FRANKLIN TEMPLETON

Franklin Small Cap Value Fund

Advisor Class: FVADX Class A: FRVLX Class C: FRVFX Class R: FVFRX Class R6: FRCSX | **Value** | Factsheet as of September 30, 2026

Investment Overview

The fund seeks long-term total return by investing at least 80% of its net assets in investments of small-capitalization companies, which are those with market capitalizations not exceeding either the highest market capitalization of the Russell 2000 Index or the 12-month average of the highest market capitalization in the Russell 2000 Index, whichever is greater at the time of purchase.

Average Annual Total Returns (%)

	Without Sales Charges					With Sales Charges					Inception
	1-Yr	3-Yr	5-Yr	10-Yr	Inception	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Date
Advisor Class	17.76	15.62	8.16	9.62	9.65	17.76	15.62	8.16	9.62	9.65	3/11/1996
Class A	17.47	15.33	7.89	9.35	9.30	11.01	13.17	6.68	8.73	9.10	3/11/1996
Class C	16.62	14.48	7.09	8.53	8.38	15.62	14.48	7.09	8.53	8.38	9/3/1996
Class R	17.18	15.04	7.62	9.07	9.07	17.18	15.04	7.62	9.07	9.07	3/11/1996
Class R6	17.92	15.78	8.31	9.79	9.90	17.92	15.78	8.31	9.79	9.90	3/11/1996
Benchmark	20.77	17.92	7.80	9.40	—	20.77	17.92	7.80	9.40	—	—

Cumulative Total Returns (% Without Sales Charge)

	3-Mo	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Advisor Class	-5.32	14.79	7.55	11.60	13.16	-9.97	25.80	5.66	26.37	-12.50	10.96	29.90
Class A	-5.38	14.56	7.31	11.31	12.89	-10.20	25.47	5.39	26.04	-12.68	10.63	29.59
Class C	-5.55	13.94	6.50	10.48	12.05	-10.86	24.53	4.57	25.11	-13.32	9.81	28.63
Class R	-5.44	14.37	7.01	11.04	12.60	-10.42	25.16	5.11	25.72	-12.89	10.36	29.24
Class R6	-5.28	14.91	7.67	11.75	13.33	-9.85	25.97	5.83	26.59	-12.30	11.12	30.19
Benchmark	-4.91	16.96	12.59	8.05	14.65	-14.48	28.27	4.63	22.39	-12.86	7.84	31.74

Performance data quoted represents past performance, which does not guarantee future results. *Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit franklintempleton.com.*

The fund began offering Advisor Class shares on 12/31/1996, the fund began offering R Class shares on 8/1/2002, and the fund began offering R6 Class shares on 5/1/2013. Performance quotations have been calculated as follows: (a) for Advisor Class periods prior to 12/31/1996, a restated figure is used based on the fund's Class A performance; for R Class periods prior to 8/1/2002, a restated figure is used based on the fund's Class A performance; for R6 Class periods prior to 5/1/2013, a restated figure is used based on the fund's Class Advisor performance. The performance was adjusted to take into account differences in class-specific operating expenses and maximum sales charges. (b) For periods after share class offering, performance for the specific share class is used, reflecting the expenses and maximum sales charges applicable to that class.

Share Class Details

			Sales Charges (%)		Expenses (%)	
	CUSIP	Ticker	Max	CDSC	Gross	Net
Advisor Class	355148503	FVADX	0.00	—	0.73	0.72
Class A	355148305	FRVLX	5.50	—	0.98	0.97
Class C	355148404	FRVFX	0.00	1.00	1.73	1.72
Class R	355148826	FVFRX	0.00	—	1.23	1.22
Class R6	355148669	FRCSX	0.00	—	0.61	0.60

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 02/28/2027 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice. There is a 1% CDSC on any Class C shares you sell within 12 months of purchase.

Morningstar Rating™

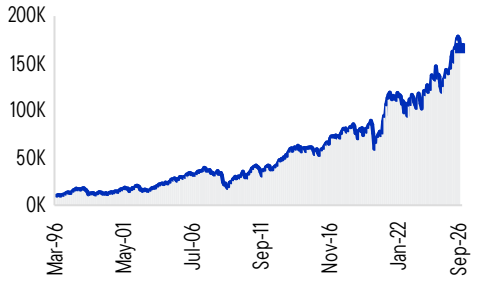
Overall Rating as of September 30, 2026

★★★★ Advisor Class

As of 09/30/2026 the fund's Advisor Class shares received a 4 star overall Morningstar rating™, measuring risk-adjusted returns against 455, 437 and 369 Small Value funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics. The number of funds in the category for the Overall Rating are listed under the 3-year period.

Growth of $10,000

Advisor Class Shares—Inception through September 30, 2026
Excluding Effects of Sales Charges



Fund Overview

Dividend Frequency, if any	Annually
Morningstar Category	Small Value
Lipper Classification	Small-Cap Value Funds
Turnover (fiscal yr)	53%

Benchmark(s)

Russell 2000 Value Index

Fund Characteristics

	Fund
Total Net Assets	$3.98 Billion
Number of Issuers	97
Average Market Cap (Millions USD)	$4,688
Price to Book	1.74x
Price to Earnings (12-Month Trailing)	18.08x

Risk Statistics (3-Year—Advisor Class)

	Fund	Benchmark
Beta	0.95	—
R-Squared	0.94	—
Sharpe Ratio	0.62	0.73
Standard Deviation (%)	18.15	18.52
Alpha (%)	-1.32	—
Information Ratio	-0.49	—
Tracking Error (%)	4.69	—

Not FDIC Insured | No Bank Guarantee | May Lose Value

Top Equity Issuers (% of Total)

	Fund
ACI WORLDWIDE INC	3.33
ROSEBANK INDUSTRIES PLC	2.67
SELECT WATER SOLUTIONS INC	2.59
ASHLAND INC	2.55
CNO FINANCIAL GROUP INC	2.54
WSFS FINANCIAL CORP	2.38
SOUTHSTATE BANK CORP	2.38
ELEMENTIS PLC	2.37
COLUMBIA BANKING SYSTEM INC	2.26
MELROSE INDUSTRIES PLC	2.25

Sector Allocation (% of Total)

	Fund	Benchmark
Financials	24.47	28.42
Industrials	20.43	12.11
Information Technology	10.70	7.28
Materials	10.29	4.00
Consumer Discretionary	9.20	8.97
Energy	8.67	7.88
Health Care	4.24	12.12
Utilities	3.63	5.24
Real Estate	3.38	9.22
Communication Services	1.25	2.50
Consumer Staples	0.43	2.24
Cash & Cash Equivalents	3.31	0.00

Portfolio Data Information

Holdings are provided for informational purposes only and should not be construed as a recommendation to purchase or sell any security.

Portfolio Management

	Years with Firm	Years of Experience
Steven Raineri	20	32
Christopher Meeker, CFA	14	28
Nicholas Karzon, CFA	12	17

What should I know before investing?

All investments involve risks, including possible loss of principal. Small- and mid-cap stocks involve greater risks and volatility than large-cap stocks. The **investment style** may become out of favor, which may have a negative impact on performance. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets. Real estate investment trusts** (REITs) are closely linked to the performance of the real estate markets. REITs are subject to illiquidity, credit and interest rate risks, and risks associated with small- and mid-cap investments. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Glossary

Beta: A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. **R-squared** measures the strength of the linear relationship between the fund and its benchmark. R-squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe Ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **Standard Deviation:** Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Alpha** is the annualized percentage difference between a portfolio's actual returns and its expected performance given its level of market risk, as measured by beta. **Information Ratio:** In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark. **Tracking Error** measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Turnover** is a measure of the fund's trading activity which represents the portion of the fund's holdings that has changed over a twelve-month period through the fiscal year end. There is no assurance that the fund will maintain its current level of turnover. **Weighted Average Market Capitalization:** A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share. For a portfolio, the value represents a weighted average based on the stocks held. **Price to Book:** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

Important Information

Due to continued strong inflows and increased assets under management, Franklin Small Cap Value Fund closed to new investors with limited exceptions effective May 27, 2021. Existing shareholders may continue to add money to their accounts.

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The **Russell 2000 Value Index** measures the performance of the small-cap value segment of the U.S. equity universe.

Source: FTSE. Important data provider notices and terms available at www.franklintempletondatasources.com. All data is subject to change.

Morningstar Rating™: Source: Morningstar®, 09/30/2026. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The fund's Advisor Class shares received a Morningstar Rating of 3, 3 and 4 star(s) for the 3-, 5- and 10-year periods, respectively. Franklin Templeton provides this fund's Morningstar Rating™ for Advisor Class shares only. Other share classes may have different Morningstar ratings. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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