsman International LLC, Senior Bond, 4.5%, 5/01/29	United States	25,000,000	24,558,698
^h International Flavors & Fragrances, Inc.,			
Senior Bond, 144A, 2.3%, 11/01/30	United States	75,000,000	65,813,986
Senior Note, 144A, 1.832%, 10/15/27	United States	20,000,000	18,531,633
^h Olin Corp., Senior Note, 144A, 9.5%, 6/01/25	United States	30,000,000	30,594,150
^h Rain Carbon, Inc., Senior Secured Note, 144A, 12.25%, 9/01/29	United States	38,000,000	41,091,186
^h Rain CII Carbon LLC / CII Carbon Corp., Secured Note, 144A, 7.25%, 4/01/25	United States	717,000	710,013
^h SCIH Salt Holdings, Inc.,			
Senior Note, 144A, 6.625%, 5/01/29	United States	112,500,000	108,282,881
Senior Secured Note, 144A, 4.875%, 5/01/28	United States	135,000,000	130,279,388
			698,426,422
Commercial Services & Supplies 0.3%			
^h ADT Security Corp. (The), Senior Secured Note, 144A, 4.125%, 8/01/29			
	United States	16,000,000	15,296,915
^h APX Group, Inc.,			
Senior Note, 144A, 5.75%, 7/15/29	United States	80,000,000	79,286,664
Senior Secured Note, 144A, 6.75%, 2/15/27	United States	140,000,000	140,519,400
			235,102,979
Communications Equipment 1.3%			
^h CommScope LLC,			
Senior Note, 144A, 8.25%, 3/01/27	United States	188,000,000	169,530,485
Senior Note, 144A, 7.125%, 7/01/28	United States	200,000,000	166,043,280
Senior Secured Note, 144A, 6%, 3/01/26	United States	224,085,000	218,202,769
Senior Secured Note, 144A, 4.75%, 9/01/29	United States	53,454,000	44,968,177
^h CommScope Technologies LLC,			
Senior Bond, 144A, 6%, 6/15/25	United States	323,000,000	312,906,250

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Communications Equipment (continued)			
^b CommScope Technologies LLC, (continued)			
Senior Bond, 144A, 5%, 3/15/27	United States	45,000,000	\$37,706,931
			949,357,892
Construction & Engineering 0.1%			
Quanta Services, Inc., Senior Bond, 2.9%, 10/01/30	United States	96,963,000	89,315,458
Consumer Finance 2.4%			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust,			
Senior Bond, 3.3%, 1/30/32	Ireland	50,000,000	45,141,163
Senior Bond, 5.3%, 1/19/34	Ireland	45,000,000	46,097,880
Senior Bond, 4.95%, 9/10/34	Ireland	35,000,000	34,824,736
Senior Note, 5.75%, 6/06/28	Ireland	40,000,000	41,702,876
Capital One Financial Corp.,			
Senior Bond, 3.8%, 1/31/28	United States	27,300,000	26,718,792
Senior Bond, 5.268% to 5/09/32, FRN thereafter, 5/10/33	United States	50,000,000	50,490,026
Senior Bond, 5.817% to 1/31/33, FRN thereafter, 2/01/34	United States	85,000,000	88,481,321
Senior Note, 4.927% to 5/09/27, FRN thereafter, 5/10/28	United States	159,532,733	161,468,872
Senior Note, 6.312% to 6/07/28, FRN thereafter, 6/08/29	United States	75,000,000	79,019,559
Senior Note, 5.247% to 7/25/29, FRN thereafter, 7/26/30	United States	40,000,000	40,696,395
Senior Note, 7.624% to 10/29/30, FRN thereafter, 10/30/31	United States	40,000,000	45,475,095
Sub. Bond, 4.2%, 10/29/25	United States	43,500,000	43,205,693
Sub. Bond, 3.75%, 7/28/26	United States	74,800,000	73,792,634
Ford Motor Credit Co. LLC,			
Senior Bond, 4.134%, 8/04/25	United States	50,000,000	49,550,143
Senior Bond, 5.113%, 5/03/29	United States	85,000,000	84,234,139
Senior Note, 5.125%, 6/16/25	United States	108,015,000	107,998,005
Senior Note, 3.375%, 11/13/25	United States	32,000,000	31,399,408
Senior Note, 6.95%, 6/10/26	United States	35,000,000	36,046,490
Senior Note, 2.7%, 8/10/26	United States	60,000,000	57,678,819
Senior Note, 4.95%, 5/28/27	United States	85,000,000	84,812,173
Senior Note, 6.8%, 5/12/28	United States	92,000,000	96,425,447
Senior Note, 7.35%, 3/06/30	United States	45,000,000	48,750,166
General Motors Financial Co., Inc.,			
Senior Bond, 4.35%, 1/17/27	United States	20,000,000	19,959,339
Senior Bond, 3.6%, 6/21/30	United States	37,720,000	35,254,920
Senior Bond, 3.1%, 1/12/32	United States	80,000,000	70,010,309
Senior Bond, 6.4%, 1/09/33	United States	50,000,000	53,334,307
Senior Note, 5%, 4/09/27	United States	50,000,000	50,561,521
Senior Note, 5.8%, 6/23/28	United States	50,000,000	51,894,772
Senior Note, 5.8%, 1/07/29	United States	75,000,000	78,032,987
Senior Note, 4.3%, 4/06/29	United States	19,000,000	18,605,614
Senior Note, 5.85%, 4/06/30	United States	20,000,000	20,850,442
John Deere Capital Corp., Senior Bond, 4.35%, 9/15/32			
	United States	15,000,000	15,116,445
^b Macquarie Airfinance Holdings Ltd., Senior Note, 144A, 6.5%, 3/26/31			
	United Kingdom	15,000,000	15,843,265
			1,803,473,753
Consumer Staples Distribution & Retail 0.1%			
^b 7-Eleven, Inc., Senior Bond, 144A, 1.8%, 2/10/31	United States	85,000,000	71,660,336
Containers & Packaging 1.8%			
^b Ardagh Metal Packaging Finance USA LLC / Ardagh Metal Packaging Finance plc,			
Senior Note, 144A, 4%, 9/01/29	United States	124,275,000	111,043,779
Senior Secured Note, 144A, 6%, 6/15/27	United States	20,115,000	20,278,092
^b Ardagh Packaging Finance plc / Ardagh Holdings USA, Inc.,			
Senior Note, 144A, 5.25%, 8/15/27	United States	508,009,000	379,160,290

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Containers & Packaging (continued)			
^b Ardagh Packaging Finance plc / Ardagh Holdings USA, Inc., (continued)			
Senior Secured Note, 144A, 4.125%, 8/15/26	United States	226,100,000	\$204,032,640
^b Mauser Packaging Solutions Holding Co., Secured Note, 144A, 9.25%, 4/15/27	United States	325,000,000	333,550,425
Senior Secured Note, 144A, 7.875%, 4/15/27	United States	245,000,000	253,434,738
^b Pactiv Evergreen Group Issuer, Inc. / Pactiv Evergreen Group Issuer LLC, Senior Secured Note, 144A, 4%, 10/15/27	United States	62,400,000	60,058,296
^b Sealed Air Corp., Senior Note, 144A, 6.125%, 2/01/28	United States	20,000,000	20,352,540
			1,381,910,800
Diversified REITs 0.3%			
VICI Properties LP,			
Senior Bond, 5.125%, 5/15/32	United States	60,000,000	60,295,440
Senior Bond, 5.75%, 4/01/34	United States	20,000,000	20,963,320
Senior Note, 4.95%, 2/15/30	United States	63,357,000	63,784,596
^b VICI Properties LP / VICI Note Co., Inc., Senior Note, 144A, 4.25%, 12/01/26	United States	100,000,000	99,101,410
			244,144,766
Diversified Telecommunication Services 0.6%			
^b CCO Holdings LLC / CCO Holdings Capital Corp.,			
Senior Bond, 144A, 5.5%, 5/01/26	United States	20,000,000	19,975,934
Senior Bond, 144A, 5.125%, 5/01/27	United States	300,100,000	295,585,356
Senior Bond, 144A, 5%, 2/01/28	United States	126,000,000	122,661,302
Verizon Communications, Inc., Senior Bond, 4.016%, 12/03/29	United States	50,000,000	49,282,206
			487,504,798
Electric Utilities 2.2%			
American Electric Power Co., Inc.,			
Senior Bond, 5.95%, 11/01/32	United States	30,000,000	32,535,681
ⁱ Senior Bond, 5.625%, 3/01/33	United States	30,000,000	31,670,822
Duke Energy Corp., Senior Bond, 4.5%, 8/15/32	United States	56,891,000	56,284,882
NextEra Energy Capital Holdings, Inc.,			
Senior Bond, 5.25%, 3/15/34	United States	92,380,000	95,983,702
Senior Note, 1.875%, 1/15/27	United States	30,000,000	28,494,931
NRG Energy, Inc.,			
^b Senior Bond, 144A, 3.625%, 2/15/31	United States	65,000,000	58,960,330
Senior Note, 5.75%, 1/15/28	United States	18,075,000	18,223,757
^b Senior Note, 144A, 3.375%, 2/15/29	United States	38,300,000	35,735,443
^b Senior Secured Bond, 144A, 7%, 3/15/33	United States	30,000,000	33,345,300
^b Senior Secured Note, 144A, 2.45%, 12/02/27	United States	30,000,000	28,117,418
Pacific Gas and Electric Co.,			
Senior Bond, 4.55%, 7/01/30	United States	136,500,000	135,499,448
Senior Bond, 6.15%, 1/15/33	United States	50,000,000	53,709,122
Senior Bond, 6.4%, 6/15/33	United States	30,000,000	32,803,224
Senior Note, 3.15%, 1/01/26	United States	50,000,000	49,070,357
Senior Note, 6.1%, 1/15/29	United States	49,000,000	51,765,296
PG&E Corp., Senior Secured Note, 5%, 7/01/28	United States	107,284,000	106,432,882
Southern Co. (The),			
Senior Bond, 5.7%, 10/15/32	United States	45,000,000	48,250,919
Senior Bond, 5.2%, 6/15/33	United States	50,000,000	51,865,293
Senior Note, 4.85%, 6/15/28	United States	40,000,000	40,976,783
^b Vistra Operations Co. LLC,			
Senior Note, 144A, 5.5%, 9/01/26	United States	109,160,000	109,210,061
Senior Note, 144A, 5%, 7/31/27	United States	61,000,000	60,750,150
Senior Note, 144A, 4.375%, 5/01/29	United States	144,000,000	139,488,797

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Electric Utilities (continued)			
^b Vistra Operations Co. LLC, (continued)			
Senior Note, 144A, 7.75%, 10/15/31	United States	79,000,000	\$85,112,072
Senior Note, 144A, 6.875%, 4/15/32	United States	100,000,000	105,274,800
Senior Secured Bond, 144A, 4.3%, 7/15/29	United States	35,000,000	34,325,052
Senior Secured Bond, 144A, 6.95%, 10/15/33	United States	75,000,000	84,615,450
Senior Secured Note, 144A, 3.7%, 1/30/27	United States	33,500,000	32,837,081
			1,641,339,053
Electrical Equipment 0.1%			
Regal Rexnord Corp.,			
Senior Note, 6.3%, 2/15/30	United States	25,000,000	26,604,666
Senior Note, 6.4%, 4/15/33	United States	60,000,000	64,212,854
			90,817,520
Electronic Equipment, Instruments & Components 0.1%			
Flex Ltd., Senior Note, 4.75%, 6/15/25	United States	40,000,000	39,905,336
Energy Equipment & Services 0.4%			
^b Schlumberger Holdings Corp., Senior Note, 144A, 3.9%, 5/17/28	United States	42,500,000	42,042,505
^b USA Compression Partners LP / USA Compression Finance Corp., Senior Note, 144A, 7.125%, 3/15/29	United States	40,000,000	41,229,680
^b Weatherford International Ltd., Senior Note, 144A, 8.625%, 4/30/30	United States	245,000,000	255,472,900
			338,745,085
Entertainment 0.3%			
Netflix, Inc.,			
Senior Bond, 4.375%, 11/15/26	United States	100,000,000	100,752,527
Senior Bond, 4.875%, 4/15/28	United States	89,300,000	91,513,809
Senior Bond, 5.875%, 11/15/28	United States	50,000,000	53,300,872
			245,567,208
Financial Services 0.2%			
Fiserv, Inc.,			
Senior Bond, 4.2%, 10/01/28	United States	52,000,000	51,828,266
Senior Bond, 3.5%, 7/01/29	United States	40,000,000	38,659,622
Senior Bond, 2.65%, 6/01/30	United States	38,000,000	34,636,300
Senior Bond, 5.6%, 3/02/33	United States	30,000,000	31,791,479
			156,915,667
Food Products 0.6%			
^b Darling Ingredients, Inc., Senior Note, 144A, 6%, 6/15/30	United States	22,000,000	22,230,977
JBS USA Holding Lux SARL / JBS USA Food Co. / JBS Lux Co. SARL,			
^b Senior Bond, 144A, 6.75%, 3/15/34	United States	50,000,000	55,426,071
Senior Note, 5.125%, 2/01/28	United States	30,000,000	30,431,250
Senior Note, 5.75%, 4/01/33	United States	110,000,000	114,037,550
Pilgrim's Pride Corp.,			
Senior Bond, 6.25%, 7/01/33	United States	68,000,000	72,230,348
Senior Bond, 6.875%, 5/15/34	United States	40,000,000	44,442,040
^b Post Holdings, Inc.,			
Senior Bond, 144A, 5.625%, 1/15/28	United States	22,444,000	22,655,557
Senior Bond, 144A, 4.5%, 9/15/31	United States	50,000,000	46,757,410
Senior Secured Note, 144A, 6.25%, 2/15/32	United States	45,000,000	46,393,110
			454,604,313

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Ground Transportation 0.2%			
^h Ashtead Capital, Inc.,			
Senior Bond, 144A, 4.375%, 8/15/27	United Kingdom	34,500,000	\$34,250,298
Senior Bond, 144A, 5.55%, 5/30/33	United Kingdom	55,000,000	56,320,311
Senior Bond, 144A, 5.95%, 10/15/33	United Kingdom	35,000,000	36,887,719
			<u>127,458,328</u>
Health Care Equipment & Supplies 0.6%			
DENTSPLY SIRONA, Inc., Senior Bond, 3.25%, 6/01/30	United States	21,249,000	19,528,766
GE Healthcare Technologies, Inc., Senior Note, 5.905%, 11/22/32	United States	105,000,000	113,784,758
^h Medline Borrower LP,			
Senior Note, 144A, 5.25%, 10/01/29	United States	45,000,000	44,186,521
Senior Secured Note, 144A, 3.875%, 4/01/29	United States	265,000,000	251,117,843
^h Medline Borrower LP / Medline Co-Issuer, Inc., Senior Secured Note, 144A, 6.25%, 4/01/29	United States	25,000,000	25,789,529
			<u>454,407,417</u>
Health Care Providers & Services 7.1%			
Centene Corp.,			
Senior Note, 4.25%, 12/15/27	United States	81,745,000	80,350,545
Senior Note, 4.625%, 12/15/29	United States	166,100,000	162,656,239
Senior Note, 3.375%, 2/15/30	United States	47,000,000	43,346,765
^h CHS/Community Health Systems, Inc.,			
Secured Note, 144A, 6.875%, 4/15/29	United States	500,000,000	453,857,000
Secured Note, 144A, 6.125%, 4/01/30	United States	600,000,000	513,508,860
Senior Note, 144A, 6.875%, 4/01/28	United States	435,000,000	367,738,286
Senior Secured Note, 144A, 8%, 12/15/27	United States	300,000,000	301,231,800
Senior Secured Note, 144A, 10.875%, 1/15/32	United States	500,000,000	551,617,500
CVS Health Corp.,			
Senior Bond, 1.875%, 2/28/31	United States	35,000,000	29,492,142
Senior Bond, 5.25%, 2/21/33	United States	145,000,000	148,204,778
Senior Bond, 4.78%, 3/25/38	United States	61,925,000	58,455,278
^h DaVita, Inc.,			
Senior Bond, 144A, 3.75%, 2/15/31	United States	65,000,000	58,684,274
Senior Note, 144A, 4.625%, 6/01/30	United States	285,000,000	271,900,020
Senior Note, 144A, 6.875%, 9/01/32	United States	50,000,000	51,695,250
^h Fresenius Medical Care US Finance III, Inc., Senior Bond, 144A, 2.375%, 2/16/31	Germany	30,000,000	25,384,391
HCA, Inc.,			
Senior Bond, 5.625%, 9/01/28	United States	115,000,000	119,425,952
Senior Bond, 4.125%, 6/15/29	United States	38,500,000	37,907,914
Senior Bond, 2.375%, 7/15/31	United States	28,716,000	24,841,770
Senior Bond, 5.5%, 6/01/33	United States	80,000,000	83,102,222
Senior Note, 3.625%, 3/15/32	United States	82,954,000	76,733,346
Humana, Inc., Senior Bond, 5.875%, 3/01/33	United States	35,000,000	37,175,398
^h Kedrion SpA, Senior Secured Note, 144A, 6.5%, 9/01/29	Italy	50,000,000	47,656,500
^h MPH Acquisition Holdings LLC,			
Senior Note, 144A, 5.75%, 11/01/28	United States	115,000,000	52,788,869
Senior Secured Note, 144A, 5.5%, 9/01/28	United States	170,000,000	122,739,046
Quest Diagnostics, Inc., Senior Bond, 2.95%, 6/30/30	United States	58,755,000	54,512,481
Tenet Healthcare Corp.,			
Secured Note, 6.25%, 2/01/27	United States	150,000,000	150,327,600
Senior Bond, 6.875%, 11/15/31	United States	55,258,000	60,529,337
Senior Note, 6.125%, 10/01/28	United States	510,000,000	514,477,800
Senior Secured Note, 4.25%, 6/01/29	United States	130,000,000	125,445,879
Senior Secured Note, 4.375%, 1/15/30	United States	30,000,000	28,804,122
Senior Secured Note, 6.125%, 6/15/30	United States	425,000,000	432,476,600
Senior Secured Note, 6.75%, 5/15/31	United States	159,775,000	166,675,043

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Health Care Providers & Services (continued)			
UnitedHealth Group, Inc., Senior Bond, 5.35%, 2/15/33	United States	125,000,000	\$132,825,124
			5,386,568,131
Health Care Technology 0.1%			
^{h,k} Multiplan Corp., Senior Note, 144A, PIK, 6%, 10/15/27	United States	100,000,000	62,500,000
Hotels, Restaurants & Leisure 2.8%			
^h Caesars Entertainment, Inc.,			
Senior Note, 144A, 8.125%, 7/01/27	United States	99,750,000	101,866,296
ⁱ Senior Note, 144A, 4.625%, 10/15/29	United States	115,000,000	109,464,233
Senior Secured Note, 144A, 7%, 2/15/30	United States	52,000,000	54,359,812
Senior Secured Note, 144A, 6.5%, 2/15/32	United States	45,000,000	46,576,755
^h Carnival Corp.,			
Senior Note, 144A, 7.625%, 3/01/26	United States	165,000,000	166,630,995
Senior Note, 144A, 5.75%, 3/01/27	United States	230,000,000	233,076,820
ⁱ Senior Note, 144A, 6%, 5/01/29	United States	30,000,000	30,414,729
Senior Note, 144A, 10.5%, 6/01/30	United States	97,000,000	105,379,390
Expedia Group, Inc.,			
Senior Bond, 3.8%, 2/15/28	United States	57,000,000	55,944,257
Senior Note, 5%, 2/15/26	United States	30,000,000	30,170,132
Senior Note, 3.25%, 2/15/30	United States	60,000,000	56,603,370
^h Senior Note, 144A, 6.25%, 5/01/25	United States	54,596,000	54,741,940
^h Fertitta Entertainment LLC / Fertitta Entertainment Finance Co., Inc.,			
Senior Note, 144A, 6.75%, 1/15/30	United States	75,000,000	69,923,468
Senior Secured Note, 144A, 4.625%, 1/15/29	United States	140,000,000	133,780,948
^h Hilton Domestic Operating Co., Inc., Senior Note, 144A, 6.125%, 4/01/32	United States	40,000,000	41,216,000
Marriott International, Inc.,			
Senior Note, 5%, 10/15/27	United States	25,000,000	25,518,145
Senior Note, 4.9%, 4/15/29	United States	20,000,000	20,421,489
^h Royal Caribbean Cruises Ltd.,			
Senior Note, 144A, 4.25%, 7/01/26	United States	20,000,000	19,788,416
Senior Note, 144A, 5.5%, 4/01/28	United States	50,000,000	50,665,195
^h Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp.,			
Senior Bond, 144A, 5.5%, 3/01/25	United States	367,152,000	367,219,079
Senior Bond, 144A, 5.25%, 5/15/27	United States	135,000,000	135,195,075
^h Wynn Macau Ltd.,			
ⁱ Senior Bond, 144A, 5.5%, 10/01/27	Macau	51,457,000	50,347,721
Senior Note, 144A, 5.5%, 1/15/26	Macau	50,000,000	49,658,565
^h Wynn Resorts Finance LLC / Wynn Resorts Capital Corp.,			
Senior Note, 144A, 7.125%, 2/15/31	United States	30,000,000	32,385,683
Senior Note, 144A, 6.25%, 3/15/33	United States	100,000,000	101,367,139
			2,142,715,652
Household Durables 0.1%			
KB Home, Senior Note, 7.25%, 7/15/30	United States	20,000,000	20,902,220
Shea Homes LP / Shea Homes Funding Corp.,			
Senior Note, 4.75%, 2/15/28	United States	34,630,000	33,909,398
Senior Note, 4.75%, 4/01/29	United States	49,895,000	48,396,209
			103,207,827
Household Products 0.1%			
^h Energizer Holdings, Inc.,			
Senior Note, 144A, 6.5%, 12/31/27	United States	20,000,000	20,417,760
ⁱ Senior Note, 144A, 4.75%, 6/15/28	United States	24,000,000	23,311,423
			43,729,183

Franklin Income Fund (continued)

	Country	Principal Amount [*]	Value
Corporate Bonds (continued)			
Independent Power and Renewable Electricity Producers 0.6%			
^h Calpine Corp.,			
Senior Note, 144A, 5.125%, 3/15/28	United States	192,000,000	\$189,469,920
Senior Note, 144A, 4.625%, 2/01/29	United States	22,000,000	21,266,797
Senior Secured Bond, 144A, 3.75%, 3/01/31	United States	40,000,000	37,102,317
Senior Secured Note, 144A, 4.5%, 2/15/28	United States	122,475,000	119,667,138
^{h,j} Vistra Corp., Junior Sub. Bond, 144A, 7% to 12/14/26, FRN thereafter, Perpetual	United States	90,000,000	91,948,860
			<u>459,455,032</u>
Insurance 0.2%			
^h Five Corners Funding Trust III, Senior Note, 144A, 5.791%, 2/15/33	United States	30,000,000	32,225,841
^h Northwestern Mutual Global Funding, Secured Note, 144A, 4.35%, 9/15/27	United States	40,000,000	40,442,628
Prudential Financial, Inc., Junior Sub. Bond, 5.7% to 9/14/28, FRN thereafter, 9/15/48	United States	65,000,000	65,873,860
			<u>138,542,329</u>
Interactive Media & Services 0.0%[†]			
Meta Platforms, Inc., Senior Note, 3.85%, 8/15/32	United States	35,000,000	34,041,090
IT Services 0.0%[†]			
Twilio, Inc., Senior Bond, 3.875%, 3/15/31	United States	40,000,000	36,995,200
Machinery 0.1%			
Parker-Hannifin Corp., Senior Bond, 3.25%, 6/14/29	United States	10,000,000	9,602,175
^h TK Elevator US Newco, Inc., Senior Secured Note, 144A, 5.25%, 7/15/27	Germany	35,000,000	34,649,888
			<u>44,252,063</u>
Media 0.7%			
Charter Communications Operating LLC / Charter Communications Operating Capital Corp., Senior Secured Note, 4.908%, 7/23/25	United States	150,000,000	149,795,291
^h Clear Channel Outdoor Holdings, Inc.,			
Senior Note, 144A, 7.75%, 4/15/28	United States	179,000,000	160,322,055
Senior Secured Note, 144A, 5.125%, 8/15/27	United States	80,417,564	79,117,027
^h Stagwell Global LLC, Senior Note, 144A, 5.625%, 8/15/29	United States	55,000,000	53,217,366
^h Univision Communications, Inc.,			
Senior Secured Note, 144A, 6.625%, 6/01/27	United States	60,000,000	60,235,740
Senior Secured Note, 144A, 8%, 8/15/28	United States	30,000,000	30,697,800
Senior Secured Note, 144A, 7.375%, 6/30/30	United States	4,500,000	4,358,874
			<u>537,744,153</u>
Metals & Mining 1.2%			
^h Alcoa Nederland Holding BV,			
Senior Note, 144A, 5.5%, 12/15/27	United States	104,742,000	105,229,725
Senior Note, 144A, 4.125%, 3/31/29	United States	101,547,000	97,488,156
ArcelorMittal SA,			
ⁱ Senior Bond, 6.8%, 11/29/32	Luxembourg	55,000,000	61,379,772
Senior Note, 6.55%, 11/29/27	Luxembourg	25,000,000	26,543,479
^h Cleveland-Cliffs, Inc., Senior Bond, 144A, 4.875%, 3/01/31	United States	25,000,000	23,256,105
^h FMG Resources August 2006 Pty. Ltd.,			
Senior Bond, 144A, 4.375%, 4/01/31	Australia	198,000,000	185,203,189
ⁱ Senior Bond, 144A, 6.125%, 4/15/32	Australia	32,500,000	33,277,042
Senior Note, 144A, 4.5%, 9/15/27	Australia	16,000,000	15,759,383
Senior Note, 144A, 5.875%, 4/15/30	Australia	62,035,000	62,891,269

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Metals & Mining (continued)			
Freeport-McMoRan, Inc.,			
Senior Bond, 5.25%, 9/01/29	United States	61,402,000	\$62,276,902
Senior Bond, 5.4%, 11/14/34	United States	59,500,000	61,770,342
^h Glencore Funding LLC, Senior Bond, 144A, 2.5%, 9/01/30	Australia	95,000,000	85,211,835
^{h,i} Mineral Resources Ltd.,			
Senior Note, 144A, 8%, 11/01/27	Australia	20,000,000	20,562,760
Senior Note, 144A, 8.5%, 5/01/30	Australia	35,000,000	36,500,415
			<u>877,350,374</u>
Multi-Utilities 0.2%			
Dominion Energy, Inc.,			
Senior Note, 5.375%, 11/15/32	United States	32,854,000	34,406,036
A, Senior Note, 4.35%, 8/15/32	United States	30,000,000	29,664,343
C, Senior Note, 3.375%, 4/01/30	United States	30,000,000	28,443,279
NiSource, Inc., Senior Bond, 3.6%, 5/01/30	United States	10,000,000	9,605,415
Sempra, Senior Bond, 5.5%, 8/01/33	United States	35,000,000	36,727,191
Southern Co. Gas Capital Corp., Senior Bond, 5.15%, 9/15/32 ..	United States	40,000,000	41,421,910
			<u>180,268,174</u>
Oil, Gas & Consumable Fuels 2.9%			
BP Capital Markets America, Inc., Senior Bond, 3.633%, 4/06/30	United States	46,500,000	45,156,017
^h Calumet Specialty Products Partners LP / Calumet Finance Corp.,			
Senior Note, 144A, 11%, 4/15/25	United States	224,172,000	223,944,824
Senior Note, 144A, 8.125%, 1/15/27	United States	124,000,000	120,784,679
Senior Note, 144A, 9.75%, 7/15/28	United States	73,565,000	72,365,883
Senior Secured Note, 144A, 9.25%, 7/15/29	United States	140,000,000	144,016,740
Cheniere Corpus Christi Holdings LLC,			
Senior Secured Note, 5.125%, 6/30/27	United States	87,973,000	89,442,958
Senior Secured Note, 3.7%, 11/15/29	United States	92,245,000	88,729,861
Cheniere Energy Partners LP, Senior Note, 5.95%, 6/30/33	United States	30,000,000	31,765,380
^h Cheniere Energy, Inc., Senior Bond, 144A, 5.65%, 4/15/34	United States	40,000,000	41,416,000
^h CITGO Petroleum Corp.,			
Senior Secured Note, 144A, 7%, 6/15/25	United States	33,224,000	33,263,749
Senior Secured Note, 144A, 6.375%, 6/15/26	United States	77,000,000	77,185,416
^h Civitas Resources, Inc., Senior Note, 144A, 8.75%, 7/01/31	United States	25,000,000	26,494,700
Energy Transfer LP,			
Senior Bond, 5.75%, 2/15/33	United States	30,000,000	31,399,769
Senior Bond, 6.55%, 12/01/33	United States	25,000,000	27,617,325
^h Hilcorp Energy I LP / Hilcorp Finance Co., Senior Note, 144A, 6%, 4/15/30	United States	25,000,000	24,390,237
Kinder Morgan, Inc.,			
Senior Bond, 5.2%, 6/01/33	United States	87,000,000	88,108,152
Senior Bond, 5.4%, 2/01/34	United States	50,000,000	51,257,960
Senior Note, 5%, 2/01/29	United States	40,000,000	40,871,952
^h Matador Resources Co.,			
Senior Note, 144A, 6.5%, 4/15/32	United States	35,000,000	34,973,974
Senior Note, 144A, 6.25%, 4/15/33	United States	40,000,000	39,429,118
Occidental Petroleum Corp.,			
Senior Bond, 6.625%, 9/01/30	United States	80,000,000	86,358,080
Senior Bond, 6.125%, 1/01/31	United States	52,000,000	54,907,736
Senior Note, 5.5%, 12/01/25	United States	30,000,000	30,149,910
Senior Note, 6.375%, 9/01/28	United States	60,000,000	63,138,180
^h Tennessee Gas Pipeline Co. LLC, Senior Bond, 144A, 2.9%, 3/01/30	United States	40,050,000	36,687,984
^h Venture Global Calcasieu Pass LLC, Senior Secured Note, 144A, 6.25%, 1/15/30	United States	25,000,000	26,223,025

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Oil, Gas & Consumable Fuels (continued)			
^h Venture Global LNG, Inc.,			
^j Junior Sub. Bond, 144A, 9% to 9/29/29, FRN thereafter, Perpetual	United States	230,000,000	\$233,310,599
Senior Secured Note, 144A, 8.125%, 6/01/28	United States	14,500,000	15,126,248
Senior Secured Note, 144A, 7%, 1/15/30	United States	20,000,000	20,447,240
Senior Secured Note, 144A, 8.375%, 6/01/31	United States	50,000,000	52,830,300
Williams Cos., Inc. (The),			
Senior Bond, 3.5%, 11/15/30	United States	130,000,000	122,939,300
Senior Bond, 2.6%, 3/15/31	United States	61,000,000	53,923,784
Senior Bond, 4.65%, 8/15/32	United States	35,000,000	34,785,093
Senior Bond, 5.65%, 3/15/33	United States	55,000,000	57,604,971
			2,221,047,144
Passenger Airlines 2.0%			
^h American Airlines Group, Inc.,			
Senior Note, 144A, 3.75%, 3/01/25	United States	64,000,000	63,401,171
^k Senior Secured Note, 144A, PIK, 10.75%, 2/15/26	United States	145,000,000	149,350,000
^h American Airlines, Inc., Senior Secured Note, 144A, 8.5%, 5/15/29	United States	75,000,000	79,622,937
^h American Airlines, Inc. / AAdvantage Loyalty IP Ltd.,			
Senior Secured Note, 144A, 5.5%, 4/20/26	United States	150,499,999	150,194,105
Senior Secured Note, 144A, 5.75%, 4/20/29	United States	185,795,000	185,640,344
^h Avianca Midco 2 plc, Senior Secured Note, 144A, 9%, 12/01/28	United Kingdom	60,000,000	59,900,285
^h Delta Air Lines, Inc. / SkyMiles IP Ltd.,			
Senior Secured Note, 144A, 4.5%, 10/20/25	United States	39,013,467	38,782,413
Senior Secured Note, 144A, 4.75%, 10/20/28	United States	341,718,000	341,414,301
^h JetBlue Airways Corp. / JetBlue Loyalty LP, Senior Secured Note, 144A, 9.875%, 9/20/31	United States	70,000,000	73,800,300
^h Mileage Plus Holdings LLC / Mileage Plus Intellectual Property Assets Ltd., Senior Secured Note, 144A, 6.5%, 6/20/27	United States	107,525,000	108,942,610
^h United Airlines, Inc.,			
Senior Secured Note, 144A, 4.375%, 4/15/26	United States	107,762,000	106,117,405
Senior Secured Note, 144A, 4.625%, 4/15/29	United States	136,643,000	132,122,720
			1,489,288,591
Personal Care Products 0.2%			
^h BellRing Brands, Inc., Senior Note, 144A, 7%, 3/15/30	United States	30,000,000	31,426,890
Haleon US Capital LLC,			
Senior Note, 3.375%, 3/24/29	United States	30,000,000	28,976,122
Senior Note, 3.625%, 3/24/32	United States	65,043,000	61,201,048
			121,604,060
Pharmaceuticals 1.3%			
^{h,i} 1375209 BC Ltd., Senior Secured Note, 144A, 9%, 1/30/28	Canada	467,060,000	463,337,485
^h Bausch Health Cos., Inc.,			
Secured Note, 144A, 14%, 10/15/30	United States	47,000,000	42,963,875
Senior Secured Note, 144A, 11%, 9/30/28	United States	250,000,000	233,750,000
^h Endo Finance Holdings, Inc., Senior Secured Note, 144A, 8.5%, 4/15/31	United States	50,000,000	53,639,150
Royalty Pharma plc, Senior Note, 2.2%, 9/02/30	United States	10,000,000	8,759,552
Teva Pharmaceutical Finance Netherlands III BV,			
Senior Note, 7.125%, 1/31/25	Israel	27,220,000	27,258,217
Senior Note, 6.75%, 3/01/28	Israel	26,000,000	27,119,378
Senior Note, 7.875%, 9/15/29	Israel	25,000,000	27,650,550
Senior Note, 8.125%, 9/15/31	Israel	30,000,000	34,432,620
Utah Acquisition Sub, Inc., Senior Note, 3.95%, 6/15/26	United States	58,161,000	57,612,053

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Pharmaceuticals (continued)			
Viatis, Inc., Senior Note, 2.7%, 6/22/30	United States	40,000,000	\$35,557,215
			1,012,080,095
Semiconductors & Semiconductor Equipment 0.9%			
Broadcom, Inc.,			
Senior Bond, 4.15%, 11/15/30	United States	20,000,000	19,757,548
Senior Bond, 4.3%, 11/15/32	United States	140,000,000	137,560,042
^h Senior Bond, 144A, 2.45%, 2/15/31	United States	80,000,000	70,917,210
^h Senior Bond, 144A, 4.15%, 4/15/32	United States	35,000,000	33,967,670
^h Senior Bond, 144A, 3.469%, 4/15/34	United States	66,000,000	59,458,641
^h Senior Note, 144A, 4%, 4/15/29	United States	28,000,000	27,593,096
^h Entegris, Inc., Senior Secured Note, 144A, 4.75%, 4/15/29	United States	60,000,000	59,181,012
Intel Corp.,			
Senior Bond, 5.2%, 2/10/33	United States	25,000,000	25,340,316
Senior Note, 5.125%, 2/10/30	United States	30,000,000	30,660,761
Micron Technology, Inc.,			
Senior Bond, 5.327%, 2/06/29	United States	25,000,000	25,843,838
Senior Bond, 4.663%, 2/15/30	United States	34,000,000	34,181,344
Senior Bond, 5.875%, 2/09/33	United States	40,000,000	42,739,982
Senior Note, 6.75%, 11/01/29	United States	55,000,000	60,447,351
NXP BV / NXP Funding LLC / NXP USA, Inc., Senior Note, 3.4%, 5/01/30	China	31,200,000	29,480,384
^h Qorvo, Inc., Senior Bond, 144A, 3.375%, 4/01/31	United States	30,800,000	27,608,473
			684,737,668
Software 0.8%			
^h McAfee Corp., Senior Note, 144A, 7.375%, 2/15/30	United States	55,000,000	53,698,574
Oracle Corp.,			
Senior Bond, 2.65%, 7/15/26	United States	100,000,000	97,237,301
Senior Bond, 3.25%, 11/15/27	United States	40,000,000	38,951,468
Senior Bond, 2.95%, 4/01/30	United States	30,000,000	27,907,231
Senior Bond, 2.875%, 3/25/31	United States	101,000,000	91,932,444
Senior Bond, 6.25%, 11/09/32	United States	95,000,000	105,151,061
Roper Technologies, Inc.,			
Senior Bond, 2%, 6/30/30	United States	20,000,000	17,579,521
Senior Bond, 1.75%, 2/15/31	United States	20,000,000	16,930,481
Workday, Inc., Senior Bond, 3.8%, 4/01/32	United States	155,000,000	147,197,717
			596,585,798
Specialized REITs 0.5%			
American Tower Corp.,			
Senior Bond, 3.55%, 7/15/27	United States	20,000,000	19,588,153
Senior Bond, 2.9%, 1/15/30	United States	30,000,000	27,755,739
Senior Bond, 5.65%, 3/15/33	United States	105,000,000	110,990,905
Senior Note, 5.5%, 3/15/28	United States	20,000,000	20,721,389
Crown Castle, Inc.,			
Senior Bond, 3.3%, 7/01/30	United States	74,583,000	69,774,729
Senior Bond, 5.1%, 5/01/33	United States	60,000,000	60,791,314
^h Iron Mountain, Inc., Senior Note, 144A, 4.875%, 9/15/27	United States	65,000,000	64,561,133
Weyerhaeuser Co., Senior Bond, 3.375%, 3/09/33	United States	42,300,000	38,691,802
			412,875,164
Specialty Retail 0.7%			
AutoNation, Inc.,			
Senior Bond, 4.75%, 6/01/30	United States	40,959,000	40,789,177
Senior Bond, 2.4%, 8/01/31	United States	44,451,000	37,735,199
Senior Bond, 3.85%, 3/01/32	United States	32,953,000	30,408,915

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Specialty Retail (continued)			
Bath & Body Works, Inc., Senior Bond, 6.875%, 11/01/35	United States	30,000,000	\$31,293,510
Home Depot, Inc. (The),			
Senior Bond, 1.375%, 3/15/31	United States	40,000,000	33,691,866
Senior Bond, 5.875%, 12/16/36	United States	20,000,000	22,372,462
Senior Note, 4.5%, 9/15/32	United States	30,000,000	30,694,407
Lowe's Cos., Inc.,			
Senior Bond, 2.625%, 4/01/31	United States	40,000,000	35,969,309
Senior Bond, 3.75%, 4/01/32	United States	88,000,000	84,003,060
Senior Bond, 5%, 4/15/33	United States	115,000,000	118,644,310
ⁱ Senior Bond, 5.15%, 7/01/33	United States	35,000,000	36,489,915
TJX Cos., Inc. (The), Senior Bond, 1.6%, 5/15/31	United States	20,000,000	16,980,974
			519,073,104
Technology Hardware, Storage & Peripherals 0.5%			
¹ Apple, Inc., Senior Bond, 4.3%, 5/10/33	United States	40,000,000	41,267,877
Dell International LLC / EMC Corp.,			
ⁱ Senior Bond, 5.75%, 2/01/33	United States	40,000,000	42,942,355
Senior Note, 5.3%, 10/01/29	United States	55,000,000	57,305,738
Hewlett Packard Enterprise Co.,			
Senior Bond, 5%, 10/15/34	United States	30,000,000	29,712,811
Senior Note, 4.85%, 10/15/31	United States	30,000,000	29,947,498
HP, Inc.,			
ⁱ Senior Bond, 5.5%, 1/15/33	United States	70,000,000	73,659,628
Senior Note, 4%, 4/15/29	United States	123,630,000	121,663,999
			396,499,906
Textiles, Apparel & Luxury Goods 0.1%			
^h Hanesbrands, Inc., Senior Note, 144A, 9%, 2/15/31	United States	19,200,000	20,742,605
Tapestry, Inc., Senior Bond, 7.85%, 11/27/33	United States	30,000,000	32,541,592
			53,284,197
Tobacco 0.7%			
BAT Capital Corp.,			
Senior Bond, 2.726%, 3/25/31	United Kingdom	25,000,000	22,364,189
Senior Bond, 6.421%, 8/02/33	United Kingdom	53,500,000	58,784,739
Senior Bond, 6%, 2/20/34	United Kingdom	40,000,000	42,771,260
Senior Note, 3.557%, 8/15/27	United Kingdom	212,000,000	207,721,723
Senior Note, 2.259%, 3/25/28	United Kingdom	37,812,000	35,192,996
Philip Morris International, Inc.,			
Senior Bond, 5.75%, 11/17/32	United States	41,000,000	44,080,045
Senior Bond, 5.375%, 2/15/33	United States	70,000,000	73,235,193
Senior Bond, 5.625%, 9/07/33	United States	15,000,000	15,976,473
			500,126,618
Trading Companies & Distributors 0.4%			
United Rentals North America, Inc.,			
Senior Bond, 4.875%, 1/15/28	United States	140,000,000	139,071,996
Senior Bond, 3.875%, 2/15/31	United States	45,000,000	41,897,758
Senior Bond, 3.75%, 1/15/32	United States	31,000,000	28,329,006
^h Senior Secured Note, 144A, 6%, 12/15/29	United States	73,800,000	76,235,179
			285,533,939
Water Utilities 0.1%			
American Water Capital Corp., Senior Bond, 4.45%, 6/01/32 . . .	United States	40,336,000	40,552,909
Wireless Telecommunication Services 0.4%			
Sprint LLC, Senior Note, 7.625%, 3/01/26	United States	86,300,000	89,209,173

Franklin Income Fund (continued)

	Country	Principal Amount [*]	Value
Corporate Bonds (continued)			
Wireless Telecommunication Services (continued)			
^b Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC, Senior Secured Bond, 144A, 5.152%, 3/20/28	United States	63,000,000	\$63,636,424
T-Mobile USA, Inc., Senior Bond, 5.2%, 1/15/33	United States	45,000,000	46,646,881
Senior Note, 3.375%, 4/15/29	United States	68,000,000	65,317,692
			264,810,170
Total Corporate Bonds (Cost \$33,162,101,209)			34,288,448,565
^lSenior Floating Rate Interests 0.0%[†]			
Building Products 0.0%[†]			
^m EMRLD Borrower LP, First Lien, Second Amendment Incremental CME Term Loan, 7.557%, (3-month SOFR + 2.5%), 8/04/31 ..	United States	35,000,000	34,971,825
Total Senior Floating Rate Interests (Cost \$34,913,250)			34,971,825
U.S. Government and Agency Securities 9.3%			
U.S. Treasury Bonds,			
3.375%, 8/15/42.	United States	600,000,000	541,675,782
3.875%, 5/15/43.	United States	250,000,000	240,771,485
4.125%, 8/15/53.	United States	1,500,000,000	1,494,199,215
U.S. Treasury Notes,			
4.125%, 10/31/27.	United States	1,250,000,000	1,270,043,950
4%, 10/31/29.	United States	1,000,000,000	1,018,710,940
2.75%, 8/15/32.	United States	1,000,000,000	934,687,500
3.875%, 8/15/33.	United States	1,500,000,000	1,512,480,465
Total U.S. Government and Agency Securities (Cost \$6,783,072,474)			7,012,569,337
Asset-Backed Securities 0.1%			
Passenger Airlines 0.1%			
United Airlines Pass-Through Trust,			
2020-1, A, 5.875%, 10/15/27	United States	50,294,583	51,376,198
2023-1, A, 5.8%, 1/15/36	United States	48,882,850	51,494,622
			102,870,820
Total Asset-Backed Securities (Cost \$99,013,976)			102,870,820
Mortgage-Backed Securities 1.3%			
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 0.6%			
FHLMC Pool, 30 Year, 5%, 5/01/53	United States	166,075,465	166,149,849
FHLMC Pool, 30 Year, 5.5%, 6/01/53 - 11/01/53	United States	249,370,123	252,391,489
			418,541,338
Federal National Mortgage Association (FNMA) Fixed Rate 0.6%			
FNMA, 30 Year, 4%, 8/01/49	United States	23,547,930	23,017,214
FNMA, 30 Year, 5%, 5/01/53 - 11/01/53	United States	367,245,331	367,303,469
FNMA, 30 Year, 5.5%, 7/01/53	United States	80,782,815	81,773,978
			472,094,661
Government National Mortgage Association (GNMA) Fixed Rate 0.1%			
GNMA II, Single-family, 30 Year, 5.5%, 5/20/53	United States	79,497,880	80,368,840
Total Mortgage-Backed Securities (Cost \$940,605,644)			971,004,839

Franklin Income Fund (continued)

	Country	Shares	Value
Escrows and Litigation Trusts 0.0%			
^{a,c,e} Endo, Inc., Escrow Account	United States	307,256,000	\$—
Total Escrows and Litigation Trusts (Cost \$—)			—
Total Long Term Investments (Cost \$70,342,766,078)			74,723,984,183
Short Term Investments 0.6%			
Money Market Funds 0.4%			
^{d,n} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	298,170,275	298,170,275
Total Money Market Funds (Cost \$298,170,275)			298,170,275
Investments from Cash Collateral Received for Loaned Securities 0.2%			
Money Market Funds 0.2%			
^{d,n} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	177,261,000	177,261,000
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$177,261,000)			177,261,000
Total Short Term Investments (Cost \$475,431,275)			475,431,275
Total Investments (Cost \$70,818,197,353) 99.3%			\$75,199,415,458
Options Written (0.1%)			(57,067,500)
Other Assets, less Liabilities 0.8%			596,835,205
Net Assets 100.0%			\$75,739,183,163
	Number of Contracts	Notional Amount[#]	
^pOptions Written (0.1)%			
Calls - Exchange-Traded			
Equity Options			
Abbott Laboratories, Inc., October Strike Price \$115.00, Expires 10/18/24	5,000	57,005,000	(1,095,000)
Amgen, Inc., November Strike Price \$370.00, Expires 11/15/24 .	5,000	161,105,000	(1,175,000)
Bank of America Corp., October Strike Price \$42.00, Expires 10/18/24	20,000	79,360,000	(560,000)
Boeing Co. (The), November Strike Price \$185.00, Expires 11/15/24	10,000	152,040,000	(1,570,000)
Citigroup, Inc., October Strike Price \$65.00, Expires 10/18/24 . .	10,000	62,600,000	(850,000)
CVS Health Corp., October Strike Price \$60.00, Expires 10/18/24	5,000	31,440,000	(2,010,000)
Duke Energy Corp., October Strike Price \$115.00, Expires 10/18/24	5,000	57,650,000	(975,000)
Home Depot, Inc. (The), November Strike Price \$420.00, Expires 11/15/24	5,000	202,600,000	(4,385,000)
Honeywell International, Inc., October Strike Price \$210.00, Expires 10/18/24	5,000	103,355,000	(990,000)
International Business Machines Corp., October Strike Price \$200.00, Expires 10/18/24	7,500	165,810,000	(15,682,500)
JPMorgan Chase & Co., November Strike Price \$225.00, Expires 11/15/24	10,000	210,860,000	(2,620,000)
Lockheed Martin Corp., October Strike Price \$575.00, Expires 10/18/24	2,500	146,140,000	(3,230,000)

Franklin Income Fund (continued)

	Number of Contracts	Notional Amount [#]	Value
Options Written (continued)			
Calls - Exchange-Traded (continued)			
Equity Options (continued)			
PepsiCo, Inc., November Strike Price \$185.00, Expires 11/15/24	10,000	170,050,000	\$(620,000)
Procter & Gamble Co. (The), October Strike Price \$175.00, Expires 10/18/24	10,000	173,200,000	(2,230,000)
Rio Tinto plc, November Strike Price \$75.00, Expires 11/15/24	5,000	35,585,000	(650,000)
Rio Tinto plc, December Strike Price \$75.00, Expires 12/20/24	5,000	35,585,000	(1,000,000)
			<u>(39,642,500)</u>
Puts - Exchange-Traded			
Equity Options			
Abbott Laboratories, Inc., October Strike Price \$105.00, Expires 10/18/24	5,000	57,005,000	(270,000)
Amgen, Inc., November Strike Price \$300.00, Expires 11/15/24	5,000	161,105,000	(3,625,000)
Boeing Co. (The), November Strike Price \$145.00, Expires 11/15/24	10,000	152,040,000	(6,030,000)
Exxon Mobil Corp., October Strike Price \$105.00, Expires 10/18/24	10,000	117,220,000	(160,000)
Exxon Mobil Corp., November Strike Price \$105.00, Expires 11/15/24	15,000	175,830,000	(1,320,000)
Honeywell International, Inc., October Strike Price \$190.00, Expires 10/18/24	5,000	103,355,000	(150,000)
International Business Machines Corp., October Strike Price \$185.00, Expires 10/18/24	5,000	110,540,000	(50,000)
JPMorgan Chase & Co., October Strike Price \$185.00, Expires 10/18/24	10,000	210,860,000	(360,000)
Microsoft Corp., November Strike Price \$360.00, Expires 11/15/24	5,000	215,150,000	(595,000)
PepsiCo, Inc., November Strike Price \$170.00, Expires 11/15/24	5,000	85,025,000	(2,175,000)
Procter & Gamble Co. (The), October Strike Price \$160.00, Expires 10/18/24	10,000	173,200,000	(420,000)
Procter & Gamble Co. (The), November Strike Price \$160.00, Expires 11/15/24	10,000	173,200,000	(960,000)
Schlumberger NV, November Strike Price \$40.00, Expires 11/15/24	10,000	41,950,000	(1,210,000)
Starbucks Corp., October Strike Price \$85.00, Expires 10/18/24	10,000	97,490,000	(100,000)
			<u>(17,425,000)</u>
Total Options Written (Premiums received \$44,798,643)			<u>\$(57,067,500)</u>

See Abbreviations on page 100.

[#]Notional amount is the number of contracts multiplied by contract size, and may be multiplied by the underlying price. May include currency units, bushels, shares, pounds, barrels or other units. Currency units are stated in U.S. dollars unless otherwise indicated.

[†]The principal amount is stated in U.S. dollars unless otherwise indicated.

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

^aNon-income producing.

^bA portion or all of the security is held in connection with written option contracts open at year end.

^cSee Note 10 regarding holdings of 5% voting securities.

^dSee Note 3(f) regarding investments in affiliated management investment companies.

^eFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

Franklin Income Fund (continued)

^fSecurity is a business development company. See Note 1(f).

^gSee Note 1(d) regarding equity-linked securities.

^hSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities 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. Regulation S securities 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 September 30, 2024, the aggregate value of these securities was \$31,534,317,282, representing 41.6% of net assets.

ⁱA portion or all of the security is on loan at September 30, 2024. See Note 1(e).

^jPerpetual security with no stated maturity date.

^kIncome may be received in additional securities and/or cash.

^lSee Note 1(g) regarding senior floating rate interests.

^mThe coupon rate shown represents the rate inclusive of any caps or floors, if applicable, in effect at period end.

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

^oSee Note 1(e) regarding securities on loan.

^pSee Note 1(c) regarding written options.

Financial Highlights

Franklin U.S. Government Securities Fund

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.86	\$5.03	\$5.89	\$6.09	\$6.07
Income from investment operations ^a :					
Net investment income ^b	0.14	0.12	0.08	0.05	0.10
Net realized and unrealized gains (losses)	0.35	(0.14)	(0.81)	(0.12)	0.08
Total from investment operations	0.49	(0.02)	(0.73)	(0.07)	0.18
Less distributions from:					
Net investment income	(0.16)	(0.15)	(0.13)	(0.13)	(0.16)
Net asset value, end of year	\$5.19	\$4.86	\$5.03	\$5.89	\$6.09
Total return ^c	10.25%	(0.49)%	(12.50)%	(1.15)%	3.01%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.85%	0.81%	0.87%	0.87%	0.89%
Expenses net of waiver and payments by affiliates	0.84%	0.80%	0.86% ^d	0.87% ^{d,e}	0.88% ^d
Net investment income	2.79%	2.45%	1.44%	0.79%	1.58%
Supplemental data					
Net assets, end of year (000's)	\$592,336	\$607,527	\$687,607	\$1,020,574	\$1,097,545
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

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

^eBenefit of waiver and payments by affiliates rounds to less than 0.01%.

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.86	\$5.03	\$5.90	\$6.09	\$6.07
Income from investment operations ^a :					
Net investment income ^b	0.15	0.13	0.09	0.05	0.10
Net realized and unrealized gains (losses)	0.36	(0.14)	(0.82)	(0.10)	0.09
Total from investment operations	0.51	(0.01)	(0.73)	(0.05)	0.19
Less distributions from:					
Net investment income	(0.17)	(0.16)	(0.14)	(0.14)	(0.17)
Net asset value, end of year	\$5.20	\$4.86	\$5.03	\$5.90	\$6.09
Total return ^c	10.58%	(0.38)%	(12.55)%	(0.89)%	3.09%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.74%	0.70%	0.76%	0.77%	0.78%
Expenses net of waiver and payments by affiliates	0.74% ^d	0.69%	0.76% ^{d,e}	0.76% ^e	0.77% ^e
Net investment income	2.90%	2.55%	1.56%	0.90%	1.69%
Supplemental data					
Net assets, end of year (000's)	\$1,293,199	\$1,362,598	\$1,592,268	\$2,104,978	\$2,661,888
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.82	\$5.00	\$5.85	\$6.04	\$6.03
Income from investment operations ^a :					
Net investment income ^b	0.12	0.10	0.06	0.02	0.07
Net realized and unrealized gains (losses)	0.35	(0.15)	(0.80)	(0.10)	0.08
Total from investment operations	0.47	(0.05)	(0.74)	(0.08)	0.15
Less distributions from:					
Net investment income	(0.14)	(0.13)	(0.11)	(0.11)	(0.14)
Net asset value, end of year	\$5.15	\$4.82	\$5.00	\$5.85	\$6.04
Total return ^c	9.88%	(1.12)%	(12.77)%	(1.41)%	2.43%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.25%	1.21%	1.27%	1.27%	1.29%
Expenses net of waiver and payments by affiliates	1.24%	1.20%	1.26% ^d	1.27% ^{d,e}	1.28% ^d
Net investment income	2.39%	2.04%	1.04%	0.39%	1.18%
Supplemental data					
Net assets, end of year (000's)	\$43,646	\$60,693	\$116,145	\$196,643	\$354,483
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

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

^eBenefit of waiver and payments by affiliates rounds to less than 0.01%.

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.86	\$5.03	\$5.89	\$6.09	\$6.07
Income from investment operations ^a :					
Net investment income ^b	0.13	0.11	0.07	0.03	0.08
Net realized and unrealized gains (losses)	0.35	(0.14)	(0.81)	(0.11)	0.08
Total from investment operations	0.48	(0.03)	(0.74)	(0.08)	0.16
Less distributions from:					
Net investment income	(0.15)	(0.14)	(0.12)	(0.12)	(0.14)
Net asset value, end of year	\$5.19	\$4.86	\$5.03	\$5.89	\$6.09
Total return	9.97%	(0.74)%	(12.72)%	(1.41)%	2.73%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.10%	1.05%	1.12%	1.11%	1.13%
Expenses net of waiver and payments by affiliates	1.09%	1.05% ^c	1.11% ^d	1.11% ^{c,d}	1.12% ^d
Net investment income	2.54%	2.20%	1.20%	0.55%	1.34%
Supplemental data					
Net assets, end of year (000's)	\$13,803	\$14,078	\$15,476	\$19,513	\$27,746
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.88	\$5.06	\$5.92	\$6.12	\$6.10
Income from investment operations ^a :					
Net investment income ^b	0.16	0.14	0.10	0.07	0.12
Net realized and unrealized gains (losses)	0.36	(0.15)	(0.81)	(0.12)	0.08
Total from investment operations	0.52	(0.01)	(0.71)	(0.05)	0.20
Less distributions from:					
Net investment income	(0.18)	(0.17)	(0.15)	(0.15)	(0.18)
Net asset value, end of year	\$5.22	\$4.88	\$5.06	\$5.92	\$6.12
Total return	10.81%	(0.34)%	(12.11)%	(0.80)%	3.34%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.51%	0.46%	0.50%	0.53%	0.54%
Expenses net of waiver and payments by affiliates	0.50%	0.45%	0.50% ^{c,d}	0.51% ^c	0.52% ^c
Net investment income	3.14%	2.80%	1.81%	1.15%	1.96%
Supplemental data					
Net assets, end of year (000's)	\$186,048	\$204,317	\$202,611	\$304,650	\$361,791
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

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

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$4.88	\$5.05	\$5.92	\$6.11	\$6.10
Income from investment operations ^a :					
Net investment income ^b	0.15	0.14	0.09	0.06	0.11
Net realized and unrealized gains (losses)	0.35	(0.15)	(0.81)	(0.10)	0.07
Total from investment operations	0.50	(0.01)	(0.72)	(0.04)	0.18
Less distributions from:					
Net investment income	(0.17)	(0.16)	(0.15)	(0.15)	(0.17)
Net asset value, end of year	\$5.21	\$4.88	\$5.05	\$5.92	\$6.11
Total return	10.48%	(0.24)%	(12.39)%	(0.74)%	3.23%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.60%	0.55%	0.62%	0.62%	0.64%
Expenses net of waiver and payments by affiliates	0.59%	0.55% ^c	0.61% ^d	0.62% ^{c,d}	0.63% ^d
Net investment income	3.04%	2.70%	1.67%	1.04%	1.84%
Supplemental data					
Net assets, end of year (000's)	\$255,448	\$262,569	\$300,303	\$692,010	\$743,012
Portfolio turnover rate	30.97%	2.81%	53.63%	89.16%	65.54%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Schedule of Investments, September 30, 2024

Franklin U.S. Government Securities Fund

	Principal Amount	Value
U.S. Government and Agency Securities 3.5%		
U.S. Treasury Bonds,		
4.75%, 2/15/37	\$37,500,000	\$40,984,864
4.5%, 2/15/44	33,400,000	34,861,250
4.625%, 5/15/54	6,000,000	6,509,531
Total U.S. Government and Agency Securities (Cost \$80,372,240)		82,355,645
Mortgage-Backed Securities 94.8%		
Government National Mortgage Association (GNMA) Fixed Rate 94.8%		
GNMA I, 30 Year, 4.5%, 4/15/40	2,998,933	3,031,436
GNMA I, 30 Year, 5%, 9/15/40	104,197,925	106,600,686
GNMA I, 30 Year, 5.5%, 2/15/40	45,094,060	46,703,535
GNMA I, 30 Year, 6%, 12/15/39	41,238,084	43,282,013
GNMA I, 30 Year, 6.5%, 8/15/37	9,196,578	9,575,858
GNMA I, 30 Year, 7%, 9/15/32	5,638,755	5,971,400
GNMA I, 30 Year, 7.5%, 7/15/26 - 8/15/33	388,014	405,457
GNMA I, 30 Year, 8%, 10/15/29	822	859
GNMA I, Single-family, 30 Year, 3.5%, 4/15/43 - 5/15/43	9,748,323	9,389,137
GNMA I, Single-family, 30 Year, 4%, 10/15/40 - 8/15/46	29,567,673	29,103,648
GNMA I, Single-family, 30 Year, 4.5%, 2/15/39 - 6/15/41	55,539,965	56,041,008
GNMA I, Single-family, 30 Year, 5%, 2/15/35	1,817	1,811
GNMA I, Single-family, 30 Year, 5.5%, 10/15/48	542,583	552,644
GNMA I, Single-family, 30 Year, 7.25%, 12/15/25	10,801	10,790
GNMA I, Single-family, 30 Year, 7.5%, 8/15/25 - 7/15/31	621,362	629,606
GNMA I, Single-family, 30 Year, 8%, 10/15/24 - 9/15/30	212,434	213,871
GNMA I, Single-family, 30 Year, 8.5%, 11/15/24	5	5
GNMA I, Single-family, 30 Year, 10%, 2/15/25	320	320
GNMA II, 30 Year, 4.5%, 5/20/34 - 6/20/41	2,503,523	2,533,273
GNMA II, 30 Year, 6%, 3/20/34 - 9/20/34	804,706	815,629
GNMA II, 30 Year, 6%, 7/20/39	18,506,733	19,356,901
GNMA II, 30 Year, 6.5%, 9/20/31 - 9/20/32	695,162	723,509
GNMA II, 30 Year, 7%, 7/20/32	202,150	212,873
GNMA II, 30 Year, 8%, 12/20/28	14,867	14,892
GNMA II, Single-family, 30 Year, 2%, 8/20/51	156,257,804	132,588,955
GNMA II, Single-family, 30 Year, 2%, 2/20/51 - 4/20/52	60,310,603	51,180,276
GNMA II, Single-family, 30 Year, 2.5%, 11/20/50	13,421,480	11,568,589
GNMA II, Single-family, 30 Year, 2.5%, 7/20/51	64,780,725	57,144,577
GNMA II, Single-family, 30 Year, 2.5%, 8/20/51	195,254,822	172,189,774
GNMA II, Single-family, 30 Year, 2.5%, 9/20/51	80,321,724	70,815,542
GNMA II, Single-family, 30 Year, 2.5%, 10/20/51	56,157,467	49,510,557
GNMA II, Single-family, 30 Year, 2.5%, 12/20/51	78,124,470	68,882,881
GNMA II, Single-family, 30 Year, 2.5%, 1/20/52	31,883,903	28,109,403
GNMA II, Single-family, 30 Year, 2.5%, 6/20/52	694,204	612,020
GNMA II, Single-family, 30 Year, 3%, 10/20/44	16,687,676	15,515,675
GNMA II, Single-family, 30 Year, 3%, 5/20/45	12,144,655	11,280,582
GNMA II, Single-family, 30 Year, 3%, 4/20/46	16,273,152	15,068,127
GNMA II, Single-family, 30 Year, 3%, 9/20/47	13,144,357	12,107,603
GNMA II, Single-family, 30 Year, 3%, 10/20/47	20,973,318	19,349,395
GNMA II, Single-family, 30 Year, 3%, 6/20/50	9,939,544	8,869,473
GNMA II, Single-family, 30 Year, 3%, 8/20/51	116,515,941	106,368,519
GNMA II, Single-family, 30 Year, 3%, 9/20/51	24,786,750	22,623,168
GNMA II, Single-family, 30 Year, 3%, 12/20/44 - 10/20/50	71,076,943	64,322,520
GNMA II, Single-family, 30 Year, 3.5%, 7/20/42	25,960,500	24,932,211
GNMA II, Single-family, 30 Year, 3.5%, 9/20/42	32,678,213	31,338,468
GNMA II, Single-family, 30 Year, 3.5%, 5/20/43	9,778,442	9,380,301
GNMA II, Single-family, 30 Year, 3.5%, 6/20/43	11,289,983	10,830,870
GNMA II, Single-family, 30 Year, 3.5%, 9/20/47	116,926,092	110,893,862
GNMA II, Single-family, 30 Year, 3.5%, 11/20/47	78,011,398	74,011,097
GNMA II, Single-family, 30 Year, 3.5%, 10/20/40 - 1/20/49	42,580,250	40,767,042

Franklin U.S. Government Securities Fund (continued)

	Principal Amount	Value
Mortgage-Backed Securities (continued)		
Government National Mortgage Association (GNMA) Fixed Rate (continued)		
GNMA II, Single-family, 30 Year, 4%, 11/20/40	\$8,534,663	\$8,474,752
GNMA II, Single-family, 30 Year, 4%, 10/20/41	10,454,049	10,380,673
GNMA II, Single-family, 30 Year, 4%, 11/20/41	9,918,663	9,849,045
GNMA II, Single-family, 30 Year, 4%, 5/20/47	28,002,829	27,322,635
GNMA II, Single-family, 30 Year, 4%, 6/20/47	21,474,037	20,978,898
GNMA II, Single-family, 30 Year, 4%, 7/20/47	13,650,502	13,391,867
GNMA II, Single-family, 30 Year, 4%, 6/20/52	33,399,260	32,319,062
GNMA II, Single-family, 30 Year, 4%, 5/20/40 - 2/20/54	49,786,890	48,895,807
GNMA II, Single-family, 30 Year, 4.5%, 6/20/41	9,611,233	9,729,851
GNMA II, Single-family, 30 Year, 4.5%, 7/20/41	10,677,923	10,809,709
GNMA II, Single-family, 30 Year, 4.5%, 9/20/41	15,414,857	15,605,110
GNMA II, Single-family, 30 Year, 4.5%, 10/20/41	10,887,996	11,022,382
GNMA II, Single-family, 30 Year, 4.5%, 5/20/52	34,784,301	34,420,324
GNMA II, Single-family, 30 Year, 4.5%, 5/20/33 - 7/20/54	51,031,713	51,179,369
GNMA II, Single-family, 30 Year, 5%, 7/20/53	24,965,319	25,042,601
GNMA II, Single-family, 30 Year, 5%, 8/20/53	29,371,093	29,448,800
GNMA II, Single-family, 30 Year, 5%, 7/20/33 - 12/20/53	28,148,682	28,856,394
GNMA II, Single-family, 30 Year, 5.5%, 7/20/53	23,821,181	24,081,582
GNMA II, Single-family, 30 Year, 5.5%, 1/20/54	48,577,726	49,078,406
GNMA II, Single-family, 30 Year, 5.5%, 6/20/34 - 9/20/54	42,951,304	44,166,876
GNMA II, Single-family, 30 Year, 6%, 5/20/54	59,350,866	60,493,453
GNMA II, Single-family, 30 Year, 6%, 6/20/34 - 7/20/54	7,711,985	7,856,447
GNMA II, Single-family, 30 Year, 6%, 8/20/54	37,445,447	38,119,622
GNMA II, Single-family, 30 Year, 6.5%, 8/20/25 - 5/20/54	17,602,062	18,153,890
GNMA II, Single-family, 30 Year, 6.5%, 8/20/54	36,386,998	37,265,137
GNMA II, Single-family, 30 Year, 7%, 2/20/28 - 7/20/33	1,419,743	1,477,356
GNMA II, Single-family, 30 Year, 7%, 7/20/54	35,691,870	36,688,248
GNMA II, Single-family, 30 Year, 7.5%, 10/20/25 - 4/20/32	138,295	142,785
GNMA II, Single-family, 30 Year, 8%, 12/20/24 - 6/20/30	64,715	66,805
GNMA II, Single-family, 30 Year, 8.5%, 1/20/25 - 6/20/25	13	12
GNMA II, Single-family, 30 Year, 9.5%, 1/20/25	15	15
		2,260,750,561
Total Mortgage-Backed Securities (Cost \$2,452,498,920)		2,260,750,561
Total Long Term Investments (Cost \$2,532,871,160)		2,343,106,206
Short Term Investments 1.5%		
	Shares	
Money Market Funds 1.5%		
^{a,b} Institutional Fiduciary Trust - Money Market Portfolio, 4.74%	36,624,604	36,624,604
Total Money Market Funds (Cost \$36,624,604)		36,624,604
Total Short Term Investments (Cost \$36,624,604)		36,624,604
Total Investments (Cost \$2,569,495,764) 99.8%		\$2,379,730,810
Other Assets, less Liabilities 0.2%		4,748,706
Net Assets 100.0%		\$2,384,479,516

See Abbreviations on page 100.

^aSee Note 3(f) regarding investments in affiliated management investment companies.^bThe rate shown is the annualized seven-day effective yield at period end.

Financial Highlights

Franklin Utilities Fund

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.64	\$20.26	\$20.20	\$19.76	\$22.53
Income from investment operations ^a :					
Net investment income ^b	0.52	0.49	0.46	0.43	0.51
Net realized and unrealized gains (losses)	6.74	(1.33)	0.67	1.94	(2.43)
Total from investment operations	7.26	(0.84)	1.13	2.37	(1.92)
Less distributions from:					
Net investment income	(0.49)	(0.47)	(0.47)	(0.52)	(0.50)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.23)	(0.78)	(1.07)	(1.93)	(0.85)
Net asset value, end of year	\$24.67	\$18.64	\$20.26	\$20.20	\$19.76
Total return ^c	40.74%	(4.55)%	5.56%	12.29%	(8.68)%
Ratios to average net assets					
Expenses ^d	0.81%	0.81% ^e	0.82% ^e	0.82% ^e	0.83% ^e
Net investment income	2.54%	2.34%	2.08%	2.10%	2.46%
Supplemental data					
Net assets, end of year (000's)	\$1,386,488	\$1,116,740	\$1,200,671	\$982,201	\$742,188
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.65	\$20.27	\$20.21	\$19.77	\$22.54
Income from investment operations ^a :					
Net investment income ^b	0.54	0.50	0.47	0.45	0.52
Net realized and unrealized gains (losses)	6.74	(1.31)	0.68	1.94	(2.41)
Total from investment operations	7.28	(0.81)	1.15	2.39	(1.89)
Less distributions from:					
Net investment income	(0.51)	(0.50)	(0.49)	(0.54)	(0.53)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.25)	(0.81)	(1.09)	(1.95)	(0.88)
Net asset value, end of year	\$24.68	\$18.65	\$20.27	\$20.21	\$19.77
Total return ^c	40.85%	(4.45)%	5.67%	12.40%	(8.59)%
Ratios to average net assets					
Expenses ^d	0.71%	0.71% ^e	0.72% ^e	0.72% ^e	0.73% ^e
Net investment income	2.65%	2.42%	2.16%	2.20%	2.50%
Supplemental data					
Net assets, end of year (000's)	\$3,373,642	\$2,752,653	\$3,230,150	\$3,321,370	\$3,388,126
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.53	\$20.14	\$20.09	\$19.65	\$22.42
Income from investment operations ^a :					
Net investment income ^b	0.43	0.39	0.36	0.34	0.41
Net realized and unrealized gains (losses)	6.70	(1.30)	0.67	1.95	(2.41)
Total from investment operations	7.13	(0.91)	1.03	2.29	(2.00)
Less distributions from:					
Net investment income	(0.41)	(0.39)	(0.38)	(0.44)	(0.42)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.15)	(0.70)	(0.98)	(1.85)	(0.77)
Net asset value, end of year	\$24.51	\$18.53	\$20.14	\$20.09	\$19.65
Total return ^c	40.18%	(4.91)%	5.11%	11.91%	(9.10)%
Ratios to average net assets					
Expenses ^d	1.21%	1.21% ^e	1.22% ^e	1.22% ^e	1.23% ^e
Net investment income	2.13%	1.90%	1.66%	1.69%	1.98%
Supplemental data					
Net assets, end of year (000's)	\$214,725	\$218,134	\$302,959	\$350,553	\$537,808
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's 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 does not reflect sales commissions or contingent deferred sales charges, if applicable.

^dBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.56	\$20.17	\$20.12	\$19.68	\$22.45
Income from investment operations ^a :					
Net investment income ^b	0.47	0.43	0.40	0.38	0.44
Net realized and unrealized gains (losses)	6.70	(1.31)	0.67	1.94	(2.41)
Total from investment operations	7.17	(0.88)	1.07	2.32	(1.97)
Less distributions from:					
Net investment income	(0.44)	(0.42)	(0.42)	(0.47)	(0.45)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.18)	(0.73)	(1.02)	(1.88)	(0.80)
Net asset value, end of year	\$24.55	\$18.56	\$20.17	\$20.12	\$19.68
Total return	40.36%	(4.76)%	5.26%	12.06%	(8.95)%
Ratios to average net assets					
Expenses ^c	1.06%	1.06% ^d	1.07% ^d	1.07% ^d	1.08% ^d
Net investment income	2.29%	2.08%	1.83%	1.85%	2.15%
Supplemental data					
Net assets, end of year (000's)	\$105,849	\$89,085	\$103,579	\$83,441	\$84,488
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.84	\$20.47	\$20.40	\$19.93	\$22.73
Income from investment operations ^a :					
Net investment income ^b	0.59	0.56	0.54	0.50	0.58
Net realized and unrealized gains (losses)	6.81	(1.34)	0.67	1.96	(2.46)
Total from investment operations	7.40	(0.78)	1.21	2.46	(1.88)
Less distributions from:					
Net investment income	(0.55)	(0.54)	(0.54)	(0.58)	(0.57)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.29)	(0.85)	(1.14)	(1.99)	(0.92)
Net asset value, end of year	\$24.95	\$18.84	\$20.47	\$20.40	\$19.93
Total return	41.15%	(4.24)%	5.90%	12.71%	(8.44)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.52%	0.52%	0.54%	0.58%	0.56%
Expenses net of waiver and payments by affiliates	0.50%	0.49% ^c	0.50% ^c	0.50% ^c	0.50% ^c
Net investment income	2.85%	2.64%	2.41%	2.42%	2.75%
Supplemental data					
Net assets, end of year (000's)	\$271,797	\$187,585	\$223,710	\$153,969	\$144,079
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2024	2023	2022	2021	2020
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$18.84	\$20.47	\$20.40	\$19.93	\$22.73
Income from investment operations ^a :					
Net investment income ^b	0.58	0.54	0.52	0.48	0.56
Net realized and unrealized gains (losses)	6.82	(1.33)	0.68	1.97	(2.46)
Total from investment operations	7.40	(0.79)	1.20	2.45	(1.90)
Less distributions from:					
Net investment income	(0.54)	(0.53)	(0.53)	(0.57)	(0.55)
Net realized gains	(0.74)	(0.31)	(0.60)	(1.41)	(0.35)
Total distributions	(1.28)	(0.84)	(1.13)	(1.98)	(0.90)
Net asset value, end of year	\$24.96	\$18.84	\$20.47	\$20.40	\$19.93
Total return	41.12%	(4.31)%	5.82%	12.62%	(8.51)%
Ratios to average net assets					
Expenses ^c	0.56%	0.56% ^d	0.57% ^d	0.57% ^d	0.58% ^d
Net investment income	2.79%	2.57%	2.32%	2.35%	2.66%
Supplemental data					
Net assets, end of year (000's)	\$1,366,364	\$1,134,602	\$1,383,667	\$1,200,859	\$1,179,002
Portfolio turnover rate	6.80%	4.43%	5.66%	5.18%	12.19%

^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 the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

^bBased on average daily shares outstanding.

^cBenefit of waiver and payments by affiliates rounds to less than 0.01%.

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

Schedule of Investments, September 30, 2024

Franklin Utilities Fund

	Country	Shares	Value
Common Stocks 99.4%			
Construction & Engineering 0.0%†			
MDU Resources Group, Inc.	United States	107,363	\$2,942,820
Electric Utilities 58.0%			
Alliant Energy Corp.	United States	3,500,000	212,415,000
American Electric Power Co., Inc.	United States	1,000,000	102,600,000
Constellation Energy Corp.	United States	100,000	26,002,000
Duke Energy Corp.	United States	2,300,000	265,190,000
Edison International	United States	3,900,000	339,651,000
Entergy Corp.	United States	2,300,000	302,703,000
Eversource Energy	United States	4,250,000	263,542,500
Exelon Corp.	United States	1,500,000	102,075,000
FirstEnergy Corp.	United States	5,350,000	216,942,500
FirstEnergy Corp.	United States	3,200,000	141,920,000
*Hawaiian Electric Industries, Inc.	United States	2,702,702	26,162,155
NextEra Energy, Inc.	United States	8,550,000	722,731,500
NRG Energy, Inc.	United States	800,000	72,880,000
OGE Energy Corp.	United States	1,600,000	65,632,000
PG&E Corp.	United States	12,400,000	245,148,000
Pinnacle West Capital Corp.	United States	775,000	68,657,250
PPL Corp.	United States	7,000,000	231,560,000
Southern Co. (The)	United States	4,100,000	369,738,000
TXNM Energy, Inc.	United States	1,600,000	70,032,000
Xcel Energy, Inc.	United States	800,000	52,240,000
			3,897,821,905
Gas Utilities 1.5%			
ONE Gas, Inc.	United States	682,494	50,791,203
Spire, Inc.	United States	700,000	47,103,000
			97,894,203
Independent Power and Renewable Electricity Producers 6.8%			
AES Corp. (The)	United States	1,300,000	26,078,000
Clearway Energy, Inc., C	United States	900,000	27,612,000
Drax Group plc	United Kingdom	11,000,000	94,714,290
Vistra Corp.	United States	2,600,000	308,204,000
			456,608,290
Multi-Utilities 28.4%			
Ameren Corp.	United States	1,800,000	157,428,000
CenterPoint Energy, Inc.	United States	6,050,000	177,991,000
CMS Energy Corp.	United States	2,600,000	183,638,000
Dominion Energy, Inc.	United States	2,137,717	123,538,666
DTE Energy Co.	United States	1,500,000	192,615,000
E.ON SE.	Germany	9,000,000	134,039,506
National Grid plc	United Kingdom	7,458,333	103,104,310
NiSource, Inc.	United States	6,300,000	218,295,000
Northwestern Energy Group, Inc.	United States	1,300,000	74,386,000
Public Service Enterprise Group, Inc.	United States	2,200,000	196,262,000
Sempra.	United States	3,550,000	296,886,500
WEC Energy Group, Inc.	United States	500,000	48,090,000
			1,906,273,982
Oil, Gas & Consumable Fuels 3.8%			
Cheniere Energy, Inc.	United States	650,000	116,896,000
DT Midstream, Inc.	United States	1,000,000	78,660,000
Williams Cos., Inc. (The)	United States	1,300,000	59,345,000
			254,901,000

Franklin Utilities Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Water Utilities 0.9%			
Essential Utilities, Inc.	United States	900,000	\$34,713,000
United Utilities Group plc.	United Kingdom	2,000,000	28,042,738
			62,755,738
Total Common Stocks (Cost \$2,796,002,869)			6,679,197,938
Short Term Investments 0.5%			
	Country	Shares	Value
Money Market Funds 0.5%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 4.74% . . .	United States	31,088,886	31,088,886
Total Money Market Funds (Cost \$31,088,886)			31,088,886
Total Short Term Investments (Cost \$31,088,886)			31,088,886
Total Investments (Cost \$2,827,091,755) 99.9%			\$6,710,286,824
Other Assets, less Liabilities 0.1%			8,577,467
Net Assets 100.0%			\$6,718,864,291

[†]Rounds to less than 0.1% of net assets.^aNon-income producing.^bSee Note 3(f) regarding investments in affiliated management investment companies.^cThe rate shown is the annualized seven-day effective yield at period end.

Statements of Assets and Liabilities

September 30, 2024

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Assets:			
Investments in securities:			
Cost - Unaffiliated issuers	\$9,563,643,922	\$4,803,067,965	\$69,902,737,692
Cost - Non-controlled affiliates (Note 3f and 10)	240,094,622	135,466,860	915,459,661
Value - Unaffiliated issuers (Includes securities loaned of \$20,058,814, \$2,972,034 and \$169,729,589, respectively)	\$25,187,325,637	\$19,249,321,307	\$74,252,366,762
Value - Non-controlled affiliates (Note 3f and 10)	240,094,622	135,466,860	947,048,696
Cash	—	2,827,230	18,239,977
Receivables:			
Investment securities sold (Includes securities loaned \$—, \$— and \$3,117, respectively)	—	—	152,190,284
Capital shares sold	45,046,944	13,302,131	34,530,032
Dividends and interest	4,514,621	6,496,624	666,190,306
European Union tax reclaims (Note 1h)	—	—	13,735,098
Total assets	25,476,981,824	19,407,414,152	76,084,301,155
Liabilities:			
Payables:			
Investment securities purchased	13,374,027	—	26,078,913
Capital shares redeemed	29,934,278	19,696,068	36,358,052
Management fees	8,503,720	6,808,459	23,039,749
Distribution fees	3,241,121	2,953,423	11,058,500
Transfer agent fees	3,735,986	3,844,830	11,868,148
Trustees' fees and expenses	14,481	13,855	64,572
Options written, at value (premiums received \$—, \$— and \$44,798,643, respectively)	—	—	57,067,500
Payable upon return of securities loaned (Note 1e)	19,487,000	3,085,000	177,261,000
Accrued expenses and other liabilities	1,069,339	624,571	2,321,558
Total liabilities	79,359,952	37,026,206	345,117,992
Net assets, at value	\$25,397,621,872	\$19,370,387,946	\$75,739,183,163
Net assets consist of:			
Paid-in capital	\$10,199,492,153	\$3,611,346,541	\$72,280,833,751
Total distributable earnings (losses)	15,198,129,719	15,759,041,405	3,458,349,412
Net assets, at value	\$25,397,621,872	\$19,370,387,946	\$75,739,183,163

Statements of Assets and Liabilities (continued)

September 30, 2024

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Class A:			
Net assets, at value	\$11,920,330,071	\$12,619,338,592	\$23,331,018,228
Shares outstanding	71,865,777	86,587,520	9,530,386,198
Net asset value per share ^{a,b}	\$165.87	\$145.74	\$2.45
Maximum offering price per share (net asset value per share + 94.50%, 94.50% and 96.25%, respectively) ^b	\$175.52	\$154.22	\$2.55
Class A1:			
Net assets, at value	\$—	\$—	\$30,981,935,944
Shares outstanding	—	—	12,627,528,291
Net asset value per share ^{a,b}	\$—	\$—	\$2.45
Maximum offering price per share (net asset value per share + —%, —% and 96.25%, respectively) ^b	\$—	\$—	\$2.55
Class C:			
Net assets, at value	\$947,544,242	\$355,424,223	\$4,549,814,703
Shares outstanding	7,197,380	2,909,245	1,817,492,767
Net asset value and maximum offering price per share ^{a,b}	\$131.65	\$122.17	\$2.50
Class R:			
Net assets, at value	\$268,318,726	\$305,785,992	\$334,157,329
Shares outstanding	1,692,166	2,128,594	139,600,878
Net asset value and maximum offering price per share ^b	\$158.57	\$143.66	\$2.39
Class R6:			
Net assets, at value	\$8,980,817,535	\$2,735,878,222	\$1,938,997,976
Shares outstanding	50,927,160	18,583,882	793,850,058
Net asset value and maximum offering price per share ^b	\$176.35	\$147.22	\$2.44
Advisor Class:			
Net assets, at value	\$3,280,611,298	\$3,353,960,917	\$14,603,258,983
Shares outstanding	18,893,844	22,772,209	6,011,153,805
Net asset value and maximum offering price per share ^b	\$173.63	\$147.28	\$2.43

^aRedemption price is equal to net asset value less contingent deferred sales charges, if applicable.^bNet asset value per share may not recalculate due to rounding.

Statements of Assets and Liabilities (continued)

September 30, 2024

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Assets:		
Investments in securities:		
Cost - Unaffiliated issuers	\$2,532,871,160	\$2,796,002,869
Cost - Non-controlled affiliates (Note 3f)	36,624,604	31,088,886
Value - Unaffiliated issuers	\$2,343,106,206	\$6,679,197,938
Value - Non-controlled affiliates (Note 3f)	36,624,604	31,088,886
Cash	—	3,514,360
Receivables:		
Investment securities sold	—	669,671
Capital shares sold	930,815	2,701,544
Dividends and interest	8,032,249	10,383,824
Total assets	2,388,693,874	6,727,556,223
Liabilities:		
Payables:		
Capital shares redeemed	2,083,385	3,731,582
Management fees	912,436	2,615,825
Distribution fees	305,331	831,268
Transfer agent fees	676,569	1,206,224
Trustees' fees and expenses	2,938	5,686
Accrued expenses and other liabilities	233,699	301,347
Total liabilities	4,214,358	8,691,932
Net assets, at value	\$2,384,479,516	\$6,718,864,291
Net assets consist of:		
Paid-in capital	\$3,463,413,337	\$2,438,776,636
Total distributable earnings (losses)	(1,078,933,821)	4,280,087,655
Net assets, at value	\$2,384,479,516	\$6,718,864,291

Statements of Assets and Liabilities (continued)

September 30, 2024

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Class A:		
Net assets, at value	\$592,335,521	\$1,386,488,300
Shares outstanding	114,067,256	56,192,848
Net asset value per share ^{a,b}	\$5.19	\$24.67
Maximum offering price per share (net asset value per share + 96.25%) ^b	\$5.39	\$25.63
Class A1:		
Net assets, at value	\$1,293,199,278	\$3,373,641,708
Shares outstanding	248,915,134	136,672,466
Net asset value per share ^{a,b}	\$5.20	\$24.68
Maximum offering price per share (net asset value per share + 96.25%) ^b	\$5.40	\$25.64
Class C:		
Net assets, at value	\$43,645,620	\$214,725,130
Shares outstanding	8,468,851	8,761,990
Net asset value and maximum offering price per share ^{a,b}	\$5.15	\$24.51
Class R:		
Net assets, at value	\$13,803,094	\$105,848,517
Shares outstanding	2,657,353	4,311,157
Net asset value and maximum offering price per share ^b	\$5.19	\$24.55
Class R6:		
Net assets, at value	\$186,048,322	\$271,796,530
Shares outstanding	35,644,137	10,892,347
Net asset value and maximum offering price per share ^b	\$5.22	\$24.95
Advisor Class:		
Net assets, at value	\$255,447,681	\$1,366,364,106
Shares outstanding	48,986,574	54,751,760
Net asset value and maximum offering price per share ^b	\$5.21	\$24.96

^aRedemption price is equal to net asset value less contingent deferred sales charges, if applicable.

^bNet asset value per share may not recalculate due to rounding.

Statements of Operations

for the year ended September 30, 2024

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Investment income:			
Dividends: (net of foreign taxes of \$1,078,847, \$1,185,967 and \$6,428,056, respectively)			
Unaffiliated issuers	\$79,879,946	\$146,141,768	\$532,655,348
Non-controlled affiliates (Note 3f and 10)	5,963,047	6,665,898	65,972,657
Interest:			
Unaffiliated issuers	—	—	2,807,209,354
Income from securities loaned:			
Unaffiliated entities (net of fees and rebates)	1,709,506	(54,195)	(506,916)
Non-controlled affiliates (Note 3f)	269,974	209,630	2,361,873
Other income (Note 1h)	—	—	1,600,403
Total investment income	87,822,473	152,963,101	3,409,292,719
Expenses:			
Management fees (Note 3a)	97,860,022	78,465,048	269,842,525
Distribution fees: (Note 3c)			
Class A	26,595,397	29,057,290	53,426,814
Class A1	—	—	45,138,062
Class C	8,945,811	3,525,973	30,223,583
Class R	1,246,652	1,453,269	1,582,443
Transfer agent fees: (Note 3e)			
Class A	11,342,453	10,746,287	15,718,827
Class A1	—	—	22,115,365
Class C	953,408	324,816	3,414,659
Class R	265,840	268,196	232,664
Class R6	1,311,594	456,550	388,036
Advisor Class	3,196,095	2,941,885	10,003,892
Custodian fees	180,953	88,322	490,798
Reports to shareholders fees	1,481,938	494,571	1,917,450
Registration and filing fees	147,117	127,935	657,416
Professional fees	115,583	126,879	335,892
Trustees' fees and expenses	267,782	209,975	872,261
Interest expense	—	—	8,077
Other	471,489	383,420	2,107,859
Total expenses	154,382,134	128,670,416	458,476,623
Expenses waived/paid by affiliates (Note 3f and 3g)	(452,427)	(476,364)	(4,817,743)
Net expenses	153,929,707	128,194,052	453,658,880
Net investment income (loss)	(66,107,234)	24,769,049	2,955,633,839

Statements of Operations (continued)

for the year ended September 30, 2024

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Realized and unrealized gains (losses):			
Net realized gain (loss) from:			
Investments:			
Unaffiliated issuers	1,135,811,242	1,430,881,010	631,301,473
Non-controlled affiliates (Note 3f and 10)	—	—	3,757,016
Written options	—	—	328,998,601
Foreign currency transactions	(561,781)	4,290	845,262
Futures contracts	—	—	(7,577,477)
Net realized gain (loss)	1,135,249,461	1,430,885,300	957,324,875
Net change in unrealized appreciation (depreciation) on:			
Investments:			
Unaffiliated issuers	6,965,773,529	3,820,878,300	7,895,073,054
Non-controlled affiliates (Note 3f and 10)	—	—	37,568,433
Translation of other assets and liabilities denominated in foreign currencies	47,670	2,127	2,117,693
Written options	—	—	(23,558,500)
Futures contracts	—	—	165,417,574
Net change in unrealized appreciation (depreciation).	6,965,821,199	3,820,880,427	8,076,618,254
Net realized and unrealized gain (loss)	8,101,070,660	5,251,765,727	9,033,943,129
Net increase (decrease) in net assets resulting from operations	\$8,034,963,426	\$5,276,534,776	\$11,989,576,968

Statements of Operations (continued)

for the year ended September 30, 2024

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Investment income:		
Dividends: (net of foreign taxes of \$— and \$777,927, respectively)		
Unaffiliated issuers	\$—	\$191,866,630
Non-controlled affiliates (Note 3f)	2,104,455	998,420
Interest:		
Unaffiliated issuers:		
Paydown gain (loss)	(8,142,759)	—
Paid in cash ^a	95,109,847	—
Total investment income	89,071,543	192,865,050
Expenses:		
Management fees (Note 3a)	11,220,540	26,251,842
Distribution fees: (Note 3c)		
Class A	1,508,846	2,939,497
Class A1	1,905,445	4,367,138
Class C	334,236	1,345,030
Class R	70,359	452,249
Transfer agent fees: (Note 3e)		
Class A	741,266	1,066,821
Class A1	1,625,916	2,642,354
Class C	62,886	188,851
Class R	17,317	82,123
Class R6	62,673	108,087
Advisor Class	315,978	1,049,734
Custodian fees	15,097	42,232
Reports to shareholders fees	137,740	235,840
Registration and filing fees	116,440	152,157
Professional fees	98,437	90,956
Trustees' fees and expenses	30,006	70,860
Interest expense	—	6,163
Other	68,666	112,089
Total expenses	18,331,848	41,204,023
Expenses waived/paid by affiliates (Note 3f and 3g)	(150,302)	(111,804)
Net expenses	18,181,546	41,092,219
Net investment income	70,889,997	151,772,831
Realized and unrealized gains (losses):		
Net realized gain (loss) from:		
Investments:		
Unaffiliated issuers	(70,876,389)	429,435,236
Foreign currency transactions	—	(24,195)
Net realized gain (loss)	(70,876,389)	429,411,041
Net change in unrealized appreciation (depreciation) on:		
Investments:		
Unaffiliated issuers	244,830,263	1,438,997,688
Translation of other assets and liabilities denominated in foreign currencies	—	81,587
Net change in unrealized appreciation (depreciation)	244,830,263	1,439,079,275
Net realized and unrealized gain (loss)	173,953,874	1,868,490,316
Net increase (decrease) in net assets resulting from operations	\$244,843,871	\$2,020,263,147

^aIncludes amortization of premium and accretion of discount.

Statements of Changes in Net Assets

	Franklin DynaTech Fund		Franklin Growth Fund	
	Year Ended September 30, 2024	Year Ended September 30, 2023	Year Ended September 30, 2024	Year Ended September 30, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$(66,107,234)	\$(40,586,737)	\$24,769,049	\$36,504,303
Net realized gain (loss)	1,135,249,461	(625,701,869)	1,430,885,300	1,015,622,488
Net change in unrealized appreciation (depreciation)	6,965,821,199	4,822,674,776	3,820,880,427	1,828,972,646
Net increase (decrease) in net assets resulting from operations.	8,034,963,426	4,156,386,170	5,276,534,776	2,881,099,437
Distributions to shareholders:				
Class A	—	—	(661,586,794)	(909,635,091)
Class C	—	—	(23,849,244)	(44,719,554)
Class R	—	—	(16,322,231)	(24,964,554)
Class R6	—	—	(154,945,909)	(198,355,706)
Advisor Class	—	—	(189,159,041)	(266,375,785)
Total distributions to shareholders	—	—	(1,045,863,219)	(1,444,050,690)
Capital share transactions: (Note 2)				
Class A	(369,330,890)	(337,773,209)	(177,186,610)	43,938,573
Class C	(129,077,207)	(106,526,277)	(56,298,623)	(105,822,260)
Class R	(28,342,862)	(23,054,438)	(18,812,341)	(16,786,530)
Class R6	(1,527,348,189)	(428,242,325)	13,294,459	(87,230,658)
Advisor Class	(253,787,168)	(311,526,640)	(259,760,424)	(62,355,424)
Total capital share transactions	(2,307,886,316)	(1,207,122,889)	(498,763,539)	(228,256,299)
Net increase (decrease) in net assets	5,727,077,110	2,949,263,281	3,731,908,018	1,208,792,448
Net assets:				
Beginning of year	19,670,544,762	16,721,281,481	15,638,479,928	14,429,687,480
End of year	\$25,397,621,872	\$19,670,544,762	\$19,370,387,946	\$15,638,479,928

Statements of Changes in Net Assets (continued)

	Franklin Income Fund		Franklin U.S. Government Securities Fund	
	Year Ended September 30, 2024	Year Ended September 30, 2023	Year Ended September 30, 2024	Year Ended September 30, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$2,955,633,839	\$2,897,504,972	\$70,889,997	\$70,388,010
Net realized gain (loss)	957,324,875	1,275,064,110	(70,876,389)	(11,489,373)
Net change in unrealized appreciation (depreciation)	8,076,618,254	1,374,899,174	244,830,263	(63,522,640)
Net increase (decrease) in net assets resulting from operations.	11,989,576,968	5,547,468,256	244,843,871	(4,624,003)
Distributions to shareholders:				
Class A.	(1,190,149,394)	(1,088,887,170)	(19,138,516)	(18,992,408)
Class A1	(1,712,071,733)	(1,829,113,474)	(43,307,752)	(45,747,379)
Class C.	(236,965,690)	(288,652,148)	(1,414,959)	(2,788,226)
Class R.	(17,206,302)	(16,524,734)	(410,373)	(418,094)
Class R6.	(104,069,107)	(89,382,048)	(7,036,685)	(6,525,019)
Advisor Class	(793,509,862)	(775,029,689)	(8,738,727)	(9,122,636)
Total distributions to shareholders	(4,053,972,088)	(4,087,589,263)	(80,047,012)	(83,593,762)
Capital share transactions: (Note 2)				
Class A.	1,254,763,903	2,570,603,933	(55,099,580)	(58,993,421)
Class A1	(1,968,610,500)	(1,352,914,020)	(158,843,724)	(182,231,037)
Class C.	(868,715,435)	(915,970,034)	(20,460,137)	(53,026,368)
Class R.	(722,250)	25,115,227	(1,204,497)	(850,366)
Class R6.	77,775,374	491,347,753	(31,811,163)	8,774,608
Advisor Class	160,288,613	1,081,950,846	(24,679,808)	(28,084,539)
Total capital share transactions	(1,345,220,295)	1,900,133,705	(292,098,909)	(314,411,123)
Net increase (decrease) in net assets	6,590,384,585	3,360,012,698	(127,302,050)	(402,628,888)
Net assets:				
Beginning of year	69,148,798,578	65,788,785,880	2,511,781,566	2,914,410,454
End of year	\$75,739,183,163	\$69,148,798,578	\$2,384,479,516	\$2,511,781,566

Statements of Changes in Net Assets (continued)

	Franklin Utilities Fund	
	Year Ended September 30, 2024	Year Ended September 30, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$151,772,831	\$155,707,445
Net realized gain (loss)	429,411,041	196,124,486
Net change in unrealized appreciation (depreciation)	1,439,079,275	(574,064,096)
Net increase (decrease) in net assets resulting from operations	2,020,263,147	(222,232,165)
Distributions to shareholders:		
Class A	(70,125,563)	(47,301,433)
Class A1	(176,666,126)	(123,955,611)
Class C	(12,011,262)	(9,576,816)
Class R	(5,206,975)	(3,775,562)
Class R6	(12,523,037)	(9,040,783)
Advisor Class	(72,177,774)	(54,549,649)
Total distributions to shareholders	(348,710,737)	(248,199,854)
Capital share transactions: (Note 2)		
Class A	(73,462,609)	14,298,922
Class A1	(225,366,785)	(241,581,831)
Class C	(61,134,193)	(67,137,551)
Class R	(9,431,911)	(6,763,361)
Class R6	20,052,851	(20,302,748)
Advisor Class	(102,143,870)	(154,018,141)
Total capital share transactions	(451,486,517)	(475,504,710)
Net increase (decrease) in net assets	1,220,065,893	(945,936,729)
Net assets:		
Beginning of year	5,498,798,398	6,444,735,127
End of year	\$6,718,864,291	\$5,498,798,398

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Franklin Custodian Funds (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of five separate funds (Funds). The Funds follow the accounting and reporting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, Financial Services – Investment Companies (ASC 946) and apply the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP), including, but not limited to, ASC 946. The classes of shares offered within each of the Funds are indicated below. Class C shares automatically convert to Class A shares on a monthly basis, after they have been held for 8 years. Each class of shares may differ by its initial sales load, contingent deferred sales charges, voting rights on matters affecting a single class, its exchange privilege and fees due to differing arrangements for distribution and transfer agent fees.

Class A, Class C, Class R, Class R6, & Advisor Class

Franklin DynaTech Fund
Franklin Growth Fund

Class A, Class A1, Class C, Class R, Class R6, & Advisor Class

Franklin Income Fund
Franklin U.S. Government Securities Fund
Franklin Utilities 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 calculate 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 Funds' investment manager as the valuation designee and has responsibility for oversight of valuation. The investment manager is assisted by the Funds' 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 derivative financial instruments 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. Eastern 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.

Debt securities generally trade in the 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 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.

Investments in open-end mutual funds are valued at the closing NAV.

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, and other relevant

1. Organization and Significant Accounting Policies

(continued)

a. Financial Instrument Valuation (continued)

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. Events can 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. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Funds' portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At September 30, 2024, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 within the fair value hierarchy (referred to as "market level fair value"). See the Fair Value Measurements note for more information.

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 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 do 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 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 Statements of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statements of Operations.

1. Organization and Significant Accounting Policies

(continued)

c. Derivative Financial Instruments (continued)

Collateral requirements differ by type of derivative. Collateral or initial margin requirements are set by the broker or exchange clearing house for exchange traded and centrally cleared derivatives. Initial margin deposited is held at the exchange and can be in the form of cash and/or securities.

Certain or all Funds entered into exchange traded futures contracts primarily to manage and/or gain exposure to interest rate 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. At September 30, 2024, the Funds had no futures contracts.

Certain or all Funds purchased or wrote exchange traded option contracts primarily to manage 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. At September 30, 2024, Franklin DynaTech Fund, Franklin Growth Fund, Franklin U.S. Government Securities Fund and Franklin Utilities Fund had no option contracts.

See Note 9 regarding other derivative information.

d. 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 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.

e. Securities Lending

Certain or all Funds participate in an agency based securities lending program to earn additional income. The Fund receives collateral in the form of cash and/or U.S. Government and Agency securities against the loaned securities in an amount equal to at least 102% of the fair value of the loaned securities. Collateral is maintained over the life of the loan in an amount not less than 100% of the fair value of loaned securities, as determined at the close of Fund business each day; any additional collateral required due to changes in security values is delivered to the Fund on the next business day. Any cash collateral received is deposited into a joint cash account with other funds and is used to invest in a money market fund managed by Franklin Advisers, Inc., an affiliate of the Funds. The Fund may receive income from the investment of cash collateral, in addition to lending fees paid by the borrower. Income from securities loaned, net of fees paid to the securities lending agent and/or third-party vendor, is reported separately in the Statements of Operations. The Fund bears the market risk with respect to any cash collateral investment, securities loaned, and the risk that the agent may default on its obligations to the Fund. If the borrower defaults on its obligation to return the securities loaned, the Fund has the right to repurchase the securities in the open market using the collateral received. The securities lending agent has agreed to indemnify the Fund in the event of default by a third party borrower. At September 30, 2024, Franklin U.S. Government Securities Fund and Franklin Utilities Fund had no securities on loan.

f. Business Development Companies

Certain or all Funds may invest in securities of closed-end investment companies that have elected to be treated as a business development company under the 1940 Act. The Funds may purchase a business development company to gain exposure to the securities in the underlying portfolio. The risks of owning a business development company

1. Organization and Significant Accounting Policies

(continued)

f. Business Development Companies (continued)

generally reflect the risks of owning the underlying securities. Business development companies have expenses that reduce their value.

g. 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 or the Secured Overnight Financing Rate (SOFR). 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.

h. Income and Deferred Taxes

It is each Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. Each Fund intends 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 invest. 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, certain or all Funds record an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

As a result of several court cases, in certain countries across the European Union, certain or all Funds filed additional tax reclaims for previously withheld taxes on dividends earned in those countries (EU reclaims). Income recognized, if any, for EU reclaims is reflected as other income in the Statements of Operations and any related receivable, if any, is reflected as European Union tax reclaims in the Statements of Assets

and Liabilities. Any fees associated with these filings are reflected in other expenses in the Statements of Operations. When uncertainty exists as to the ultimate resolution of these proceedings, the likelihood of receipt of these EU reclaims, and the potential timing of payment, no amounts are reflected in the financial statements. For U.S. income tax purposes, EU reclaims received by the Funds, if any, reduce the amount of foreign taxes Fund shareholders can use as tax deductions or credits on their income tax returns.

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 September 30, 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 Fund invests.

i. 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. Paydown gains and losses are recorded separately in the Statements of Operations. 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. Facility fees are recognized as income over the expected term of the loan. Dividend income is 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

1. Organization and Significant Accounting Policies

(continued)

i. Security Transactions, Investment Income, Expenses and Distributions (continued)

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 Fund to the combined net assets of the Trust or based on the ratio of number of shareholders of each Fund to the combined number of shareholders of the Trust. Fund specific expenses are charged directly to the Fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, excluding class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions by class are generally due to differences in class specific expenses.

j. Accounting Estimates

The preparation of financial statements 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

At September 30, 2024, there were an unlimited number of shares authorized (without par value). Transactions in the Funds' shares were as follows:

	Franklin DynaTech Fund		Franklin Growth Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended September 30, 2024				
Shares sold ^a	9,905,250	\$1,449,356,442	6,605,253	\$863,939,603
Shares issued in reinvestment of distributions	—	—	5,277,042	636,411,290
Shares redeemed	(12,507,008)	(1,818,687,332)	(12,820,200)	(1,677,537,503)
Net increase (decrease)	(2,601,758)	\$(369,330,890)	(937,905)	\$(177,186,610)
Year ended September 30, 2023				
Shares sold ^a	10,835,412	\$1,175,640,499	8,919,861	\$1,004,330,038
Shares issued in reinvestment of distributions	—	—	8,412,633	874,241,477
Shares redeemed	(14,127,682)	(1,513,413,708)	(16,309,554)	(1,834,632,942)
Net increase (decrease)	(3,292,270)	\$(337,773,209)	1,022,940	\$43,938,573
Class C Shares:				
Year ended September 30, 2024				
Shares sold	840,150	\$96,976,781	388,405	\$42,780,022
Shares issued in reinvestment of distributions	—	—	231,563	23,547,385
Shares redeemed ^a	(1,958,630)	(226,053,988)	(1,115,757)	(122,626,030)
Net increase (decrease)	(1,118,480)	\$(129,077,207)	(495,789)	\$(56,298,623)
Year ended September 30, 2023				
Shares sold	1,092,810	\$94,835,391	668,819	\$64,223,834
Shares issued in reinvestment of distributions	—	—	495,681	44,160,212
Shares redeemed ^a	(2,355,286)	(201,361,668)	(2,195,278)	(214,206,306)
Net increase (decrease)	(1,262,476)	\$(106,526,277)	(1,030,778)	\$(105,822,260)
Class R Shares:				
Year ended September 30, 2024				
Shares sold	186,994	\$26,603,709	306,228	\$39,484,635
Shares issued in reinvestment of distributions	—	—	136,869	16,301,129
Shares redeemed	(395,633)	(54,946,571)	(575,757)	(74,598,105)
Net increase (decrease)	(208,639)	\$(28,342,862)	(132,660)	\$(18,812,341)
Year ended September 30, 2023				
Shares sold	255,007	\$26,525,522	294,779	\$32,903,635
Shares issued in reinvestment of distributions	—	—	242,555	24,932,223
Shares redeemed	(472,660)	(49,579,960)	(668,878)	(74,622,388)
Net increase (decrease)	(217,653)	\$(23,054,438)	(131,544)	\$(16,786,530)

2. Shares of Beneficial Interest (continued)

	Franklin DynaTech Fund		Franklin Growth Fund	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Year ended September 30, 2024				
Shares sold	7,497,219	\$1,151,513,477	3,793,287	\$479,174,104
Shares issued in reinvestment of distributions	—	—	1,096,546	133,241,291
Shares redeemed	(17,501,439)	(2,678,861,666)	(4,505,619)	(599,120,936)
Net increase (decrease)	(10,004,220)	\$(1,527,348,189)	384,214	\$13,294,459
Year ended September 30, 2023				
Shares sold	13,862,160	\$1,552,849,083	2,621,003	\$298,026,426
Shares issued in reinvestment of distributions	—	—	1,715,972	179,878,131
Shares redeemed	(17,471,967)	(1,981,091,408)	(4,974,150)	(565,135,215)
Net increase (decrease)	(3,609,807)	\$(428,242,325)	(637,175)	\$(87,230,658)
Advisor Class Shares:				
Year ended September 30, 2024				
Shares sold	3,923,751	\$592,603,452	2,701,328	\$351,970,430
Shares issued in reinvestment of distributions	—	—	1,402,113	170,553,032
Shares redeemed	(5,591,300)	(846,390,620)	(5,949,779)	(782,283,886)
Net increase (decrease)	(1,667,549)	\$(253,787,168)	(1,846,338)	\$(259,760,424)
Year ended September 30, 2023				
Shares sold	4,935,450	\$549,668,851	3,710,821	\$417,749,821
Shares issued in reinvestment of distributions	—	—	2,262,495	237,226,372
Shares redeemed	(7,969,253)	(861,195,491)	(6,322,439)	(717,331,617)
Net increase (decrease)	(3,033,803)	\$(311,526,640)	(349,123)	\$(62,355,424)
	Franklin Income Fund		Franklin U.S. Government Securities Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended September 30, 2024				
Shares sold ^a	1,623,025,090	\$3,729,668,863	19,956,121	\$100,138,639
Shares issued in reinvestment of distributions	483,215,602	1,105,781,882	3,642,161	18,259,923
Shares redeemed	(1,559,664,856)	(3,580,686,842)	(34,652,630)	(173,498,142)
Net increase (decrease)	546,575,836	\$1,254,763,903	(11,054,348)	\$(55,099,580)
Year ended September 30, 2023				
Shares sold ^a	1,958,333,384	\$4,444,609,074	25,502,060	\$128,982,735
Shares issued in reinvestment of distributions	442,719,983	1,006,637,852	3,560,276	18,048,016
Shares redeemed	(1,270,723,185)	(2,880,642,993)	(40,571,399)	(206,024,172)
Net increase (decrease)	1,130,330,182	\$2,570,603,933	(11,509,063)	\$(58,993,421)

2. Shares of Beneficial Interest (continued)

	Franklin Income Fund		Franklin U.S. Government Securities Fund	
	Shares	Amount	Shares	Amount
Class A1 Shares:				
Year ended September 30, 2024				
Shares sold	338,496,229	\$779,919,152	11,161,551	\$54,955,522
Shares issued in reinvestment of distributions	686,846,136	1,572,895,912	7,843,198	39,340,251
Shares redeemed	(1,878,624,541)	(4,321,425,564)	(50,593,513)	(253,139,497)
Net increase (decrease)	(853,282,176)	\$(1,968,610,500)	(31,588,764)	\$(158,843,724)
Year ended September 30, 2023				
Shares sold	459,374,313	\$1,043,033,441	16,661,587	\$84,268,130
Shares issued in reinvestment of distributions	737,289,877	1,678,831,635	8,176,665	41,483,470
Shares redeemed	(1,793,735,206)	(4,074,779,096)	(60,580,369)	(307,982,637)
Net increase (decrease)	(597,071,016)	\$(1,352,914,020)	(35,742,117)	\$(182,231,037)
Class C Shares:				
Year ended September 30, 2024				
Shares sold	226,946,469	\$534,790,625	809,891	\$4,024,731
Shares issued in reinvestment of distributions	97,204,118	226,818,090	280,683	1,395,322
Shares redeemed ^a	(696,565,075)	(1,630,324,150)	(5,215,216)	(25,880,190)
Net increase (decrease)	(372,414,488)	\$(868,715,435)	(4,124,642)	\$(20,460,137)
Year ended September 30, 2023				
Shares sold	313,172,661	\$725,942,414	11,456,357	\$57,859,125
Shares issued in reinvestment of distributions	119,089,335	276,353,693	546,291	2,755,118
Shares redeemed ^a	(829,490,789)	(1,918,266,141)	(22,658,314)	(113,640,611)
Net increase (decrease)	(397,228,793)	\$(915,970,034)	(10,655,666)	\$(53,026,368)
Class R Shares:				
Year ended September 30, 2024				
Shares sold	21,555,768	\$48,554,144	516,633	\$2,601,567
Shares issued in reinvestment of distributions	7,645,419	17,104,999	81,592	409,389
Shares redeemed	(29,467,571)	(66,381,393)	(839,623)	(4,215,453)
Net increase (decrease)	(266,384)	\$(722,250)	(241,398)	\$(1,204,497)
Year ended September 30, 2023				
Shares sold	30,456,104	\$67,677,054	798,409	\$4,104,492
Shares issued in reinvestment of distributions	7,381,783	16,432,512	81,889	415,457
Shares redeemed	(26,586,799)	(58,994,339)	(1,056,206)	(5,370,315)
Net increase (decrease)	11,251,088	\$25,115,227	(175,908)	\$(850,366)

2. Shares of Beneficial Interest (continued)

	Franklin Income Fund		Franklin U.S. Government Securities Fund	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Year ended September 30, 2024				
Shares sold	155,231,833	\$356,689,747	8,866,106	\$44,796,960
Shares issued in reinvestment of distributions	41,510,339	94,701,337	1,372,278	6,911,076
Shares redeemed	(162,944,248)	(373,615,710)	(16,459,413)	(83,519,199)
Net increase (decrease)	33,797,924	\$77,775,374	(6,221,029)	\$(31,811,163)
Year ended September 30, 2023				
Shares sold	322,258,788	\$726,763,497	12,838,713	\$65,145,828
Shares issued in reinvestment of distributions	35,330,547	80,079,184	1,259,495	6,416,241
Shares redeemed	(139,602,997)	(315,494,928)	(12,294,254)	(62,787,461)
Net increase (decrease)	217,986,338	\$491,347,753	1,803,954	\$8,774,608
Advisor Class Shares:				
Year ended September 30, 2024				
Shares sold	1,116,282,538	\$2,547,389,010	11,637,393	\$58,704,481
Shares issued in reinvestment of distributions	323,285,841	733,871,342	1,535,297	7,727,882
Shares redeemed	(1,373,831,348)	(3,120,971,739)	(18,044,125)	(91,112,171)
Net increase (decrease)	65,737,031	\$160,288,613	(4,871,435)	\$(24,679,808)
Year ended September 30, 2023				
Shares sold	1,459,603,354	\$3,293,204,682	15,353,248	\$78,738,231
Shares issued in reinvestment of distributions	316,588,066	714,220,227	1,584,307	8,062,313
Shares redeemed	(1,301,500,962)	(2,925,474,063)	(22,516,109)	(114,885,083)
Net increase (decrease)	474,690,458	\$1,081,950,846	(5,578,554)	\$(28,084,539)
Franklin Utilities Fund				
	Shares	Amount		
Class A Shares:				
Year ended September 30, 2024				
Shares sold ^a	10,336,313	\$213,412,790		
Shares issued in reinvestment of distributions	3,182,719	62,334,936		
Shares redeemed	(17,235,021)	(349,210,335)		
Net increase (decrease)	(3,715,989)	\$(73,462,609)		
Year ended September 30, 2023				
Shares sold ^a	13,072,954	\$271,677,836		
Shares issued in reinvestment of distributions	1,986,664	42,069,637		
Shares redeemed	(14,408,448)	(299,448,551)		
Net increase (decrease)	651,170	\$14,298,922		

2. Shares of Beneficial Interest (continued)

	Franklin Utilities Fund	
	Shares	Amount
Class A1 Shares:		
Year ended September 30, 2024		
Shares sold	4,090,487	\$84,381,109
Shares issued in reinvestment of distributions	8,286,967	162,390,657
Shares redeemed	(23,320,953)	(472,138,551)
Net increase (decrease)	(10,943,499)	\$(225,366,785)
Year ended September 30, 2023		
Shares sold	5,639,347	\$116,568,550
Shares issued in reinvestment of distributions	5,353,956	113,432,565
Shares redeemed	(22,742,906)	(471,582,946)
Net increase (decrease)	(11,749,603)	\$(241,581,831)
Class C Shares:		
Year ended September 30, 2024		
Shares sold	933,552	\$19,051,482
Shares issued in reinvestment of distributions	605,981	11,698,798
Shares redeemed ^a	(4,552,107)	(91,884,473)
Net increase (decrease)	(3,012,574)	\$(61,134,193)
Year ended September 30, 2023		
Shares sold	1,302,789	\$27,051,481
Shares issued in reinvestment of distributions	439,989	9,300,965
Shares redeemed ^a	(5,010,140)	(103,489,997)
Net increase (decrease)	(3,267,362)	\$(67,137,551)
Class R Shares:		
Year ended September 30, 2024		
Shares sold	789,729	\$16,254,215
Shares issued in reinvestment of distributions	267,885	5,206,585
Shares redeemed	(1,547,130)	(30,892,711)
Net increase (decrease)	(489,516)	\$(9,431,911)
Year ended September 30, 2023		
Shares sold	1,136,867	\$23,573,767
Shares issued in reinvestment of distributions	178,708	3,775,361
Shares redeemed	(1,649,313)	(34,112,489)
Net increase (decrease)	(333,738)	\$(6,763,361)

2. Shares of Beneficial Interest (continued)

	Franklin Utilities Fund	
	Shares	Amount
Class R6 Shares:		
Year ended September 30, 2024		
Shares sold	3,872,115	\$80,683,727
Shares issued in reinvestment of distributions	626,051	12,481,125
Shares redeemed	(3,564,289)	(73,112,001)
Net increase (decrease)	933,877	\$20,052,851
Year ended September 30, 2023		
Shares sold	3,653,507	\$76,827,234
Shares issued in reinvestment of distributions	421,790	9,015,064
Shares redeemed	(5,046,545)	(106,145,046)
Net increase (decrease)	(971,248)	\$(20,302,748)
Advisor Class Shares:		
Year ended September 30, 2024		
Shares sold	10,492,073	\$221,066,535
Shares issued in reinvestment of distributions	3,442,832	68,273,041
Shares redeemed	(19,411,319)	(391,483,446)
Net increase (decrease)	(5,476,414)	\$(102,143,870)
Year ended September 30, 2023		
Shares sold	11,834,588	\$249,807,250
Shares issued in reinvestment of distributions	2,401,364	51,373,895
Shares redeemed	(21,605,799)	(455,199,286)
Net increase (decrease)	(7,369,847)	\$(154,018,141)

^aMay include a portion of Class C shares that were automatically converted to Class A.

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 Trust are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

3. Transactions with Affiliates (continued)**a. Management Fees**

Franklin Income Fund and Franklin Utilities Fund pay an investment management fee, calculated daily and paid monthly, to Advisers based on the month-end net assets of each of the Funds as follows:

Annualized Fee Rate	Net Assets
0.625%	Up to and including \$100 million
0.500%	Over \$100 million, up to and including \$250 million
0.450%	Over \$250 million, up to and including \$7.5 billion
0.440%	Over \$7.5 billion, up to and including \$10 billion
0.430%	Over \$10 billion, up to and including \$12.5 billion
0.420%	Over \$12.5 billion, up to and including \$15 billion
0.400%	Over \$15 billion, up to and including \$17.5 billion
0.380%	Over \$17.5 billion, up to and including \$20 billion
0.360%	Over \$20 billion, up to and including \$35 billion
0.355%	Over \$35 billion, up to and including \$50 billion
0.350%	Over \$50 billion, up to and including \$65 billion
0.345%	Over \$65 billion, up to and including \$80 billion
0.340%	In excess of \$80 billion

Franklin DynaTech Fund, Franklin Growth Fund and Franklin U.S. Government Securities Fund pay an investment management fee, calculated daily and paid monthly, to Advisers based on the month-end net assets of each of the Funds as follows:

Annualized Fee Rate	Net Assets
0.625%	Up to and including \$100 million
0.500%	Over \$100 million, up to and including \$250 million
0.450%	Over \$250 million, up to and including \$7.5 billion
0.440%	Over \$7.5 billion, up to and including \$10 billion
0.430%	Over \$10 billion, up to and including \$12.5 billion
0.420%	Over \$12.5 billion, up to and including \$15 billion
0.400%	Over \$15 billion, up to and including \$17.5 billion
0.380%	Over \$17.5 billion, up to and including \$20 billion
0.360%	Over \$20 billion, up to and including \$35 billion
0.355%	Over \$35 billion, up to and including \$50 billion
0.350%	In excess of \$50 billion

For the year ended September 30, 2024, each Fund's gross effective investment management fee rate based on average daily net assets was as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Gross effective investment management fee rate.	0.419%	0.435%	0.376%

3. Transactions with Affiliates (continued)

a. Management Fees (continued)

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Gross effective investment management fee rate.	0.458%	0.456%

b. Administrative Fees

Under an agreement with Advisers, FT Services provides administrative services to the Funds. The fee is paid by Advisers based on each of the Funds' average daily net assets, and is not an additional expense of the Funds.

c. Distribution Fees

The Board has adopted distribution plans for each share class, with the exception of Class R6 and Advisor Class shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Funds' Class A and A1 reimbursement distribution plans, the Funds reimburse Distributors for costs incurred in connection with the servicing, sale and distribution of each Fund's shares up to the maximum annual plan rate for each class. Under the Class A and A1 reimbursement distribution plans, costs exceeding the maximum for the current plan year cannot be reimbursed in subsequent periods. In addition, under the Funds' Class C and R compensation distribution plans, the Funds pay Distributors for costs incurred in connection with the servicing, sale and distribution of each Fund's shares up to the maximum annual plan rate for each class. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31 for each Fund.

The maximum annual plan rates, based on the average daily net assets, for each class, are as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Class A	0.25%	0.25%	0.25%
Class A1	—%	—%	0.15%
Class C	1.00%	1.00%	0.65%
Class R	0.50%	0.50%	0.50%

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Class A	0.25%	0.25%
Class A1	0.15%	0.15%
Class C	0.65%	0.65%
Class R	0.50%	0.50%

d. Sales Charges/Underwriting Agreements

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Funds. These charges are deducted from the proceeds of sales of fund shares prior to investment or from redemption proceeds prior to remittance, as applicable. Distributors has advised the Funds of the following commission transactions related to the sales and redemptions of the Funds' shares for the year:

3. Transactions with Affiliates (continued)**d. Sales Charges/Underwriting Agreements** (continued)

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Sales charges retained net of commissions paid to unaffiliated brokers/dealers	\$2,470,245	\$1,183,661	\$1,980,079
CDSC retained	\$121,794	\$47,712	\$1,163,838
	Franklin U.S. Government Securities Fund	Franklin Utilities Fund	
Sales charges retained net of commissions paid to unaffiliated brokers/dealers	\$18,209	\$66,014	
CDSC retained	\$17,403	\$48,871	

e. 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 based on a fixed margin earned by Investor Services and 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 paid to third parties 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 September 30, 2024, the Funds paid transfer agent fees as noted in the Statements of Operations of which the following amounts were retained by Investor Services:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Transfer agent fees	\$4,941,784	\$4,745,720	\$16,197,199
	Franklin U.S. Government Securities Fund	Franklin Utilities Fund	
Transfer agent fees	\$1,177,327	\$1,686,320	

f. 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 September 30, 2024, investments in affiliated management investment companies were as follows:

3. Transactions with Affiliates (continued)

f. Investments in Affiliated Management Investment Companies (continued)

	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
Franklin DynaTech Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$93,924,605	\$2,498,738,207	\$(2,372,055,190)	\$—	\$—	\$220,607,622	220,607,622	\$5,963,047
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$—	\$120,146,000	\$(100,659,000)	\$—	\$—	\$19,487,000	19,487,000	\$269,974
Total Affiliated Securities . . .	\$93,924,605	\$2,618,884,207	\$(2,472,714,190)	\$—	\$—	\$240,094,622		\$6,233,021
Franklin Growth Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$69,954,846	\$1,590,133,226	\$(1,527,706,212)	\$—	\$—	\$132,381,860	132,381,860	\$6,665,898
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$—	\$318,485,000	\$(315,400,000)	\$—	\$—	\$3,085,000	3,085,000	\$209,630
Total Affiliated Securities . . .	\$69,954,846	\$1,908,618,226	\$(1,843,106,212)	\$—	\$—	\$135,466,860		\$6,875,528
Franklin Income Fund								
Non-Controlled Affiliates								
								Dividends
Clarion Partners Real Estate Income Fund, Inc., Class I	\$94,020,602	\$—	\$—	\$—	\$(2,045,637)	\$91,974,965	7,867,833	\$6,325,738
Franklin BSP Real Estate Credit BDC	—	261,158,594	—	—	4,223,337	265,381,931	10,254,325	—
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	645,794,493	18,136,005,929	(18,483,630,147)	—	—	298,170,275	298,170,275	59,646,919
Total Non-Controlled Affiliates	\$739,815,095	\$18,397,164,523	\$(18,483,630,147)	\$—	\$2,177,700	\$655,527,171		\$65,972,657
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$—	\$493,619,000	\$(316,358,000)	\$—	\$—	\$177,261,000	177,261,000	\$2,361,873
Total Affiliated Securities . . .	\$739,815,095	\$18,890,783,523	\$(18,799,988,147)	\$—	\$2,177,700	\$832,788,171		\$68,334,530

3. Transactions with Affiliates (continued)

f. Investments in Affiliated Management Investment Companies (continued)

	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
Franklin U.S. Government Securities Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$67,238,754	\$468,266,690	\$(498,880,840)	\$—	\$—	\$36,624,604	36,624,604	\$2,104,455
Total Affiliated Securities . . .	\$67,238,754	\$468,266,690	\$(498,880,840)	\$—	\$—	\$36,624,604		\$2,104,455
Franklin Utilities Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.74%.	\$20,399,531	\$674,176,212	\$(663,486,857)	\$—	\$—	\$31,088,886	31,088,886	\$998,420
Total Affiliated Securities . . .	\$20,399,531	\$674,176,212	\$(663,486,857)	\$—	\$—	\$31,088,886		\$998,420

g. Waiver and Expense Reimbursements

Transfer agent fees on Class R6 shares of the Funds have been capped so that transfer agent fees for that class do not exceed 0.03% based on the average net assets of the class until January 31, 2025.

4. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains.

At September 30, 2024, the capital loss carryforwards were as follows:

	Franklin DynaTech Fund	Franklin Income Fund	Franklin U.S. Government Securities Fund
Capital loss carryforwards not subject to expiration:			
Short term	\$373,948,999	\$146,492,650	\$349,830,677
Long term	—	559,879,235	538,228,641
Total capital loss carryforwards	\$373,948,999	\$706,371,885	\$888,059,318

During the year ended September 30, 2024, the utilized capital loss carryforwards were as follows:

	Franklin DynaTech Fund	Franklin Income Fund
Capital loss utilized carryforwards	\$1,120,787,472	\$508,832,805

4. Income Taxes (continued)

The tax character of distributions paid during the years ended September 30, 2024 and 2023, was as follows:

	Franklin Growth Fund		Franklin Income Fund	
	2024	2023	2024	2023
Distributions paid from:				
Ordinary income	\$43,048,616	\$9,174,871	\$4,053,972,088	\$4,087,589,263
Long term capital gain	1,002,814,603	1,434,875,819	—	—
	\$1,045,863,219	\$1,444,050,690	\$4,053,972,088	\$4,087,589,263

	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	2024	2023	2024	2023
Distributions paid from:				
Ordinary income	\$80,047,012	\$83,593,762	\$139,816,446	\$151,418,612
Long term capital gain	—	—	208,894,291	96,781,242
	\$80,047,012	\$83,593,762	\$348,710,737	\$248,199,854

At September 30, 2024, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long term capital gains for income tax purposes were as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Cost of investments	\$9,804,055,792	\$4,939,253,798	\$71,019,004,803
Unrealized appreciation.	\$15,630,293,135	\$14,587,892,495	\$5,627,291,242
Unrealized depreciation.	(6,928,668)	(142,358,126)	(1,503,948,087)
Net unrealized appreciation (depreciation).	\$15,623,364,467	\$14,445,534,369	\$4,123,343,155
Distributable earnings:			
Undistributed ordinary income.	\$—	\$16,508,568	\$26,826,626
Undistributed long term capital gains	—	1,296,997,459	—
Total distributable earnings	\$—	\$1,313,506,027	\$26,826,626

	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Cost of investments	\$2,571,149,448	\$2,826,457,859
Unrealized appreciation.	\$12,528,231	\$3,889,116,612
Unrealized depreciation.	(203,946,869)	(5,287,647)
Net unrealized appreciation (depreciation).	\$(191,418,638)	\$3,883,828,965
Distributable earnings:		
Undistributed ordinary income.	\$544,135	\$24,414,681
Undistributed long term capital gains	—	371,880,274
Total distributable earnings	\$544,135	\$396,294,955

4. Income Taxes (continued)

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of wash sales, paydown losses, bond discounts and premiums, corporate actions, equity-linked securities and net operating losses.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended September 30, 2024, were as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Purchases	\$2,756,299,137	\$1,311,741,101	\$34,881,267,198
Sales	\$5,202,591,422	\$2,844,828,863	\$36,055,015,883
	Franklin U.S. Government Securities Fund	Franklin Utilities Fund	
Purchases	\$743,511,500	\$392,079,664	
Sales	\$1,005,805,511	\$1,038,783,850	

At September 30, 2024, in connection with securities lending transactions, certain or all Funds loaned investments and received cash collateral as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Securities lending transactions^a:			
Equity investments ^b	\$19,487,000	\$3,085,000	\$177,261,000

^aThe agreements can be terminated at any time.

^bThe gross amount of recognized liability for such transactions is included in payable upon return of securities loaned in the Statements of Assets and Liabilities.

6. Credit Risk

At September 30, 2024, Franklin Income Fund had 22.8% of its portfolio invested in high yield or other securities rated below investment grade and unrated securities. 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.

7. Restricted Securities

Certain or all Funds invest in securities that are restricted under the Securities Act of 1933 (1933 Act). Restricted securities are often purchased in private placement transactions, and cannot be sold without prior registration unless the sale is pursuant to an exemption under the 1933 Act. Disposal of these securities may require greater effort and expense, and prompt sale at an acceptable price may be difficult. The Funds may have registration rights for restricted securities. The issuer generally incurs all registration costs.

7. Restricted Securities (continued)

At September 30, 2024, investments in restricted securities, excluding securities exempt from registration under the 1933 Act, were as follows:

Shares	Issuer	Acquisition Date	Cost	Value
Franklin Growth Fund				
1,150,134	Anduril Industries, Inc., F	7/17/24	\$25,000,003	\$25,000,003
2,353	Canva, Inc., A	11/08/21	4,011,298	2,884,066
94	Canva, Inc., A-3	11/08/21	160,247	115,216
8	Canva, Inc., A-4	11/08/21	13,638	9,806
5	Canva, Inc., A-5	11/08/21	8,524	6,128
25,413	Canva, Inc., B	11/08/21	43,323,040	31,148,647
96,603	Checkout Payments Group Ltd., B	1/11/22	30,000,062	8,855,741
822,494	Gusto, Inc., E	7/13/21	24,999,977	26,007,722
849,894	OneTrust LLC, C	4/01/21	16,666,676	14,987,106
540,043	Stripe, Inc., B	5/18/21	21,671,052	14,879,583
1,759,545	Stripe, Inc., I	3/15/23 - 5/08/23	35,426,925	48,480,020
Total Restricted Securities (Value is 0.9% of Net Assets).			\$201,281,442	\$172,374,038

8. Unfunded Capital Commitments

Certain or all Funds enter into certain capital commitments and may be obligated to perform on such agreements at a future date. The Fund monitors these commitments and assesses the probability of required performance. For any agreements whose probability of performance is determined to be greater than remote, the Fund assesses the fair value of the commitment. In instances where the probability of performance is greater than remote and the performance under the commitment would result in a material unrealized loss, the Fund recognizes such losses in the Statements of Assets and Liabilities and the Statements of Operations.

At September 30, 2024, Franklin Income Fund had an unfunded capital commitment with a maximum amount of \$238,841,406, for which no depreciation has been recognized.

9. Other Derivative Information

At September 30, 2024, investments in derivative contracts are reflected in the Statements of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Franklin Income Fund				
Equity contracts				
	Investments in securities, at value	\$—	Options written, at value	\$57,067,500
Total		\$—		\$57,067,500

9. Other Derivative Information (continued)

For the year ended September 30, 2024, the effect of derivative contracts in the Statements of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Location	Net Realized Gain (Loss) for the Year	Statement of Operations Location	Net Change in Unrealized Appreciation (Depreciation) for the Year
Franklin Income Fund				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts				
	Futures contracts	\$(7,577,477)	Futures contracts	\$165,417,574
Equity contracts				
	Written options	328,998,601	Written options	(23,558,500)
Total		<u>\$321,421,124</u>		<u>\$141,859,074</u>

For the year ended September 30, 2024, the average month end notional amount of futures contracts and options represented \$3,753,551,683 and \$50,113,962, respectively.

See Note 1(c) regarding derivative financial instruments.

10. Holdings of 5% Voting Securities of Portfolio Companies

The 1940 Act defines "affiliated companies" to include investments in portfolio companies in which a fund owns 5% or more of the outstanding voting securities. Additionally, 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 companies' outstanding shares or has the power to exercise control over management or policies of such company. During the year ended September 30, 2024, investments in "affiliated 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
Franklin Growth Fund								
Non-Controlled Affiliates								
								Dividends
OneTrust LLC, C	\$12,730,065	\$—	\$—	\$—	\$— ^a	\$— ^a	— ^a	\$—
Total Affiliated Securities (Value is —% of Net Assets)	<u>\$12,730,065</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>		<u>\$—</u>
Franklin Income Fund								
Non-Controlled Affiliates								
								Dividends
Endo, Inc.	—	78,869,792 ^b	—	—	35,390,733	114,260,525	4,484,322	—
Endo, Inc., Escrow Account	—	—	(3,757,016)	3,757,016	—	—	307,256,000	—
Total Affiliated Securities (Value is 0.2% of Net Assets)	<u>\$—</u>	<u>\$78,869,792</u>	<u>\$(3,757,016)</u>	<u>\$3,757,016</u>	<u>\$35,390,733</u>	<u>\$114,260,525</u>		<u>\$—</u>

10. Holdings of 5% Voting Securities of Portfolio Companies (continued)

^aAs of September 30, 2024, no longer an affiliate.

^bMay include accretion, amortization, and/or other cost basis adjustments.

11. 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 shall, in addition to interest charged on any borrowings made by the Funds and other costs incurred by the Funds, pay 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 all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statements of Operations. During the year ended September 30, 2024, the Funds did not use the Global Credit Facility.

12. 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 September 30, 2024, in valuing the Funds' assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin DynaTech Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$369,630,000	\$—	\$—	\$369,630,000
Automobiles	353,200,500	—	—	353,200,500
Banks	6,825,000	—	—	6,825,000
Biotechnology	264,034,250	54,073,875	—	318,108,125
Broadline Retail	2,273,692,000	—	—	2,273,692,000
Capital Markets	362,248,250	—	—	362,248,250
Communications Equipment	107,469,600	—	—	107,469,600
Construction & Engineering	208,705,000	—	—	208,705,000
Diversified Consumer Services	28,202,000	—	—	28,202,000
Electrical Equipment	9,949,000	—	—	9,949,000

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin DynaTech Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Electronic Equipment, Instruments & Components	\$90,972,000	\$47,922,883	\$—	\$138,894,883
Energy Equipment & Services	93,807,500	—	—	93,807,500
Entertainment	53,890,000	—	—	53,890,000
Financial Services	1,114,410,000	—	—	1,114,410,000
Ground Transportation	225,480,000	—	—	225,480,000
Health Care Equipment & Supplies	882,839,500	—	—	882,839,500
Health Care Providers & Services	157,861,000	—	—	157,861,000
Health Care Technology	10,493,500	49,240,948	—	59,734,448
Hotels, Restaurants & Leisure	305,575,800	—	—	305,575,800
Interactive Media & Services	2,305,830,000	—	—	2,305,830,000
IT Services	452,099,249	—	—	452,099,249
Life Sciences Tools & Services	830,750,920	—	—	830,750,920
Media	10,965,000	—	—	10,965,000
Pharmaceuticals	758,224,750	—	—	758,224,750
Professional Services	26,796,000	—	—	26,796,000
Semiconductors & Semiconductor Equipment	6,495,015,000	131,963,826	—	6,626,978,826
Software	6,508,374,286	—	—	6,508,374,286
Technology Hardware, Storage & Peripherals	582,500,000	—	—	582,500,000
Trading Companies & Distributors	14,284,000	—	—	14,284,000
Warrants	—	—	— ^a	—
Short Term Investments	240,094,622	—	—	240,094,622
Total Investments in Securities	\$25,144,218,727	\$283,201,532 ^b	\$—	\$25,427,420,259
Franklin Growth Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	824,633,477	—	—	824,633,477
Beverages	458,991,793	—	—	458,991,793
Biotechnology	347,740,545	—	—	347,740,545
Broadline Retail	845,774,975	—	—	845,774,975
Building Products	384,791,776	—	—	384,791,776
Capital Markets	913,837,960	—	—	913,837,960
Chemicals	608,983,203	—	—	608,983,203
Commercial Services & Supplies	123,877,911	—	—	123,877,911
Construction Materials	179,989,185	—	—	179,989,185
Consumer Staples Distribution & Retail	224,687,608	—	—	224,687,608
Electric Utilities	216,011,850	—	—	216,011,850
Electrical Equipment	261,057,372	—	—	261,057,372
Electronic Equipment, Instruments & Components	321,410,171	—	—	321,410,171
Financial Services	754,191,073	—	—	754,191,073
Ground Transportation	586,471,718	—	—	586,471,718
Health Care Equipment & Supplies	720,234,196	—	—	720,234,196
Health Care Providers & Services	258,729,670	—	—	258,729,670
Health Care Technology	85,797,584	—	—	85,797,584
Hotels, Restaurants & Leisure	333,949,108	—	—	333,949,108
Industrial REITs	106,188,852	—	—	106,188,852
Interactive Media & Services	742,647,503	—	—	742,647,503
IT Services	350,714,507	—	31,148,647	381,863,154
Life Sciences Tools & Services	1,029,655,694	—	—	1,029,655,694
Machinery	703,157,040	—	—	703,157,040
Pharmaceuticals	568,735,770	—	—	568,735,770

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Growth Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Professional Services	\$76,876,120	\$—	\$—	\$76,876,120
Semiconductors & Semiconductor Equipment	2,477,493,771	—	—	2,477,493,771
Software	3,246,300,723	—	23,735,324	3,270,036,047
Technology Hardware, Storage & Peripherals	764,191,769	—	—	764,191,769
Textiles, Apparel & Luxury Goods	155,366,182	—	—	155,366,182
Trading Companies & Distributors	186,071,454	—	—	186,071,454
Water Utilities	84,814,374	—	—	84,814,374
Convertible Preferred Stocks	—	—	117,490,067	117,490,067
Preferred Stocks	—	133,572,335	—	133,572,335
Short Term Investments	135,466,860	—	—	135,466,860
Total Investments in Securities	\$19,078,841,794	\$133,572,335 ^c	\$172,374,038	\$19,384,788,167
Franklin Income Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	997,842,000	—	—	997,842,000
Air Freight & Logistics	204,510,000	—	—	204,510,000
Banks	1,395,910,209	—	—	1,395,910,209
Beverages	1,065,830,000	—	—	1,065,830,000
Biotechnology	161,105,000	—	—	161,105,000
Chemicals	555,480,000	—	—	555,480,000
Communications Equipment	393,561,900	—	—	393,561,900
Containers & Packaging	48,850,000	—	—	48,850,000
Diversified Telecommunication Services	224,550,000	—	—	224,550,000
Electric Utilities	2,196,748,417	—	—	2,196,748,417
Energy Equipment & Services	101,675,000	—	—	101,675,000
Ground Transportation	431,340,000	—	—	431,340,000
Health Care Equipment & Supplies	237,065,000	—	—	237,065,000
Health Care Providers & Services	314,400,000	—	—	314,400,000
Household Products	866,000,000	—	—	866,000,000
Industrial Conglomerates	310,065,000	—	—	310,065,000
IT Services	165,810,000	—	—	165,810,000
Machinery	78,621,000	—	—	78,621,000
Media	167,080,000	—	—	167,080,000
Metals & Mining	249,095,000	70,533,101	—	319,628,101
Multi-Utilities	539,840,000	—	—	539,840,000
Oil, Gas & Consumable Fuels	2,908,631,460	—	—	2,908,631,460
Pharmaceuticals	2,081,620,525	—	—	2,081,620,525
Semiconductors & Semiconductor Equipment	144,791,500	—	—	144,791,500
Specialty Retail	603,059,160	—	—	603,059,160
Technology Hardware, Storage & Peripherals	877,196	—	—	877,196
Tobacco	364,200,000	—	—	364,200,000
Management Investment Companies:				
Capital Markets	91,974,965	—	265,381,931	357,356,896
Equity-Linked Securities	—	14,569,948,433	—	14,569,948,433
Convertible Preferred Stocks:				
Chemicals	247,500,000	—	—	247,500,000
Electric Utilities	138,625,000	—	—	138,625,000

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Income Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Convertible Preferred Stocks:				
Financial Services	\$—	\$52,152,000	\$—	\$52,152,000
Preferred Stocks	17,120,000	—	—	17,120,000
Convertible Bonds	—	52,325,000	—	52,325,000
Corporate Bonds	—	34,288,448,565	—	34,288,448,565
Senior Floating Rate Interests	—	34,971,825	—	34,971,825
U.S. Government and Agency Securities	—	7,012,569,337	—	7,012,569,337
Asset-Backed Securities	—	102,870,820	—	102,870,820
Mortgage-Backed Securities	—	971,004,839	—	971,004,839
Escrows and Litigation Trusts	—	—	— ^a	—
Short Term Investments	475,431,275	—	—	475,431,275
Total Investments in Securities	\$17,779,209,607	\$57,154,823,920 ^d	\$265,381,931	\$75,199,415,458
Liabilities:				
Other Financial Instruments:				
Options Written	\$57,067,500	\$—	\$—	\$57,067,500
Total Other Financial Instruments	\$57,067,500	\$—	\$—	\$57,067,500
Franklin U.S. Government Securities Fund				
Assets:				
Investments in Securities: ^e				
U.S. Government and Agency Securities	—	82,355,645	—	82,355,645
Mortgage-Backed Securities	—	2,260,750,561	—	2,260,750,561
Short Term Investments	36,624,604	—	—	36,624,604
Total Investments in Securities	\$36,624,604	\$2,343,106,206	\$—	\$2,379,730,810
Franklin Utilities Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Construction & Engineering	2,942,820	—	—	2,942,820
Electric Utilities	3,897,821,905	—	—	3,897,821,905
Gas Utilities	97,894,203	—	—	97,894,203
Independent Power and Renewable Electricity Producers	361,894,000	94,714,290	—	456,608,290
Multi-Utilities	1,669,130,166	237,143,816	—	1,906,273,982
Oil, Gas & Consumable Fuels	254,901,000	—	—	254,901,000
Water Utilities	34,713,000	28,042,738	—	62,755,738
Short Term Investments	31,088,886	—	—	31,088,886
Total Investments in Securities	\$6,350,385,980	\$359,900,844 ^f	\$—	\$6,710,286,824

^aIncludes financial instruments determined to have no value.^bIncludes foreign securities valued at \$283,201,532, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.^cIncludes foreign securities valued at \$133,572,335, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.^dIncludes foreign securities valued at \$70,533,101, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.^eFor detailed categories, see the accompanying Schedule of Investments.^fIncludes foreign securities valued at \$359,900,844, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

A reconciliation in which Level 3 inputs are used in determining fair value is presented when there are significant Level 3 assets and/or liabilities at the beginning and/or end of the year.

13. Subsequent Events

The Funds have evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

Abbreviations

Selected Portfolio

ADR	American Depositary Receipt
BDC	Business Development Company
CME	Chicago Mercantile Exchange
FHLMC	Federal Home Loan Mortgage Corp.
FNMA	Federal National Mortgage Association
FRN	Floating Rate Note
GNMA	Government National Mortgage Association
PIK	Payment-In-Kind
REIT	Real Estate Investment Trust
SOFR	Secured Overnight Financing Rate

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Custodian Funds and Shareholders of Franklin DynaTech Fund, Franklin Growth Fund, Franklin Income Fund, Franklin U.S. Government Securities Fund and Franklin Utilities Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Franklin DynaTech Fund, Franklin Growth Fund, Franklin Income Fund, Franklin U.S. Government Securities Fund and Franklin Utilities Fund (constituting Franklin Custodian Funds, hereafter collectively referred to as the "Funds") as of September 30, 2024, the related statements of operations for the year ended September 30, 2024, the statements of changes in net assets for each of the two years in the period ended September 30, 2024, including the related notes, and the financial highlights for each of the five years in the period ended September 30, 2024 (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 September 30, 2024, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended September 30, 2024 and each of the financial highlights for each of the five years in the period ended September 30, 2024 in conformity with accounting principles generally accepted in the United States of America.

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 September 30, 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.

/s/PricewaterhouseCoopers LLP

San Francisco, California
November 18, 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 income earned and distributions paid during its 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 September 30, 2024:

	Pursuant to:	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	—	\$1,078,333,464	—
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	\$69,118,408	\$126,741,754	\$477,312,301
Qualified Dividend Income Earned (QDI)	§854(b)(1)(B)	\$78,937,949	\$144,676,665	\$532,267,511
Qualified Net Interest Income (QII)	§871(k)(1)(C)	—	—	\$2,179,170,594
Short-Term Capital Gain Dividends Distributed	§871(k)(2)(C)	—	\$970,566	—
Qualified Business Income Dividends Earned	§199A	—	\$779,631	—
Section 163(j) Interest Dividends Earned	§163(j)	—	—	\$2,499,701,498
Interest Earned from Federal Obligations	Note (1)	—	—	\$342,730,867

	Pursuant to:	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	—	\$234,658,907
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	—	\$186,967,714
Qualified Dividend Income Earned (QDI)	§854(b)(1)(B)	—	\$200,895,696
Qualified Net Interest Income (QII)	§871(k)(1)(C)	\$80,578,089	—
Section 163(j) Interest Dividends Earned	§163(j)	\$80,578,089	—
Interest Earned from Federal Obligations	Note (1)	\$1,710,101	—

Note (1) - The Law varies in each state as to whether and what percentage of dividend income attributable to Federal obligations is exempt from state income tax. Shareholders are advised to consult with their tax advisors to determine if any portion of the dividends received is exempt from state income taxes.

Changes In and Disagreements with Accountants

For the period covered by this report

Not applicable.

Results of Meeting(s) of Shareholders

For the period covered by this report

Not applicable.

Remuneration Paid to Directors, Officers and Others

For the period covered by this report

Refer to the financial statements included herein.

Board Approval of Management and Subadvisory Agreements

For the period covered by this report

FRANKLIN CUSTODIAN FUNDS

Franklin DynaTech Fund
Franklin Growth Fund
Franklin Income Fund
Franklin U.S. Government Securities Fund
Franklin Utilities Fund
 (each a Fund)

At an in-person meeting held on April 16, 2024 (Meeting), the Board of Trustees (Board) of Franklin Custodian Funds (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 agreement between Franklin Advisers, Inc. (Manager) and the Trust, on behalf of each Fund (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.

In considering the continuation of each 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 also reviewed and considered information provided in response to a detailed set of requests for information submitted to the 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 first conferred amongst themselves and Independent Trustee counsel about contract renewal matters, and then met with management to request additional information that the Independent Trustees reviewed and considered prior to and 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 the 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, through the exercise of its business judgment, that the terms of the Management Agreement are fair and reasonable and that the continuance of the 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 the 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 the 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 and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager and its affiliates; and management fees charged by the Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board also reviewed and considered an annual report on payments made by Franklin Templeton (FT) or the Funds to financial intermediaries, as well as a memorandum relating to third-party servicing arrangements. The Board acknowledged the ongoing integration of the Putnam family of funds into the FT family of funds and management's continued development of strategies to address areas of heightened concern in the mutual fund industry, including various regulatory initiatives and continuing geopolitical concerns.

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 Manager's parent, and its commitment to the mutual fund business as evidenced by its continued reassessment of the fund offerings in response to FT acquisitions and the market environment, as well as 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 technological innovation and advancement, including its initiative to create a new enterprise-wide artificial intelligence platform.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by the Manager and its affiliates to the Funds and their shareholders.

Fund Performance

The Board reviewed and considered the performance results of each Fund over various time periods ended December 31, 2023. The Board considered the performance returns for each Fund in comparison to the performance returns of mutual 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 mutual funds included in a Performance Universe. The Board further reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. A summary of each Fund's performance results is below.

Franklin DynaTech Fund - The Performance Universe for the Fund included the Fund and all retail and institutional multi-cap growth funds. The Board noted that the Fund's annualized total return for the one-, five- and 10-year periods was above the median and in the first (best) and second quintiles of its Performance Universe, but for the three-year period was below the median of its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Franklin Growth Fund - The Performance Universe for the Fund included the Fund and all retail and institutional multi-cap growth funds. The Board noted that the Fund's annualized total return for the three-, five- and 10-year periods was above the median of its Performance Universe, but for the one-year period was below the median of its Performance Universe. The Board further noted that the annualized total return for the one-year period was 27.66%. The Board concluded that the Fund's performance was satisfactory.

Franklin Income Fund and Franklin Utilities Fund - The Performance Universe for the Franklin Income Fund included the Fund and all retail and institutional flexible portfolio funds. The Performance Universe for the Franklin Utilities Fund included the Fund and all retail and institutional utility funds. The Board noted that each Fund's annualized income return for the one-, three-, five- and 10-year periods was above the median of its respective Performance Universe and, for the Franklin Income Fund, in the first quintile (best). The Board also noted that each Fund's annualized total return for the three-, five- and 10-year periods was above the median of its respective Performance Universe, but for the one-year period was below the median of its respective Performance Universe. The Board further noted management's view regarding the income-related attributes of each Fund (e.g., a fund's investment objective) as set forth in each Fund's registration statement and that the evaluation of each Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that each Fund's performance was satisfactory.

Franklin U.S. Government Securities Fund - The Performance Universe for the Fund included the Fund and all retail and institutional Government National Mortgage Association (Ginnie Mae) funds. The Board noted that the Fund's annualized income return for the three-, five- and 10-year periods was above the median of its Performance Universe, but for the one-year period was below the median of its Performance Universe. The Board further noted that the Fund's annualized total return for the three-year period was above the median of its Performance Universe, but for the one-, five- and 10-year periods was below the median of its Performance Universe. The Board also noted the Fund's conservative policy of investing substantially all of its assets in Ginnie Mae obligations and that, although below the median, the Fund had a positive annualized income return of 3.15% and a positive annualized total return of 4.37% for the one-year period. The Board further noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Fund's performance was satisfactory.

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 also noted the quarterly and annual reports it receives on all marketing support payments made by FT to financial intermediaries. 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 mutual 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, and the actual total expense ratio, for comparative consistency, was shown for Class A shares for the Franklin DynaTech Fund and Franklin Growth Fund and for each other fund in the applicable Expense Group. The actual expense ratio was shown for Class A1 shares for the Franklin Income Fund and for Class A shares and Class M shares for the other funds in the Fund's Expense Group. The actual total expense ratio was shown for Class A1 shares for the Franklin U.S. Government Securities Fund and Franklin Utilities Fund and for Class A shares for each other fund in the applicable Expense Group. The Board received a description of the methodology used by Broadridge to select the mutual funds included in an Expense Group.

Franklin DynaTech Fund, Franklin Growth Fund, Franklin Income Fund and Franklin Utilities Fund - The Expense Group for the Franklin DynaTech Fund included the Fund and 14 other multi-cap growth funds. The Expense Group for the Franklin Growth Fund included the Fund and 12 other multi-cap growth funds. The Expense Group for the Franklin Income Fund included the Fund and 12 other flexible portfolio funds. The Expense Group for the Franklin Utilities Fund included the Fund and six other utility funds. The Board noted that the Management Rates and actual total expense ratios for the Funds were below the medians and in the first quintile (least expensive) of their respective Expense Groups. The Board concluded that the Management Rates charged to the Funds are reasonable.

Franklin U.S. Government Securities Fund - The Expense Group for the Fund included the Fund, three other Ginnie Mae funds and four US mortgage funds. The Board noted that the Management Rate for the Fund was essentially equal to the median of its Expense Group. The Board also noted that the actual total expense ratio for the Fund was below the median and in the first quintile (least expensive) of its Expense Group. 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 the Manager and its affiliates in connection with the operation of each Fund. In this respect, the Board considered the Fund profitability analysis provided by the Manager 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, 2023, 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 an independent registered public accounting firm has been engaged by the Manager 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 mutual fund operations conducted by the 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 the 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 the 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 the 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 the 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, 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 the Manager'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 Manager incurs across the FT family of funds as a whole. The Board further noted that the Franklin DynaTech Fund and

Franklin Growth Fund experienced a significant decrease in assets and would not be expected to demonstrate additional economies of scale in the near term. The Board concluded that to the extent economies of scale may be realized by the Manager and its affiliates, each Fund's management fee structure provided a sharing of benefits with the Fund and its shareholders as the Fund grows.

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.



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