

FRANKLIN STRATEGIC SERIES

April 30, 2024



FRANKLIN
TEMPLETON

Franklin Growth Opportunities Fund

Franklin Small Cap Growth Fund

Franklin Small-Mid Cap Growth Fund

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

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

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

You may access franklintempleton.com by scanning the code below.



Not FDIC Insured

May Lose Value

No Bank Guarantee

SHAREHOLDER LETTER

Dear Shareholder,

We are pleased to provide the annual report of Franklin Strategic Series for the 12-month reporting period ended April 30, 2024. Please read on for a detailed look at prevailing economic and market conditions during the Funds' reporting period and to learn how those conditions have affected Fund performance.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, www.franklintempleton.com. Here you can gain immediate access to market and investment information, including:

- Fund prices and performance;
- Market insights and commentaries from our portfolio Managers; and
- A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,



Edward Perks, CFA
President and Chief Executive Officer –
Investment Management
Franklin Strategic Series

Contents

Funds' Overview	3
Franklin Growth Opportunities Fund.....	4
Franklin Small Cap Growth Fund	10
Franklin Small-Mid Cap Growth Fund	17
Financial Highlights and Schedules of Investments	24
Financial Statements	54
Notes to Financial Statements.....	59
Report of Independent Registered Public Accounting Firm	83
Tax Information	84
Board Members and Officers.....	85
Shareholder Information	90

Visit **franklintempleton.com** for fund updates, to access your account, or to find helpful financial planning tools.

Funds' Overview

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

A. U.S. equities, as measured by the Standard & Poor's® 500 Index, posted a +22.66% total return for the 12-month period ended April 30, 2024. Inflation slowed amid higher interest rates, while the economy's continued strength helped drive equity gains and alleviated concerns about a recession. Technology-related stocks in particular helped support equity prices amid cost-cutting efforts and investor optimism that artificial intelligence (AI) would lead to strong growth opportunities, particularly for the manufacturers of microchips that power new AI applications.

The U.S. economy was strong, posting solid gross domestic product (GDP) annual growth in the final three quarters of 2023. However, the expansion slowed in the first quarter of 2024 amid slower growth in consumer spending, exports, and state and local government spending, as well as a decline in federal government spending. Despite a deceleration in the first quarter, consumer spending continued to power the economy, helped by higher asset prices and increased wages. The labor market remained tight but showed some signs of easing. Unemployment increased slightly while remaining low by historical standards, and wages continued to grow, albeit at a slower pace. Inflation generally cooled, although the Consumer Price Index (CPI) remained at or above 3% for the period. Improving economic conditions bolstered consumer confidence, but sentiment remained well below pre-pandemic levels. Higher interest rates during the 12-month period meant elevated borrowing costs for individuals and businesses, which dampened some economic activity, especially in the housing market.

The U.S. Federal Reserve (Fed) shifted its monetary policy, moving from a tightening stance early in the 12 months under review to a more neutral policy as the period continued and inflation generally decelerated. The Fed raised the federal funds target rate twice, ending the period at a range of 5.25%–5.50% and pushing short-term interest rates to their highest levels in more than two decades. However, the Fed stopped raising rates following its July 2023 meeting, signaling that the post-pandemic tightening cycle was concluding. Nonetheless, the Fed indicated following its April 30–May 1, 2024, meeting that it would continue to reduce its U.S. Treasury (UST) and agency debt and mortgage-backed security holdings. The strong economy and persistent inflation led investors to lower their expectations for interest rates in the near future.

Franklin Growth Opportunities Fund

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation. We use fundamental, bottom-up research to seek companies meeting our criteria of growth potential, quality and valuation. In seeking sustainable growth characteristics, we look for companies we believe can produce sustainable earnings and cash flow growth, evaluating the long-term market opportunity and competitive structure of an industry. We define quality companies as those with strong and improving competitive positions in attractive markets. We also believe important attributes of quality are experienced and talented management teams as well as financial strength reflected in the capital structure, gross and operating margins, free cash flow generation and returns on capital employed. Our valuation analysis includes a range of potential outcomes based on an assessment of multiple scenarios. In assessing value, we consider whether security prices fully reflect the balance of the sustainable growth opportunities relative to business and financial risks.

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

A. As active managers, we look for opportunities in areas of the market where growth is often not appreciated. Small- and mid-cap companies along with much of the broader market have not participated in the market rally and are attractive on a relative valuation basis. During the year, we continued to focus on high-quality, sustainable-growth franchises that we believe are well positioned to benefit in the coming years. The Fund has a high conviction strategy focused on investing in the leading U.S. growth companies across the market cap spectrum. Many of our investments are poised to benefit from multi-year secular growth themes such as digital transformation, health care innovation and generative AI.

Performance Overview

The Fund's Class A shares posted a +33.49% cumulative total return for the 12 months under review. In comparison, the Fund's narrow benchmark, the Russell 3000® Growth Index, which measures the performance of those Russell 3000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates, posted a +30.75% cumulative total return.¹ The Fund's broad benchmark, the

Standard & Poor's® 500 Index (S&P 500®), which tracks the broad U.S. stock market, posted a +22.66% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 6.

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

Portfolio Composition

4/30/24

	% of Total Net Assets
Software	20.8%
Semiconductors & Semiconductor Equipment	13.5%
Interactive Media & Services	8.3%
Broadline Retail	6.8%
Hotels, Restaurants & Leisure	4.5%
Health Care Providers & Services	3.5%
Life Sciences Tools & Services	3.5%
Financial Services	3.5%
Capital Markets	3.4%
Pharmaceuticals	3.3%
Health Care Equipment & Supplies	3.0%
Technology Hardware, Storage & Peripherals	2.6%
IT Services	2.4%
Ground Transportation	2.2%
Other*	19.0%
Short-Term Investments & Other Net Assets	(0.3)%

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

Q. What were the leading contributors to performance?

A. The Fund saw the largest relative contributions from the consumer discretionary and information technology (IT) sectors. Consumer discretionary performance was driven by a position in Wingstop, as strong restaurant traffic, digital leadership, growing brand awareness and improved supply-chain management have all boosted profit margins for the fast-food operator and franchiser. The IT sector was helped by an underweight in Apple and a position in CrowdStrike Holdings. Our limited exposure to Apple versus the benchmark proved positive for relative returns. Decelerating

1. Source: Morningstar.

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

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

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

The SOI begins on page 29.

iPad and wearables sales, along with China headwinds, have been a drag on revenue and weighed on the shares of the tech giant. Technology stocks, in general, drove the markets higher with the promise of AI increasing productivity for businesses across multiple sectors. The integration of AI by cybersecurity firm CrowdStrike Holdings has been positive for its business. Elsewhere, in the communication services sector, the shares of Facebook-parent Meta Platforms were up over the period. The company has taken to managing its expenses aggressively and saw improved user engagement.

Top 10 Holdings

4/30/24

Company Industry	% of Total Net Assets
NVIDIA Corp. <i>Semiconductors & Semiconductor Equipment</i>	8.4%
Amazon.com, Inc. <i>Broadline Retail</i>	6.8%
Meta Platforms, Inc. <i>Interactive Media & Services</i>	5.0%
Microsoft Corp. <i>Software</i>	4.9%
Mastercard, Inc. <i>Financial Services</i>	3.5%
Eli Lilly & Co. <i>Pharmaceuticals</i>	2.6%
Apple, Inc. <i>Technology Hardware, Storage & Peripherals</i>	2.6%
ServiceNow, Inc. <i>Software</i>	2.5%
Alphabet, Inc. <i>Interactive Media & Services</i>	2.4%
Chipotle Mexican Grill, Inc. <i>Hotels, Restaurants & Leisure</i>	2.3%

Q. What were the leading detractors from performance?

A. Our results versus the index were hindered primarily by stock selection and overweighting in the financials and real estate sectors. In the real estate sector, SBA Communications was the biggest detractor for the period. Slower carrier spending and a deceleration in U.S. tower leasing weighed on the shares of the wireless tower operator. An underweight in Alphabet was a relative detractor in the communication services sector as shares of the company rallied to new highs, helped by its successful digital advertising business and expanded AI capabilities. Inflation pressures weighed on consumer demand for energy drink maker Monster Beverage in the consumer staples sector. Among the bottom five detractors was chipmaker Lattice Semiconductor in the IT sector. Softness in the industrials and automotive sectors, due to inflation, has been pressuring demand for its programmable chips.

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

A. Over the course of the year, we have actively been reducing exposure to many strong performing holdings in the IT sector and redeploying that cash into opportunities in the health care and industrials sectors. The health care sector offers an attractive combination of exposure to multi-year secular growth and innovation while also possessing high-quality characteristics. The industrials sector is in the earlier stages of its digital transformation journey and category leaders are poised to benefit over the long term. Despite actively taking profits in the IT sector, it remains our largest sector allocation in the Fund and our outlook remains positive.

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

Grant Bowers
Lead Portfolio Manager

Sara Araghi, CFA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of April 30, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of April 30, 2024

The performance table and graphs do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale of Fund shares. Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses of each class. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 4/30/24¹

*Cumulative total return excludes sales charges. Average annual total return includes maximum sales charges. Sales charges will vary depending on the size of the investment and the class of share purchased. The maximum is 5.50% and the minimum is 0%. **Class A:** 5.50% maximum initial sales charge; **Advisor Class:** no sales charges. For other share classes, visit franklintempleton.com.*

Share Class	Cumulative Total Return ²	Average Annual Total Return ³
A⁴		
1-Year	+33.49%	+26.14%
5-Year	+73.60%	+10.41%
10-Year	+215.26%	+11.53%
Advisor		
1-Year	+33.80%	+33.80%
5-Year	+75.83%	+11.95%
10-Year	+223.48%	+12.46%

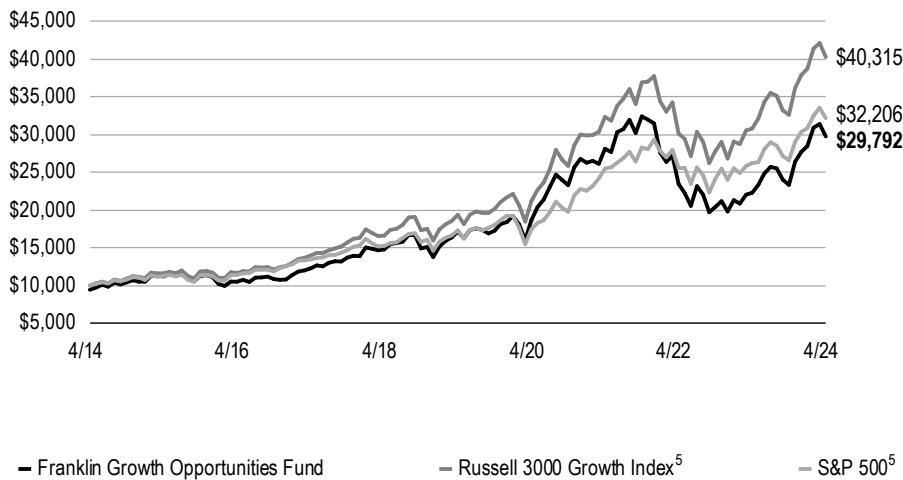
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 8 for Performance Summary footnotes.

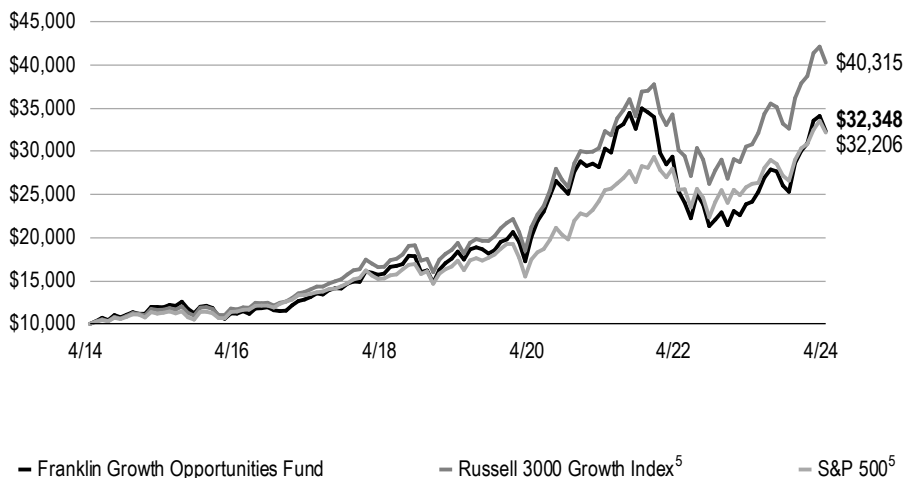
Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

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

Class A (4/30/14–4/30/24)



Advisor Class (4/30/14–4/30/24)



See page 8 for Performance Summary footnotes.

Distributions (5/1/23–4/30/24)

Share Class	Short-Term Capital Gain	Long-Term Capital Gain	Total
A	\$0.0179	\$5.7478	\$5.7657
C	\$0.0179	\$5.7478	\$5.7657
R	\$0.0179	\$5.7478	\$5.7657
R6	\$0.0179	\$5.7478	\$5.7657
Advisor	\$0.0179	\$5.7478	\$5.7657

Total Annual Operating Expenses⁶

Share Class	With Fee Waiver	Without Fee Waiver
A	0.94%	0.95%
Advisor	0.68%	0.69%

Each class of shares is available to certain eligible investors and has different annual fees and expenses, as described in the prospectus.

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance.

All investments involve risks, including possible loss of principal. The investment style may become out of favor, which may have a negative impact on performance. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. 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.

1. 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 8/31/24 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

2. Cumulative total return represents the change in value of an investment over the periods indicated.

3. Average annual total return represents the average annual change in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.

4. Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%, thus actual returns (with sales charges) would have differed. Average annual total returns (with sales charges) have been restated to reflect the current maximum initial sales charge of 5.50%.

5. Source: FactSet. The Russell 3000® Growth Index is market capitalization weighted and measures performance of those Russell 3000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates. The S&P 500® is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown.

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Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including sales charges (loads) on Fund purchases and redemptions; and (2) ongoing Fund costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

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

Hypothetical Example for Comparison with Other Funds

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

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

Share Class	Beginning Account Value 11/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	
A	\$1,000	\$1,275.30	\$5.13	\$1,020.35	\$4.55	0.91%
C	\$1,000	\$1,271.10	\$9.37	\$1,016.62	\$8.32	1.66%
R	\$1,000	\$1,274.00	\$6.54	\$1,019.11	\$5.81	1.16%
R6	\$1,000	\$1,277.60	\$3.26	\$1,022.00	\$2.89	0.58%
Advisor	\$1,000	\$1,277.00	\$3.73	\$1,021.59	\$3.31	0.66%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 182/366 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements. Does not include acquired fund fees and expenses.

Franklin Small Cap Growth Fund

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks long-term capital growth. We use fundamental, bottom-up research to seek companies meeting our criteria of growth potential, quality and valuation. In seeking sustainable growth characteristics, we look for companies we believe can produce sustainable earnings and cash flow growth, evaluating the long-term market opportunity and competitive structure of an industry. We define quality companies as those with strong and improving competitive positions in attractive markets. We also believe important attributes of quality are experienced and talented management teams as well as financial strength reflected in the capital structure, gross and operating margins, free cash flow generation and returns on capital employed. Our valuation analysis includes a range of potential outcomes based on an assessment of multiple scenarios. In assessing value, we consider whether security prices fully reflect the balance of the sustainable growth opportunities relative to business and financial risks.

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

A. Amid market conditions, we continue to look to increase the quality of the portfolio and reduce duration somewhat. Our positioning reflects a more constructive view of the long-term backdrop than what we believe is reflected in stock prices. Our ability to generate alpha rests with our efforts to think and act in a long-term manner while the market often focuses and reacts to short-term issues. One of the challenges of investing in smaller companies is business models have not always evolved to a point where assessing quality is easy. It often requires looking ahead several years to determine profitability and return metrics. This presents an opportunity as our long-term approach allows us to ignore short-term noise that often causes volatility in stock prices. In fact, to the extent that this volatility creates an attractive price disconnect, we look to take advantage to initiate or add to positions.

Portfolio Composition

4/30/24

	% of Total Net Assets
Software	12.2%
Biotechnology	8.1%
Hotels, Restaurants & Leisure	6.8%
Aerospace & Defense	6.3%
Semiconductors & Semiconductor Equipment	6.1%
Health Care Equipment & Supplies	5.9%
Financial Services	4.1%
Construction & Engineering	3.7%
Health Care Providers & Services	3.7%
Specialty Retail	3.1%
Food Products	2.8%
Capital Markets	2.7%
Personal Care Products	2.6%
Household Durables	2.3%
Other*	26.5%
Short-Term Investments & Other Net Assets	3.1%

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

Performance Overview

The Fund's Class A shares posted a +21.76% cumulative total return for the 12 months under review. In comparison, the Russell 2000® Growth Index, which measures the performance of small-cap companies with relatively higher price-to-book ratios and higher forecasted growth rates, posted a +12.39% cumulative total return.¹ The Standard & Poor's® 500 Index (S&P 500), which tracks the broad U.S. stock market, posted a +22.66% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 13.

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

1. Source: Morningstar.

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

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

The SOI begins on page 38.

Top 10 Holdings

4/30/24

Company Industry	% of Total Net Assets
BWX Technologies, Inc. <i>Aerospace & Defense</i>	2.6%
Onto Innovation, Inc. <i>Semiconductors & Semiconductor Equipment</i>	2.5%
Wingstop, Inc. <i>Hotels, Restaurants & Leisure</i>	2.2%
BellRing Brands, Inc. <i>Personal Care Products</i>	2.1%
AAR Corp. <i>Aerospace & Defense</i>	2.0%
Arcosa, Inc. <i>Construction & Engineering</i>	1.9%
Inspire Medical Systems, Inc. <i>Health Care Equipment & Supplies</i>	1.9%
Vontier Corp. <i>Electronic Equipment, Instruments & Components</i>	1.8%
Liberty Energy, Inc. <i>Energy Equipment & Services</i>	1.7%
Integer Holdings Corp. <i>Health Care Equipment & Supplies</i>	1.7%

Q. What were the leading contributors to performance?

A. The Fund's relative performance was led by the health care sector, which benefited from a position in Eyepoint Pharmaceuticals. The shares of the eye-focused biopharmaceutical company soared following positive clinical data for a macular degeneration treatment. Stock selection in the consumer discretionary sector also proved positive for relative returns. The shares of fast casual restaurant chain Wingstop—a top contributor over the period—led the sector higher. Strong restaurant traffic, digital leadership, growing brand awareness and improved supply-chain management have all increased profit margins for the company. A position in Paymentus Holdings bolstered relative performance in the financials sector. The bill payment services company has been benefiting from higher transaction volumes and an upbeat sales environment. Results in the information technology (IT) sector were boosted by chipmaking equipment company Onto Innovation, which provides the chips needed for increasingly complex AI functioning.

Q. What were the leading detractors from performance?

A. Real estate, IT and industrials were relative detractors at the sector level largely due to stock selection. In the industrials sector, shares of Allegiant Travel Company underperformed as the company faced declines in passenger traffic. While the health care sector was a leading contributor to relative returns, positions in cosmetic pharmaceutical company Revance Therapeutics and biopharmaceutical company PTC Therapeutics (not held at period-end) were among the Fund's bottom five detractors. Both companies struggled with delayed product launches

and drug approval setbacks, respectively. In the financials sector, payment platform Flywire faced slowing growth and foreign exchange headwinds, which pressured its stock.

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

A. Portfolio turnover remains modest. We continued to look to increase quality and reduce duration somewhat. The biggest changes to the Fund over the past 12 months were the addition of HashiCorp and NCino to the IT sector; ZoomInfo to the communication services sector; and Alaska Air to the industrials sector. Each of these additions were on the back of stock weakness, which is typical for our strategy. We also increased an already existing position in Silicon Labs (IT) in the portfolio.

In contrast, notable sales were M/I Homes in the consumer discretionary sector; Masonite (not held at period-end) and Univar (not held at period-end) in the industrials sector; RayzeBio in the health care sector; and Hostess Brands (not held at period-end) in the consumer staples sector. All but M/I homes were acquired during the period. We also reduced our investment in Tri Pointe Homes in the consumer discretionary sector and lessened our exposure to home-builders in general as stock prices have rebounded from depressed levels and now prices better reflect our estimate of intrinsic value. Share price strength or opportunities to focus on higher conviction companies are usually what motivate us to sell.

Looking ahead, we remain optimistic about the long-term prospects of our investments and the opportunities for growth in their respective markets. We believe that our disciplined approach of investing in high-quality, durable businesses with strong competitive advantages and attractive valuations will continue to deliver superior risk-adjusted returns over time. As always, we appreciate your trust and support as we navigate this dynamic and challenging environment.

Thank you for your continued participation in Franklin Small Cap Growth Fund. We look forward to serving your future investment needs.

Michael P. McCarthy, CFA
Lead Portfolio Manager

Bradley T. Carris, CFA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of April 30, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of April 30, 2024

The performance table and graphs do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale of Fund shares. Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses of each class. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 4/30/24¹

*Cumulative total return excludes sales charges. Average annual total return includes maximum sales charges. Sales charges will vary depending on the size of the investment and the class of share purchased. The maximum is 5.50% and the minimum is 0%. **Class A:** 5.50% maximum initial sales charge; **Advisor Class:** no sales charges. For other share classes, visit franklintempleton.com.*

Share Class	Cumulative Total Return ²	Average Annual Total Return ³
A⁴		
1-Year	+21.76%	+15.06%
5-Year	+38.03%	+5.46%
10-Year	+120.57%	+7.62%
Advisor		
1-Year	+22.10%	+22.10%
5-Year	+39.85%	+6.94%
10-Year	+126.29%	+8.51%

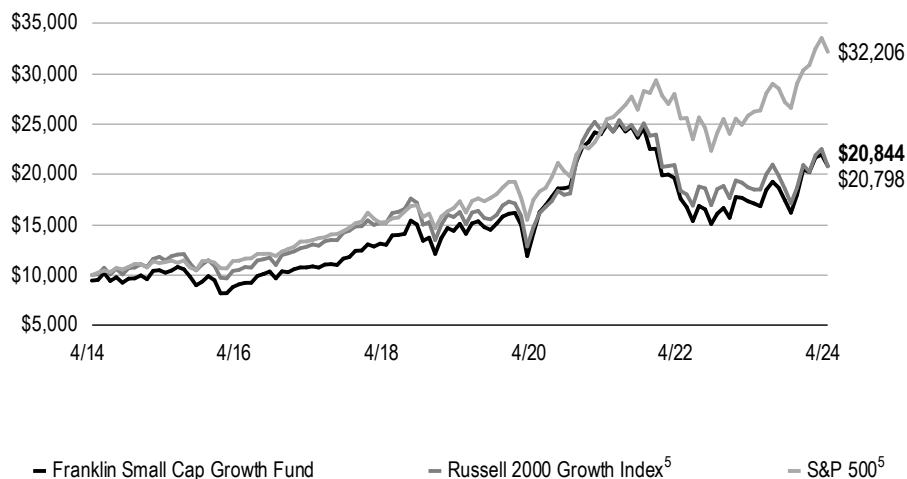
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 15 for Performance Summary footnotes.

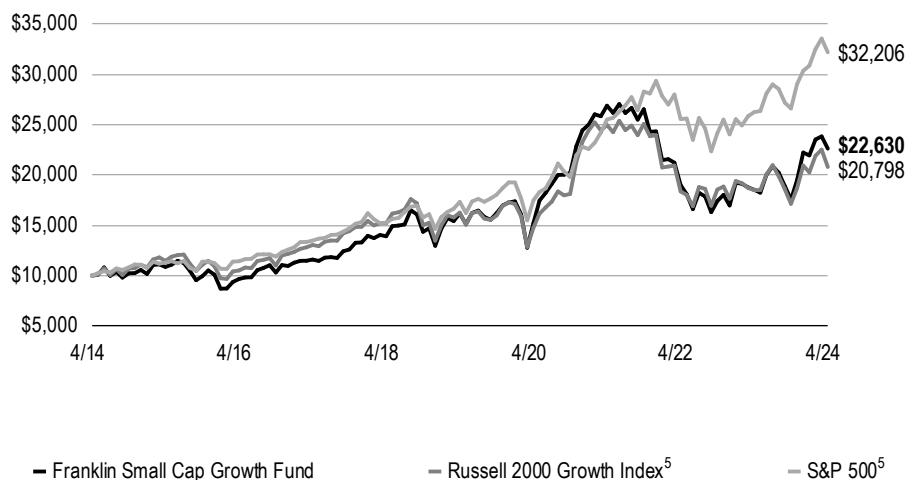
Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

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

Class A (4/30/14–4/30/24)



Advisor Class (4/30/14–4/30/24)



See page 15 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

Share Class	With Fee Waiver	Without Fee Waiver
A	1.11%	1.12%
Advisor	0.86%	0.87%

Each class of shares is available to certain eligible investors and has different annual fees and expenses, as described in the prospectus.

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance.

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. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

1. 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 8/31/24 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

2. Cumulative total return represents the change in value of an investment over the periods indicated.

3. Average annual total return represents the average annual change in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.

4. Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%, thus actual returns (with sales charges) would have differed. Average annual total returns (with sales charges) have been restated to reflect the current maximum initial sales charge of 5.50%.

5. Source: FactSet. The Russell 2000[®] Growth Index is market capitalization weighted and measures performance of those Russell 2000[®] Index companies with relatively higher price-to-book ratios and higher forecasted growth rates. The S&P 500[®] is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown.

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

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including sales charges (loads) on Fund purchases and redemptions; and (2) ongoing Fund costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

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

Hypothetical Example for Comparison with Other Funds

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

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

Share Class	Beginning Account Value 11/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	
A	\$1,000	\$1,286.40	\$6.04	\$1,019.58	\$5.33	1.06%
C	\$1,000	\$1,280.90	\$10.28	\$1,015.85	\$9.08	1.81%
R	\$1,000	\$1,284.90	\$7.46	\$1,018.34	\$6.59	1.31%
R6	\$1,000	\$1,288.90	\$3.72	\$1,021.61	\$3.28	0.65%
Advisor	\$1,000	\$1,288.10	\$4.62	\$1,020.82	\$4.08	0.81%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 182/366 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements. Does not include acquired fund fees and expenses.

Franklin Small-Mid Cap Growth Fund

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks long-term capital growth. We use fundamental, bottom-up research to seek companies meeting our criteria of growth potential, quality and valuation. In seeking sustainable growth characteristics, we look for companies we believe can produce sustainable earnings and cash flow growth, evaluating the long-term market opportunity and competitive structure of an industry. We define quality companies as those with strong and improving competitive positions in attractive markets. We also believe important attributes of quality are experienced and talented management teams as well as financial strength reflected in the capital structure, gross and operating margins, free cash flow generation and returns on capital employed. Our valuation analysis includes a range of potential outcomes based on an assessment of multiple scenarios. In assessing value, we consider whether security prices fully reflect the balance of the sustainable growth opportunities relative to business and financial risks.

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

A. Equity market volatility is inevitable. We patiently wait for markets to excessively punish or reward stocks relative to our view of fair value and then invest/divest opportunistically. We focus on companies growing faster than their peers; have superior profitability and cash flow; and have the ability to improve/scale up in the foreseeable future. We are patient, long-term growth investors. Through rigorous due diligence our analysts identify critical secular themes/trends in each market sector. We then seek to identify the companies driving or benefiting from these trends and having a sustainable position/competitive advantage.

Performance Overview

The Fund's Class A shares posted a +18.39% cumulative total return for the 12 months under review. In comparison, the Russell Midcap® Growth Index, which measures the performance of those Russell Midcap® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates, posted a +20.70% cumulative total return.¹ Also in comparison, the Standard & Poor's® 500 Index (S&P 500), which tracks the broad U.S. stock market, posted a

+22.66% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 20.

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

Portfolio Composition

4/30/24

	% of Total Net Assets
Software	12.6%
Capital Markets	7.9%
Hotels, Restaurants & Leisure	6.0%
Life Sciences Tools & Services	5.8%
IT Services	5.1%
Health Care Equipment & Supplies	5.0%
Specialty Retail	4.8%
Professional Services	4.8%
Semiconductors & Semiconductor Equipment	4.1%
Aerospace & Defense	3.3%
Building Products	2.5%
Oil, Gas & Consumable Fuels	2.5%
Interactive Media & Services	2.1%
Biotechnology	2.1%
Other*	28.9%
Short-Term Investments & Other Net Assets	2.5%

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

Q. What were the leading contributors to performance?

A. What benefited the Fund most over the period was stock selection in the information technology (IT) sector, which was boosted by our holdings in cloud networking company Arista Networks (not held at period-end) and cybersecurity firm CrowdStrike Holdings. Technology stocks, in general, drove the markets higher with the promise of artificial intelligence (AI) increasing productivity for businesses across multiple sectors. The integration of AI by these two companies has been good for their respective businesses. Strong stock selection in the consumer staples and industrials sectors further enhanced relative returns. Trane Technologies was

1. Source: Morningstar.

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

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The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 49.

a leading contributor in the industrials sector. The company provides heating, ventilation and air conditioning (HVAC) solutions to commercial and residential markets. Strength in sales, orders and backlog have been tailwinds for the company. Among standalone contributors was Wingstop in the consumer discretionary sector. Digital leadership, growing brand awareness and improved supply-chain management have been helping to drive earnings upside for the fast casual restaurant chain.

Top 10 Holdings

4/30/24

Company Industry	% of Total Net Assets
Trane Technologies plc <i>Building Products</i>	2.5%
Dexcom, Inc. <i>Health Care Equipment & Supplies</i>	2.3%
Ares Management Corp. <i>Capital Markets</i>	2.1%
CrowdStrike Holdings, Inc. <i>Software</i>	2.1%
Agilent Technologies, Inc. <i>Life Sciences Tools & Services</i>	1.9%
Axon Enterprise, Inc. <i>Aerospace & Defense</i>	1.9%
Paychex, Inc. <i>Professional Services</i>	1.8%
Gartner, Inc. <i>IT Services</i>	1.8%
Verisk Analytics, Inc. <i>Professional Services</i>	1.7%
Fastenal Co. <i>Trading Companies & Distributors</i>	1.7%

Q. What were the leading detractors from performance?

A. Real estate, health care and consumer discretionary were leading sector detractors over the period. SBA Communications was a drag on real estate sector performance as slower carrier spending and a deceleration in U.S. tower leasing weighed on the shares of wireless tower operator. In the health care sector, medical device manufacturer Penumbra had a dampening effect on results. The medical device manufacturer faced several headwinds, including delays on the launch of its neurovascular thrombectomy system; inventory reductions in advance of anticipated regulatory changes; and management discontinuing the sale of some unprofitable embolization products in markets outside the U.S. A deteriorating macro environment in China and continued caution among biopharma customers had a negative impact on several life science tools companies, including our investment in 10x Genomics, which also detracted in the health care sector. A position in Albemarle in the materials sector was the biggest individual detractor over the period. The shares of the chemical manufacturer were pressured by a drop in lithium prices due to low demand and high supply. Albemarle

is a global leader in the production of lithium, which is a key ingredient of electric car batteries.

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

A. Over the period, we added two new names via initial public offerings of CG Oncology in the health care sector and Astera Labs (not held at period-end) in the IT sector. We also added Karuna Therapeutics (not held at period-end) to the health care sector, which received an acquisition offer from Bristol-Myers Squibb shortly after, boosting its stock price.

In terms of notable weighting changes, our industrial sector exposure significantly increased due to performance. It is the one sector where we had net additions to the number of positions—Axon Enterprise, Xylem, United Rentals and Verisk Analytics—in a significant upgrade to quality. Our weighting was also up in the financials sector where we opened new positions in Block, Blue Owl Capital and Arthur J. Gallagher & Co., and increased weightings in Aerius International (not held at period-end), LPL Financial Holdings and Nasdaq. Exposure to the communication services sector grew as we initiated a position in The New York Times Company and increased existing allocations to Pinterest and Roblox. Both our consumer staples and IT sectors weightings increased due to performance.

Our desire to further concentrate the portfolio into fewer, high-conviction growth stocks led to a meaningful reduction in the consumer discretionary sector as many stocks had done quite well in the face of a looming recession. We exited Levi Strauss & Co., Chipotle Mexican Grill, Vail Resorts, AutoZone and Petco Health and Wellness Company. Merger and acquisition activity decreased our exposure to the health care sector. Elsewhere, weightings in the remaining energy, materials and real estate sector stayed the same or decreased slightly.

Thank you for your continued participation in Franklin Small-Mid Cap Growth Fund. We look forward to serving your future investment needs.

John P. Scandalios, CFA
Lead Portfolio Manager

Michael McCarthy, CFA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of April 30, 2024, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and

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

Performance Summary as of April 30, 2024

The performance table and graphs do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale of Fund shares. Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses. Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses of each class. Capital gain distributions are net profits realized from the sale of portfolio securities.

Performance as of 4/30/24¹

*Cumulative total return excludes sales charges. Average annual total return includes maximum sales charges. Sales charges will vary depending on the size of the investment and the class of share purchased. The maximum is 5.50% and the minimum is 0%. **Class A:** 5.50% maximum initial sales charge; **Advisor Class:** no sales charges. For other share classes, visit franklintempleton.com.*

Share Class	Cumulative Total Return ²	Average Annual Total Return ³
A⁴		
1-Year	+18.39%	+11.88%
5-Year	+51.93%	+7.50%
10-Year	+146.99%	+8.85%
Advisor		
1-Year	+18.68%	+18.68%
5-Year	+53.87%	+9.00%
10-Year	+153.24%	+9.74%

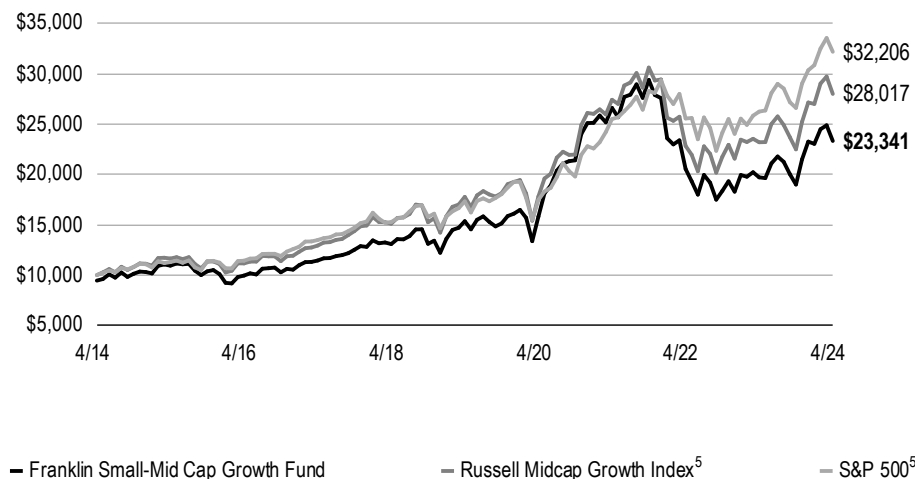
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 22 for Performance Summary footnotes.

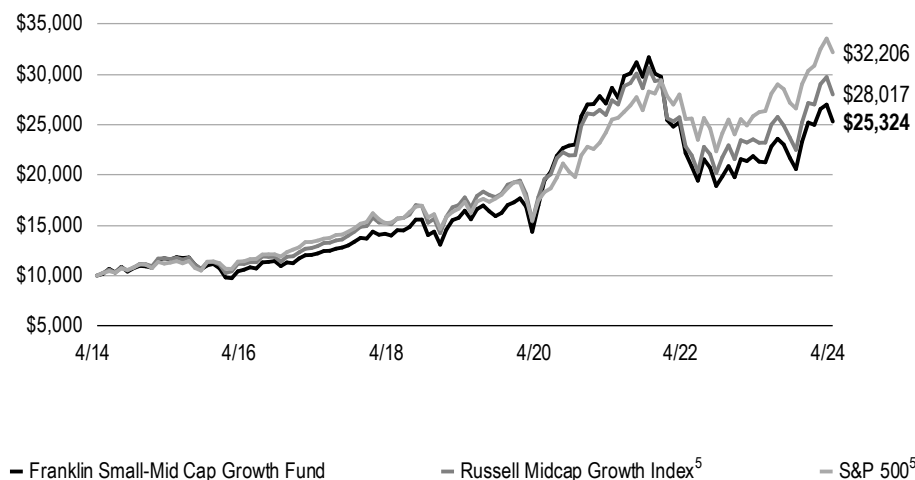
Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

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

Class A (4/30/14–4/30/24)



Advisor Class (4/30/14–4/30/24)



See page 22 for Performance Summary footnotes.

Total Annual Operating Expenses⁶

Share Class	With Fee Waiver	Without Fee Waiver
A	0.90%	0.92%
Advisor	0.65%	0.67%

Each class of shares is available to certain eligible investors and has different annual fees and expenses, as described in the prospectus.

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance.

All investments involve risks, including possible loss of principal. The **investment style** may become out of favor, which may have a negative impact on performance. **Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. To the extent the portfolio invests in a **concentration of certain securities, regions or industries**, it is subject to increased volatility. **Liquidity risk** exists when securities or other investments become more difficult to sell, or are unable to be sold, at the price at which they have been valued. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

1. 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 8/31/24 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

2. Cumulative total return represents the change in value of an investment over the periods indicated.

3. Average annual total return represents the average annual change in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.

4. Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%, thus actual returns (with sales charges) would have differed. Average annual total returns (with sales charges) have been restated to reflect the current maximum initial sales charge of 5.50%.

5. Source: FactSet. The Russell Midcap® Growth Index is market capitalization weighted and measures performance of those Russell Midcap® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates. The S&P 500® is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

6. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown.

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

Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including sales charges (loads) on Fund purchases and redemptions; and (2) ongoing Fund costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The table assumes a \$1,000 investment held for the six months indicated.

Actual Fund Expenses

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

Hypothetical Example for Comparison with Other Funds

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

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

Share Class	Beginning Account Value 11/1/23	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	Ending Account Value 4/30/24	Expenses Paid During Period 11/1/23–4/30/24 ^{1,2}	
A	\$1,000	\$1,228.00	\$4.71	\$1,020.63	\$4.28	0.85%
C	\$1,000	\$1,222.90	\$8.85	\$1,016.90	\$8.03	1.60%
R	\$1,000	\$1,226.20	\$6.09	\$1,019.39	\$5.53	1.10%
R6	\$1,000	\$1,230.20	\$2.73	\$1,022.42	\$2.48	0.49%
Advisor	\$1,000	\$1,229.40	\$3.34	\$1,021.87	\$3.03	0.60%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 182/366 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements. Does not include acquired fund fees and expenses.

Financial Highlights

Franklin Growth Opportunities Fund

	Year Ended April 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	\$39.15	\$43.14	\$56.25	\$39.60	\$39.57
Income from investment operations ^a :					
Net investment (loss) ^b	(0.20)	(0.12)	(0.28)	(0.26)	(0.14)
Net realized and unrealized gains (losses)	12.81	(2.19)	(7.76)	20.03	3.59
Total from investment operations	12.61	(2.31)	(8.04)	19.77	3.45
Less distributions from:					
Net realized gains	(5.77)	(1.68)	(5.07)	(3.12)	(3.42)
Net asset value, end of year	\$45.99	\$39.15	\$43.14	\$56.25	\$39.60
Total return ^c	33.49%	(4.98)%	(16.57)%	50.64%	8.90%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.91%	0.95%	0.90%	0.91%	0.95%
Expenses net of waiver and payments by affiliates ^d	0.91% ^e	0.94%	0.89%	0.91% ^e	0.95% ^e
Net investment (loss)	(0.45)%	(0.30)%	(0.49)%	(0.51)%	(0.35)%
Supplemental data					
Net assets, end of year (000's)	\$3,453,647	\$2,765,017	\$3,215,834	\$4,203,693	\$2,883,392
Portfolio turnover rate	27.49%	16.52% ^f	17.20%	17.54%	19.47%

^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%.

^fExcludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

Franklin Growth Opportunities Fund (continued)

	Year Ended April 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	\$28.86	\$32.55	\$43.87	\$31.61	\$32.47
Income from investment operations ^a :					
Net investment (loss) ^b	(0.38)	(0.30)	(0.54)	(0.50)	(0.35)
Net realized and unrealized gains (losses)	9.28	(1.71)	(5.71)	15.88	2.91
Total from investment operations	8.90	(2.01)	(6.25)	15.38	2.56
Less distributions from:					
Net realized gains	(5.77)	(1.68)	(5.07)	(3.12)	(3.42)
Net asset value, end of year	\$31.99	\$28.86	\$32.55	\$43.87	\$31.61
Total return ^c	32.52%	(5.69)%	(17.20)%	49.47%	8.10%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.66%	1.70%	1.65%	1.66%	1.70%
Expenses net of waiver and payments by affiliates ^d	1.66% ^e	1.69%	1.64%	1.66% ^e	1.70% ^e
Net investment (loss)	(1.18)%	(1.05)%	(1.23)%	(1.26)%	(1.10)%
Supplemental data					
Net assets, end of year (000's)	\$87,686	\$119,070	\$158,895	\$278,804	\$216,757
Portfolio turnover rate	27.49%	16.52% ^f	17.20%	17.54%	19.47%

^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%.

^fExcludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

Franklin Growth Opportunities Fund (continued)

	Year Ended April 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	\$36.13	\$40.06	\$52.69	\$37.32	\$37.57
Income from investment operations ^a :					
Net investment (loss) ^b	(0.29)	(0.20)	(0.39)	(0.36)	(0.22)
Net realized and unrealized gains (losses)	11.78	(2.05)	(7.17)	18.85	3.39
Total from investment operations	11.49	(2.25)	(7.56)	18.49	3.17
Less distributions from:					
Net realized gains	(5.77)	(1.68)	(5.07)	(3.12)	(3.42)
Net asset value, end of year	\$41.85	\$36.13	\$40.06	\$52.69	\$37.32
Total return	33.18%	(5.21)%	(16.79)%	50.26%	8.64%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.16%	1.20%	1.15%	1.15%	1.20%
Expenses net of waiver and payments by affiliates ^c	1.16% ^d	1.19%	1.14%	1.15% ^d	1.20% ^d
Net investment (loss)	(0.70)%	(0.55)%	(0.73)%	(0.75)%	(0.60)%
Supplemental data					
Net assets, end of year (000's)	\$28,933	\$22,664	\$27,009	\$40,396	\$31,060
Portfolio turnover rate	27.49%	16.52% ^e	17.20%	17.54%	19.47%

^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%.

^eExcludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

Franklin Growth Opportunities Fund (continued)

	Year Ended April 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	\$44.87	\$48.98	\$63.06	\$43.97	\$43.42
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.05)	0.02	(0.10)	(0.10)	0.01
Net realized and unrealized gains (losses)	14.77	(2.45)	(8.91)	22.31	3.96
Total from investment operations	14.72	(2.43)	(9.01)	22.21	3.97
Less distributions from:					
Net realized gains	(5.77)	(1.68)	(5.07)	(3.12)	(3.42)
Net asset value, end of year	\$53.82	\$44.87	\$48.98	\$63.06	\$43.97
Total return	33.94%	(4.62)%	(16.32)%	51.13%	9.34%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.58%	0.59%	0.57%	0.57%	0.59%
Expenses net of waiver and payments by affiliates ^c	0.58% ^d	0.58%	0.57% ^d	0.57% ^d	0.59% ^d
Net investment income (loss)	(0.11)%	0.05%	(0.16)%	(0.17)%	0.01%
Supplemental data					
Net assets, end of year (000's)	\$375,777	\$449,119	\$461,475	\$563,918	\$383,208
Portfolio turnover rate	27.49%	16.52% ^e	17.20%	17.54%	19.47%

^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%.

^eExcludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

Franklin Growth Opportunities Fund (continued)

	Year Ended April 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	\$43.96	\$48.07	\$62.01	\$43.31	\$42.87
Income from investment operations ^a :					
Net investment (loss) ^b	(0.10)	(0.02)	(0.15)	(0.14)	(0.04)
Net realized and unrealized gains (losses)	14.45	(2.41)	(8.72)	21.96	3.90
Total from investment operations	14.35	(2.43)	(8.87)	21.82	3.86
Less distributions from:					
Net realized gains	(5.77)	(1.68)	(5.07)	(3.12)	(3.42)
Net asset value, end of year	\$52.54	\$43.96	\$48.07	\$62.01	\$43.31
Total return	33.80%	(4.71)%	(16.37)%	51.01%	9.20%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.66%	0.69%	0.65%	0.66%	0.70%
Expenses net of waiver and payments by affiliates ^c	0.66% ^d	0.68%	0.64%	0.66% ^d	0.70% ^d
Net investment (loss)	(0.19)%	(0.05)%	(0.24)%	(0.26)%	(0.10)%
Supplemental data					
Net assets, end of year (000's)	\$291,914	\$325,234	\$636,524	\$643,449	\$467,727
Portfolio turnover rate	27.49%	16.52% ^e	17.20%	17.54%	19.47%

^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%.

^eExcludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

Schedule of Investments, April 30, 2024

Franklin Growth Opportunities Fund

	Country	Shares	Value
Common Stocks 98.2%			
Aerospace & Defense 1.9%			
^a Axon Enterprise, Inc.	United States	218,188	\$68,436,848
^{a,b,c} Space Exploration Technologies Corp., A.	United States	142,857	13,857,129
			82,293,977
Automobiles 0.3%			
^a Tesla, Inc.	United States	71,234	13,055,768
Beverages 1.3%			
^a Celsius Holdings, Inc.	United States	169,209	12,059,526
^a Monster Beverage Corp.	United States	788,616	42,151,525
			54,211,051
Biotechnology 0.4%			
^a Vaxcyte, Inc.	United States	289,663	17,539,095
Broadline Retail 6.8%			
^a Amazon.com, Inc.	United States	1,657,897	290,131,975
Building Products 1.3%			
Trane Technologies plc	United States	169,034	53,641,250
Capital Markets 3.4%			
Ares Management Corp., A	United States	528,051	70,278,307
MSCI, Inc., A.	United States	68,034	31,689,557
S&P Global, Inc.	United States	105,629	43,923,707
			145,891,571
Chemicals 1.6%			
Linde plc.	United States	156,596	69,052,572
Commercial Services & Supplies 1.6%			
^{a,b,c} Celonis SE	Germany	4,619	1,325,257
^{a,b,c} Celonis SE, D	Germany	25,571	7,336,684
Republic Services, Inc., A	United States	298,735	57,267,499
			65,929,440
Construction Materials 0.8%			
Martin Marietta Materials, Inc.	United States	57,275	33,624,434
Electrical Equipment 0.3%			
Eaton Corp. plc.	United States	35,992	11,454,814
Entertainment 1.5%			
^a Netflix, Inc.	United States	62,005	34,142,433
^a ROBLOX Corp., A.	United States	805,883	28,657,200
			62,799,633
Financial Services 3.5%			
Mastercard, Inc., A	United States	325,369	146,806,493
Food Products 1.2%			
^a Freshpet, Inc.	United States	243,126	25,788,375
Lamb Weston Holdings, Inc.	United States	317,259	26,440,365
			52,228,740
Ground Transportation 2.2%			
^a Uber Technologies, Inc.	United States	1,121,067	74,293,110
Union Pacific Corp.	United States	84,597	20,063,025
			94,356,135
Health Care Equipment & Supplies 3.0%			
^a Dexcom, Inc.	United States	261,050	33,255,160

Franklin Growth Opportunities Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Equipment & Supplies (continued)			
^a IDEXX Laboratories, Inc.	United States	71,447	\$35,206,224
^a Intuitive Surgical, Inc.	United States	156,165	57,877,872
			126,339,256
Health Care Providers & Services 3.0%			
McKesson Corp.	United States	93,222	50,079,790
UnitedHealth Group, Inc.	United States	161,477	78,106,425
			128,186,215
Hotels, Restaurants & Leisure 4.5%			
^a Chipotle Mexican Grill, Inc., A	United States	30,851	97,476,820
^a DoorDash, Inc., A	United States	163,401	21,121,213
Wingstop, Inc.	United States	182,908	70,381,169
			188,979,202
Interactive Media & Services 8.3%			
^a Alphabet, Inc., C	United States	621,619	102,343,352
Meta Platforms, Inc., A	United States	488,509	210,141,917
^a Pinterest, Inc., A	United States	1,207,074	40,376,625
			352,861,894
IT Services 2.4%			
^{a,b,c} Canva, Inc., A	Australia	3,094	3,300,249
^{a,b,c} Canva, Inc., B	Australia	11,829	12,617,534
^a Gartner, Inc.	United States	132,002	54,462,705
^a MongoDB, Inc., A	United States	91,198	33,303,686
			103,684,174
Leisure Products 1.8%			
^{a,b,c} Fanatics Holdings, Inc.	United States	1,029,939	75,342,166
Life Sciences Tools & Services 3.5%			
Danaher Corp.	United States	234,799	57,906,129
Thermo Fisher Scientific, Inc.	United States	64,705	36,799,028
West Pharmaceutical Services, Inc.	United States	146,933	52,525,609
			147,230,766
Personal Care Products 1.5%			
^a BellRing Brands, Inc.	United States	671,117	37,025,525
^{a,d} Oddity Tech Ltd., A	Israel	180,449	5,871,810
^a Oddity Tech Ltd., A	Israel	580,952	18,904,178
			61,801,513
Pharmaceuticals 3.3%			
AstraZeneca plc, ADR	United Kingdom	345,357	26,205,689
Eli Lilly & Co.	United States	142,887	111,609,036
			137,814,725
Professional Services 1.9%			
TransUnion	United States	603,718	44,071,414
Verisk Analytics, Inc., A	United States	168,999	36,835,022
			80,906,436
Real Estate Management & Development 0.9%			
^a CoStar Group, Inc.	United States	409,637	37,494,075
Semiconductors & Semiconductor Equipment 13.5%			
Analog Devices, Inc.	United States	170,129	34,129,579
^a ARM Holdings plc, ADR	United States	151,757	15,359,326

Franklin Growth Opportunities Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Semiconductors & Semiconductor Equipment (continued)			
ASML Holding NV, ADR	Netherlands	35,198	\$30,709,199
^a Lattice Semiconductor Corp.	United States	581,285	39,876,151
Monolithic Power Systems, Inc.	United States	143,115	95,791,163
NVIDIA Corp.	United States	410,029	354,273,256
			570,138,674
Software 19.4%			
^a Adobe, Inc.	United States	88,816	41,106,709
^a BILL Holdings, Inc.	United States	169,882	10,593,842
^{a,b,c} ClearMotion, Inc.	United States	6,309,366	651,101
^a Confluent, Inc., A	United States	299,634	8,425,708
^a CrowdStrike Holdings, Inc., A	United States	199,825	58,456,805
^a Datadog, Inc., A	United States	105,681	13,262,966
^a Fair Isaac Corp.	United States	43,192	48,950,789
^a HubSpot, Inc.	United States	52,613	31,824,025
Intuit, Inc.	United States	84,265	52,717,869
Microsoft Corp.	United States	538,088	209,493,801
^a Monday.com Ltd.	United States	110,435	20,908,659
Oracle Corp.	United States	299,904	34,114,080
Roper Technologies, Inc.	United States	90,216	46,141,875
Salesforce, Inc.	United States	75,620	20,337,243
^a ServiceNow, Inc.	United States	150,982	104,680,350
^a Synopsys, Inc.	United States	116,156	61,631,212
^a Tyler Technologies, Inc.	United States	75,967	35,062,569
^a Workday, Inc., A	United States	100,268	24,538,588
			822,898,191
Specialty Retail 0.5%			
^a AutoZone, Inc.	United States	7,878	23,290,519
Technology Hardware, Storage & Peripherals 2.6%			
Apple, Inc.	United States	652,137	111,078,495
Total Common Stocks (Cost \$1,726,114,861)			4,161,063,249
Convertible Preferred Stocks 1.1%			
Software 1.1%			
^{a,b,c} Databricks, Inc., G	United States	338,280	25,436,387
^{a,b,c} Lacework, Inc., D	United States	810,440	11,960,504
^{a,b,c} OneTrust LLC, C	United States	517,056	7,810,459
			45,207,350
Total Convertible Preferred Stocks (Cost \$50,470,099)			45,207,350
Preferred Stocks 1.0%			
Commercial Services & Supplies 0.2%			
^{a,b,c} Optoro, Inc., E	United States	556,026	9,017,603
Health Care Providers & Services 0.5%			
^{a,b,c} Tempus Labs, Inc., F	United States	504,854	16,292,837
^{a,b,c} Tempus Labs, Inc., G	United States	126,131	4,070,547
			20,363,384
Software 0.3%			
^{a,b,c} ClearMotion, Inc., A-3	United States	417,667	57,322
^{a,b,c} ClearMotion, Inc., A-4	United States	2,606,463	331,738
^{a,b,c} Talkdesk, Inc., C	United States	1,753,060	8,571,187

Franklin Growth Opportunities Fund (continued)

	Country	Shares	Value
Preferred Stocks (continued)			
Software (continued)			
^{a,b,c} Tanium, Inc., G	United States	805,800	\$6,576,739
			15,536,986
Total Preferred Stocks (Cost \$44,049,689)			44,917,973
Escrows and Litigation Trusts 0.0%			
^{a,b} Wheels Up Experience, Inc., Escrow Account	United States	10,278	—
Total Escrows and Litigation Trusts (Cost \$—)			—
Total Long Term Investments (Cost \$1,820,634,649)			4,251,188,572
Short Term Investments 0.7%			
	Country	Shares	Value
Money Market Funds 0.1%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	5,778,248	5,778,248
Total Money Market Funds (Cost \$5,778,248)			5,778,248
^g Investments from Cash Collateral Received for Loaned Securities 0.6%			
Money Market Funds 0.6%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	24,049,725	24,049,725
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$24,049,725)			24,049,725
Total Short Term Investments (Cost \$29,827,973)			29,827,973
Total Investments (Cost \$1,850,462,622) 101.0%			\$4,281,016,545
Other Assets, less Liabilities (1.0)%			(43,059,478)
Net Assets 100.0%			\$4,237,957,067

See Abbreviations on page 82.

^a Non-income producing.

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

^c See Note 7 regarding restricted securities.

^d A portion or all of the security is on loan at April 30, 2024. See Note 1(c).

^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(c) regarding securities on loan.

Financial Highlights

Franklin Small Cap Growth Fund

	Year Ended April 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	\$17.19	\$17.78	\$30.08	\$18.85	\$21.46
Income from investment operations ^a :					
Net investment (loss) ^b	(0.09)	(0.09)	(0.14)	(0.18)	(0.11)
Net realized and unrealized gains (losses)	3.83	(0.40)	(7.89)	14.24	(1.07)
Total from investment operations	3.74	(0.49)	(8.03)	14.06	(1.18)
Less distributions from:					
Net realized gains	—	(0.10)	(4.27)	(2.83)	(1.43)
Net asset value, end of year	\$20.93	\$17.19	\$17.78	\$30.08	\$18.85
Total return ^c	21.76%	(2.73)%	(29.53)%	76.43%	(6.25)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.08%	1.11%	1.03%	1.03%	1.07%
Expenses net of waiver and payments by affiliates ^d	1.07%	1.10%	1.03% ^e	1.02%	1.06%
Net investment (loss)	(0.48)%	(0.54)%	(0.54)%	(0.69)%	(0.51)%
Supplemental data					
Net assets, end of year (000's)	\$881,445	\$763,871	\$860,536	\$1,244,591	\$686,791
Portfolio turnover rate	15.99%	16.86%	30.88%	47.80%	35.29%

^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 Small Cap Growth Fund (continued)

	Year Ended April 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	\$11.84	\$12.37	\$22.57	\$14.69	\$17.15
Income from investment operations ^a :					
Net investment (loss) ^b	(0.16)	(0.15)	(0.25)	(0.29)	(0.21)
Net realized and unrealized gains (losses)	2.64	(0.28)	(5.68)	11.00	(0.82)
Total from investment operations	2.48	(0.43)	(5.93)	10.71	(1.03)
Less distributions from:					
Net realized gains	—	(0.10)	(4.27)	(2.83)	(1.43)
Net asset value, end of year	\$14.32	\$11.84	\$12.37	\$22.57	\$14.69
Total return ^c	20.95%	(3.44)%	(30.07)%	75.13%	(6.97)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.83%	1.86%	1.78%	1.78%	1.82%
Expenses net of waiver and payments by affiliates ^d	1.82%	1.84%	1.78% ^e	1.77%	1.81%
Net investment (loss)	(1.23)%	(1.28)%	(1.31)%	(1.43)%	(1.26)%
Supplemental data					
Net assets, end of year (000's)	\$22,351	\$20,551	\$32,755	\$86,394	\$66,269
Portfolio turnover rate	15.99%	16.86%	30.88%	47.80%	35.29%

^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 Small Cap Growth Fund (continued)

	Year Ended April 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	\$15.52	\$16.10	\$27.76	\$17.58	\$20.15
Income from investment operations ^a :					
Net investment (loss) ^b	(0.12)	(0.12)	(0.19)	(0.23)	(0.15)
Net realized and unrealized gains (losses)	3.45	(0.36)	(7.20)	13.24	(0.99)
Total from investment operations	3.33	(0.48)	(7.39)	13.01	(1.14)
Less distributions from:					
Net realized gains	—	(0.10)	(4.27)	(2.83)	(1.43)
Net asset value, end of year	\$18.85	\$15.52	\$16.10	\$27.76	\$17.58
Total return	21.46%	(2.95)%	(29.71)%	75.96%	(6.47)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.33%	1.36%	1.28%	1.28%	1.32%
Expenses net of waiver and payments by affiliates ^c	1.32%	1.35%	1.28% ^d	1.27%	1.31%
Net investment (loss)	(0.73)%	(0.79)%	(0.79)%	(0.93)%	(0.76)%
Supplemental data					
Net assets, end of year (000's)	\$39,963	\$39,777	\$50,324	\$79,314	\$54,369
Portfolio turnover rate	15.99%	16.86%	30.88%	47.80%	35.29%

^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 Small Cap Growth Fund (continued)

	Year Ended April 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	\$20.15	\$20.73	\$34.14	\$21.07	\$23.73
Income from investment operations ^a :					
Net investment (loss) ^b	(0.02)	(0.02)	(0.04)	(0.09)	(0.02)
Net realized and unrealized gains (losses)	4.50	(0.46)	(9.10)	15.99	(1.21)
Total from investment operations	4.48	(0.48)	(9.14)	15.90	(1.23)
Less distributions from:					
Net realized gains	—	(0.10)	(4.27)	(2.83)	(1.43)
Net asset value, end of year	\$24.63	\$20.15	\$20.73	\$34.14	\$21.07
Total return	22.23%	(2.29)%	(29.26)%	77.13%	(5.86)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.67%	0.68%	0.65%	0.65%	0.67%
Expenses net of waiver and payments by affiliates ^c	0.66%	0.66%	0.64%	0.64%	0.64%
Net investment (loss)	(0.07)%	(0.10)%	(0.15)%	(0.31)%	(0.09)%
Supplemental data					
Net assets, end of year (000's)	\$1,458,516	\$1,345,064	\$1,529,170	\$2,149,795	\$1,136,759
Portfolio turnover rate	15.99%	16.86%	30.88%	47.80%	35.29%

^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 Small Cap Growth Fund (continued)

	Year Ended April 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	\$19.59	\$20.19	\$33.43	\$20.70	\$23.37
Income from investment operations ^a :					
Net investment (loss) ^b	(0.05)	(0.05)	(0.08)	(0.13)	(0.06)
Net realized and unrealized gains (losses)	4.37	(0.45)	(8.89)	15.69	(1.18)
Total from investment operations	4.32	(0.50)	(8.97)	15.56	(1.24)
Less distributions from:					
Net realized gains	—	(0.10)	(4.27)	(2.83)	(1.43)
Net asset value, end of year	\$23.91	\$19.59	\$20.19	\$33.43	\$20.70
Total return	22.10%	(2.50)%	(29.34)%	76.86%	(5.99)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.83%	0.86%	0.78%	0.78%	0.82%
Expenses net of waiver and payments by affiliates ^c	0.82%	0.85%	0.77%	0.77%	0.81%
Net investment (loss)	(0.23)%	(0.29)%	(0.29)%	(0.44)%	(0.26)%
Supplemental data					
Net assets, end of year (000's)	\$390,099	\$341,973	\$433,191	\$739,985	\$428,155
Portfolio turnover rate	15.99%	16.86%	30.88%	47.80%	35.29%

^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%.

Schedule of Investments, April 30, 2024

Franklin Small Cap Growth Fund

	Country	Shares	Value
Common Stocks 93.8%			
Aerospace & Defense 6.3%			
^a AAR Corp.	United States	791,900	\$54,751,966
^a Axon Enterprise, Inc.	United States	27,200	8,531,552
BWX Technologies, Inc.	United States	759,400	72,727,738
^a Kratos Defense & Security Solutions, Inc.	United States	1,797,664	32,034,372
^a Loar Holdings, Inc.	United States	137,200	7,178,304
			175,223,932
Banks 1.3%			
Pinnacle Financial Partners, Inc.	United States	316,904	24,306,537
Western Alliance Bancorp.	United States	206,500	11,735,395
			36,041,932
Biotechnology 8.1%			
^{a,b} Acumen Pharmaceuticals, Inc.	United States	1,200,300	3,864,966
^a Apogee Therapeutics, Inc.	United States	389,700	19,601,910
^a Ascendis Pharma A/S, ADR	Denmark	217,200	30,069,168
^{a,b} CG oncology, Inc.	United States	197,800	7,949,582
^a Cullinan Therapeutics, Inc.	United States	799,700	21,599,897
^a Cytokinetix, Inc.	United States	150,200	9,210,264
^a Day One Biopharmaceuticals, Inc.	United States	1,172,622	20,051,836
^a Dyne Therapeutics, Inc.	United States	608,200	15,393,542
^a Heron Therapeutics, Inc.	United States	1,797,608	4,170,451
^a Insmmed, Inc.	United States	894,000	22,099,680
^a Kura Oncology, Inc.	United States	686,100	13,461,282
^{a,b} Kyverna Therapeutics, Inc.	United States	224,100	3,392,874
^a Merus NV	Netherlands	509,900	22,899,609
^a Syndax Pharmaceuticals, Inc.	United States	572,400	12,094,812
^a Twist Bioscience Corp.	United States	119,862	3,743,290
^a Vaxcyte, Inc.	United States	262,100	15,870,155
			225,473,318
Capital Markets 2.7%			
Bridge Investment Group Holdings, Inc., A.	United States	1,401,600	9,222,528
Evercore, Inc., A.	United States	169,000	30,673,500
Houlihan Lokey, Inc., A.	United States	282,300	35,990,427
			75,886,455
Communications Equipment 0.6%			
^a Viavi Solutions, Inc.	United States	2,169,300	17,137,470
Construction & Engineering 3.7%			
Arcosa, Inc.	United States	685,200	52,088,904
^a Centuri Holdings, Inc.	United States	471,000	11,657,250
Granite Construction, Inc.	United States	731,143	40,578,437
			104,324,591
Consumer Staples Distribution & Retail 0.5%			
^a Performance Food Group Co.	United States	202,400	13,738,912
Diversified Consumer Services 0.4%			
^a Nerdy, Inc.	United States	3,825,800	9,908,822
Electronic Equipment, Instruments & Components 1.8%			
Vontier Corp.	United States	1,214,700	49,353,261
Energy Equipment & Services 1.7%			
Liberty Energy, Inc., A.	United States	2,215,100	48,732,200

Franklin Small Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Financial Services 4.1%			
^a Flywire Corp.	United States	1,580,210	\$32,394,305
^a Paymentus Holdings, Inc., A	United States	1,964,700	40,099,527
^a Repay Holdings Corp., A	United States	1,395,637	14,193,628
^a Shift4 Payments, Inc., A	United States	472,200	27,321,492
			114,008,952
Food Products 2.8%			
^a Freshpet, Inc.	United States	414,800	43,997,836
^a Simply Good Foods Co. (The)	United States	949,200	34,598,340
			78,596,176
Health Care Equipment & Supplies 5.9%			
^a Haemonetics Corp.	United States	485,600	44,650,920
^a Inari Medical, Inc.	United States	184,700	6,896,698
^a Inspire Medical Systems, Inc.	United States	214,744	51,895,035
^a Integer Holdings Corp.	United States	434,900	48,547,887
^a Neogen Corp.	United States	623,432	7,686,916
^a Pulmonx Corp.	United States	647,016	4,923,792
			164,601,248
Health Care Providers & Services 3.7%			
^a HealthEquity, Inc.	United States	563,116	44,435,483
^a Hims & Hers Health, Inc.	United States	1,606,947	20,135,046
^a NeoGenomics, Inc.	United States	1,270,400	17,683,968
^a Privia Health Group, Inc.	United States	1,195,900	22,004,560
			104,259,057
Health Care Technology 1.7%			
^a Certara, Inc.	United States	1,274,100	21,799,851
^a Phreesia, Inc.	United States	1,302,582	27,015,551
			48,815,402
Hotel & Resort REITs 0.6%			
Pebblebrook Hotel Trust	United States	1,174,800	17,069,844
Hotels, Restaurants & Leisure 6.8%			
^a Cava Group, Inc.	United States	383,400	27,581,796
^a Portillo's, Inc., A	United States	1,188,100	14,566,106
Red Rock Resorts, Inc., A	United States	913,900	48,546,368
Texas Roadhouse, Inc., A	United States	249,500	40,114,610
Wingstop, Inc.	United States	156,813	60,340,074
			191,148,954
Household Durables 2.3%			
^a M/I Homes, Inc.	United States	194,646	22,621,758
^a Sonos, Inc.	United States	1,144,600	19,343,740
^a Tri Pointe Homes, Inc.	United States	591,900	21,811,515
			63,777,013
Industrial REITs 0.9%			
Rexford Industrial Realty, Inc.	United States	588,400	25,189,404
Interactive Media & Services 1.2%			
^a ZoomInfo Technologies, Inc., A	United States	2,056,800	32,620,848
IT Services 0.4%			
^a BigCommerce Holdings, Inc., 1	United States	1,758,800	9,954,808

Franklin Small Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Life Sciences Tools & Services 0.2%			
^a CryoPort, Inc.	United States	330,300	\$5,347,557
Machinery 2.0%			
Kennametal, Inc.	United States	920,700	21,664,071
^a RBC Bearings, Inc.	United States	141,700	34,652,735
			56,316,806
Media 1.3%			
New York Times Co. (The), A.	United States	839,056	36,104,580
Oil, Gas & Consumable Fuels 1.6%			
Matador Resources Co.	United States	719,000	44,793,700
Passenger Airlines 1.9%			
^a Alaska Air Group, Inc.	United States	568,600	24,461,172
Allegiant Travel Co.	United States	547,948	29,896,043
			54,357,215
Personal Care Products 2.6%			
^a BellRing Brands, Inc.	United States	1,077,900	59,467,743
^{a,b} Oddity Tech Ltd., A	Israel	424,200	13,803,468
			73,271,211
Pharmaceuticals 2.3%			
^a EyePoint Pharmaceuticals, Inc.	United States	1,192,700	20,991,520
^a Intra-Cellular Therapies, Inc.	United States	339,400	24,372,314
^a Pliant Therapeutics, Inc.	United States	521,100	6,159,402
^a Revance Therapeutics, Inc.	United States	1,536,492	5,546,736
^a Structure Therapeutics, Inc., ADR	United States	157,200	6,199,968
			63,269,940
Professional Services 2.2%			
^a Legalzoom.com, Inc.	United States	2,680,980	32,037,711
^a Paycor HCM, Inc.	United States	1,616,200	28,073,394
			60,111,105
Semiconductors & Semiconductor Equipment 6.1%			
^a Lattice Semiconductor Corp.	United States	677,800	46,497,080
^a Onto Innovation, Inc.	United States	380,909	70,654,810
^a Silicon Laboratories, Inc.	United States	186,900	22,706,481
^a SiTime Corp.	United States	346,912	30,916,798
			170,775,169
Software 10.7%			
^a Alkami Technology, Inc.	United States	621,750	14,965,523
^a AvePoint, Inc.	United States	1,037,300	8,059,821
^{a,c,d} ClearMotion, Inc.	United States	3,698,772	381,698
^a CS Disco, Inc.	United States	1,667,313	12,588,213
^a Envestnet, Inc.	United States	289,622	17,976,838
^a Freshworks, Inc., A	United States	1,990,100	35,523,285
^a Gitlab, Inc., A	United States	829,800	43,539,606
^a HashiCorp, Inc., A.	United States	1,451,700	47,122,182
^a LiveRamp Holdings, Inc.	United States	1,191,900	38,271,909
^a Monday.com Ltd.	United States	240,400	45,514,932
^a nCino, Inc.	United States	612,900	17,872,164
^a Rubrik, Inc., A	United States	194,800	6,237,496

Franklin Small Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
^{a,c,d} ServiceTitan, Inc.	United States	148,478	\$9,999,993
			298,053,660
Specialty Retail 2.9%			
American Eagle Outfitters, Inc.	United States	543,100	13,175,606
^a Boot Barn Holdings, Inc.	United States	313,660	33,395,380
^a Five Below, Inc.	United States	116,900	17,107,146
Lithia Motors, Inc., A	United States	69,726	17,736,900
			81,415,032
Textiles, Apparel & Luxury Goods 0.9%			
^a Figs, Inc., A.	United States	957,700	4,893,847
Steven Madden Ltd.	United States	497,150	20,089,832
			24,983,679
Trading Companies & Distributors 1.6%			
^a Beacon Roofing Supply, Inc.	United States	451,000	44,437,030
Total Common Stocks (Cost \$1,977,854,363)			2,619,099,283
Convertible Preferred Stocks 2.5%			
Automobile Components 0.4%			
^{a,c,d} Flock Group, Inc., G	United States	98,754	9,999,899
Diversified Consumer Services 0.5%			
^{a,c,d} Newsela, Inc., D	United States	709,046	12,915,705
Software 1.4%			
^{a,c,d,e} Benchling, Inc., F	United States	382,306	5,363,582
^{a,c,d} Checkr, Inc., E	United States	1,388,889	21,236,766
^{a,c,d} OneTrust LLC, A	United States	625,361	9,446,475
^{a,c,d} OneTrust LLC, A-1	United States	56,457	852,819
^{a,c,d} Smule, Inc., J	United States	162,712	2,325,203
			39,224,845
Specialty Retail 0.2%			
^{a,c,d,e} 1661, Inc., F	United States	3,436,485	7,235,237
Total Convertible Preferred Stocks (Cost \$90,764,293)			69,375,686
Preferred Stocks 0.6%			
Automobile Components 0.2%			
^{a,c,d} Tula eTechnology, Inc.	United States	361,111	—
^{a,c,d} Tula eTechnology, Inc., E	United States	3,611,111	6,478,900
			6,478,900
Commercial Services & Supplies 0.3%			
^{a,c,d} Optoro, Inc., E	United States	554,878	8,998,985
Software 0.1%			
^{a,c,d} ClearMotion, Inc., A-3	United States	1,037,942	142,450
^{a,c,d} ClearMotion, Inc., A-4	United States	6,477,294	824,398
^{a,c,d} Smule, Inc., 144A, G	United States	1,542,673	993,216

Franklin Small Cap Growth Fund (continued)

	Country	Shares	Value
Preferred Stocks (continued)			
Software (continued)			
^{a,c,d} Smule, Inc., 144A, H.	United States	352,675	\$268,275
			2,228,339
Total Preferred Stocks (Cost \$32,144,989)			17,706,224
		Rights	
Rights 0.0%[†]			
Biotechnology 0.0%[†]			
^{a,c,d} Chinook Therapeutics, Inc., CVR, 6/30/30	United States	410,500	395,806
Total Rights (Cost \$160,095)			395,806
		Shares	
Escrows and Litigation Trusts 0.0%			
^{a,c} Wheels Up Experience, Inc., Escrow Account	United States	8,808	—
Total Escrows and Litigation Trusts (Cost \$—)			—
Total Long Term Investments (Cost \$2,100,923,740)			2,706,576,999
Short Term Investments 3.8%			
	Country	Shares	Value
Money Market Funds 3.2%			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	90,555,123	90,555,123
Total Money Market Funds (Cost \$90,555,123)			90,555,123
Investments from Cash Collateral Received for Loaned Securities 0.6%			
Money Market Funds 0.6%			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	16,408,075	16,408,075
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$16,408,075)			16,408,075
Total Short Term Investments (Cost \$106,963,198)			106,963,198
Total Investments (Cost \$2,207,886,938) 100.7%			\$2,813,540,197
Other Assets, less Liabilities (0.7)%			(21,165,480)
Net Assets 100.0%			\$2,792,374,717

See Abbreviations on page 82.

Franklin Small Cap Growth Fund (continued)

[†] 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 April 30, 2024. See Note 1(c).

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

^d See Note 7 regarding restricted securities.

^e See Note 8 regarding holdings of 5% voting securities.

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

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

^h See Note 1(c) regarding securities on loan.

Financial Highlights

Franklin Small-Mid Cap Growth Fund

	Year Ended April 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	\$29.75	\$33.07	\$49.66	\$32.15	\$37.17
Income from investment operations ^a :					
Net investment (loss) ^b	(0.01)	(0.05)	(0.25)	(0.24)	(0.07)
Net realized and unrealized gains (losses)	5.48	(1.39)	(9.42)	21.89	1.24
Total from investment operations	5.47	(1.44)	(9.67)	21.65	1.17
Less distributions from:					
Net realized gains	—	(1.88)	(6.92)	(4.14)	(6.19)
Net asset value, end of year	\$35.22	\$29.75	\$33.07	\$49.66	\$32.15
Total return ^c	18.39%	(4.07)%	(22.83)%	68.37%	2.97%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.87%	0.90%	0.85%	0.86%	0.88%
Expenses net of waiver and payments by affiliates ^d	0.85%	0.88%	0.84%	0.85%	0.87%
Net investment (loss)	(0.02)%	(0.17)%	(0.54)%	(0.54)%	(0.21)%
Supplemental data					
Net assets, end of year (000's)	\$2,822,866	\$2,578,199	\$3,019,703	\$4,217,167	\$2,515,801
Portfolio turnover rate	37.02%	27.75%	48.89%	53.69%	52.98%

^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%.

Franklin Small-Mid Cap Growth Fund (continued)

	Year Ended April 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	\$13.45	\$16.20	\$27.98	\$19.41	\$24.98
Income from investment operations ^a :					
Net investment (loss) ^b	(0.11)	(0.13)	(0.32)	(0.33)	(0.22)
Net realized and unrealized gains (losses)	2.46	(0.74)	(4.54)	13.04	0.84
Total from investment operations	2.35	(0.87)	(4.86)	12.71	0.62
Less distributions from:					
Net realized gains	—	(1.88)	(6.92)	(4.14)	(6.19)
Net asset value, end of year	\$15.80	\$13.45	\$16.20	\$27.98	\$19.41
Total return ^c	17.47%	(4.76)%	(23.43)%	67.11%	2.14%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.62%	1.65%	1.60%	1.61%	1.63%
Expenses net of waiver and payments by affiliates ^d	1.60%	1.63%	1.59%	1.60%	1.62%
Net investment (loss)	(0.77)%	(0.92)%	(1.29)%	(1.28)%	(0.96)%
Supplemental data					
Net assets, end of year (000's)	\$60,281	\$82,982	\$110,596	\$198,713	\$138,940
Portfolio turnover rate	37.02%	27.75%	48.89%	53.69%	52.98%

^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%.

Franklin Small-Mid Cap Growth Fund (continued)

	Year Ended April 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	\$24.93	\$28.11	\$43.32	\$28.45	\$33.66
Income from investment operations ^a :					
Net investment (loss) ^b	(0.07)	(0.11)	(0.32)	(0.30)	(0.14)
Net realized and unrealized gains (losses)	4.58	(1.19)	(7.97)	19.31	1.12
Total from investment operations	4.51	(1.30)	(8.29)	19.01	0.98
Less distributions from:					
Net realized gains	—	(1.88)	(6.92)	(4.14)	(6.19)
Net asset value, end of year	\$29.44	\$24.93	\$28.11	\$43.32	\$28.45
Total return	18.09%	(4.30)%	(23.00)%	67.96%	2.69%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.12%	1.15%	1.10%	1.10%	1.12%
Expenses net of waiver and payments by affiliates ^c	1.10%	1.13%	1.09%	1.09%	1.11%
Net investment (loss)	(0.27)%	(0.42)%	(0.79)%	(0.78)%	(0.45)%
Supplemental data					
Net assets, end of year (000's)	\$37,276	\$34,371	\$38,761	\$60,264	\$40,997
Portfolio turnover rate	37.02%	27.75%	48.89%	53.69%	52.98%

^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 Small-Mid Cap Growth Fund (continued)

	Year Ended April 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	\$36.39	\$39.84	\$58.24	\$37.12	\$41.83
Income from investment operations ^a :					
Net investment income (loss) ^b	0.14	0.08	(0.10)	(0.10)	0.07
Net realized and unrealized gains (losses)	6.70	(1.65)	(11.38)	25.36	1.41
Total from investment operations	6.84	(1.57)	(11.48)	25.26	1.48
Less distributions from:					
Net realized gains	—	(1.88)	(6.92)	(4.14)	(6.19)
Net asset value, end of year	\$43.23	\$36.39	\$39.84	\$58.24	\$37.12
Total return	18.82%	(3.70)%	(22.57)%	68.95%	3.40%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.51%	0.53%	0.51%	0.51%	0.52%
Expenses net of waiver and payments by affiliates ^c	0.49%	0.49%	0.50%	0.49%	0.48%
Net investment income (loss)	0.34%	0.23%	(0.19)%	(0.19)%	0.18%
Supplemental data					
Net assets, end of year (000's)	\$539,962	\$451,447	\$540,509	\$648,078	\$224,341
Portfolio turnover rate	37.02%	27.75%	48.89%	53.69%	52.98%

^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 Small-Mid Cap Growth Fund (continued)

	Year Ended April 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	\$35.22	\$38.68	\$56.79	\$36.30	\$41.09
Income from investment operations ^a :					
Net investment income (loss) ^b	0.09	0.03	(0.15)	(0.14)	0.02
Net realized and unrealized gains (losses)	6.48	(1.61)	(11.04)	24.77	1.38
Total from investment operations	6.57	(1.58)	(11.19)	24.63	1.40
Less distributions from:					
Net realized gains	—	(1.88)	(6.92)	(4.14)	(6.19)
Net asset value, end of year	\$41.79	\$35.22	\$38.68	\$56.79	\$36.30
Total return	18.68%	(3.81)%	(22.65)%	68.77%	3.26%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.62%	0.65%	0.60%	0.61%	0.63%
Expenses net of waiver and payments by affiliates ^c	0.60%	0.63%	0.59%	0.60%	0.62%
Net investment income (loss)	0.23%	0.08%	(0.28)%	(0.29)%	0.04%
Supplemental data					
Net assets, end of year (000's)	\$435,671	\$469,050	\$532,573	\$552,987	\$302,329
Portfolio turnover rate	37.02%	27.75%	48.89%	53.69%	52.98%

^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%.

Schedule of Investments, April 30, 2024

Franklin Small-Mid Cap Growth Fund

	Country	Shares	Value
Common Stocks 95.9%			
Aerospace & Defense 3.3%			
^a Axon Enterprise, Inc.	United States	230,800	\$72,392,728
TransDigm Group, Inc.	United States	46,300	57,783,789
			130,176,517
Automobile Components 0.5%			
^{a,b} Mobileye Global, Inc., A.	Israel	684,500	18,857,975
Beverages 0.8%			
^a Celsius Holdings, Inc.	United States	417,500	29,755,225
Biotechnology 2.1%			
^a Alnylam Pharmaceuticals, Inc.	United States	126,200	18,166,490
^a BioMarin Pharmaceutical, Inc.	United States	144,700	11,685,972
^a CG oncology, Inc.	United States	324,700	13,049,693
^a Neurocrine Biosciences, Inc.	United States	204,200	28,085,668
^a Vaxcyte, Inc.	United States	177,500	10,747,625
			81,735,448
Building Products 2.5%			
Trane Technologies plc	United States	312,100	99,041,814
Capital Markets 7.9%			
Ares Management Corp., A.	United States	610,800	81,291,372
Blue Owl Capital, Inc., A	United States	2,091,100	39,500,879
LPL Financial Holdings, Inc.	United States	227,300	61,173,249
MSCI, Inc., A.	United States	107,900	50,258,741
Nasdaq, Inc.	United States	670,500	40,129,425
Tradeweb Markets, Inc., A.	United States	334,000	33,971,140
			306,324,806
Commercial Services & Supplies 1.0%			
Republic Services, Inc., A	United States	211,100	40,467,870
Containers & Packaging 1.1%			
Avery Dennison Corp.	United States	193,300	42,000,224
Electrical Equipment 1.7%			
AMETEK, Inc.	United States	178,300	31,141,878
Rockwell Automation, Inc.	United States	132,500	35,902,200
			67,044,078
Electronic Equipment, Instruments & Components 1.5%			
Amphenol Corp., A	United States	483,500	58,392,295
Energy Equipment & Services 0.7%			
Halliburton Co.	United States	770,100	28,855,647
Entertainment 1.2%			
^a ROBLOX Corp., A.	United States	1,369,600	48,702,976
Financial Services 1.4%			
^a Block, Inc., A.	United States	759,100	55,414,300
Food Products 1.9%			
^a Freshpet, Inc.	United States	307,900	32,658,953
Lamb Weston Holdings, Inc.	United States	476,300	39,694,842
			72,353,795
Ground Transportation 1.4%			
Old Dominion Freight Line, Inc.	United States	292,000	53,059,320

Franklin Small-Mid Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Equipment & Supplies 5.0%			
^a Dexcom, Inc.	United States	711,656	\$90,657,858
^a IDEXX Laboratories, Inc.	United States	121,200	59,722,512
^a Penumbra, Inc.	United States	220,800	43,380,576
			193,760,946
Health Care Providers & Services 0.7%			
^a HealthEquity, Inc.	United States	331,100	26,127,101
Health Care Technology 1.7%			
^a Certara, Inc.	United States	363,500	6,219,485
^a Veeva Systems, Inc., A	United States	303,600	60,282,816
			66,502,301
Hotels, Restaurants & Leisure 6.0%			
^a Cava Group, Inc.	United States	465,700	33,502,458
Darden Restaurants, Inc.	United States	306,400	47,004,824
^a DoorDash, Inc., A	United States	492,200	63,621,772
^a Expedia Group, Inc.	United States	145,700	19,615,591
Wingstop, Inc.	United States	133,100	51,215,549
Wynn Resorts Ltd.	United States	219,100	20,080,515
			235,040,709
Household Durables 0.6%			
^a NVR, Inc.	United States	3,400	25,292,090
Industrial REITs 0.8%			
Terreno Realty Corp.	United States	539,200	29,305,520
Insurance 1.1%			
Arthur J Gallagher & Co.	United States	189,100	44,379,879
Interactive Media & Services 2.1%			
^a Match Group, Inc.	United States	825,759	25,449,892
^a Pinterest, Inc., A	United States	1,743,600	58,323,420
			83,773,312
IT Services 5.1%			
^a Cloudflare, Inc., A	United States	416,500	36,402,100
^a EPAM Systems, Inc.	United States	165,600	38,959,056
^a Gartner, Inc.	United States	167,700	69,191,343
^a MongoDB, Inc., A	United States	143,700	52,476,366
			197,028,865
Leisure Products 1.5%			
^{a,c,d} Fanatics Holdings, Inc.	United States	793,714	58,061,819
Life Sciences Tools & Services 5.8%			
^a 10X Genomics, Inc., A	United States	596,600	17,468,448
Agilent Technologies, Inc.	United States	542,200	74,303,088
^a Mettler-Toledo International, Inc.	United States	28,700	35,292,390
^a Repligen Corp.	United States	251,500	41,296,300
West Pharmaceutical Services, Inc.	United States	162,100	57,947,508
			226,307,734
Machinery 2.1%			
IDEX Corp.	United States	167,100	36,838,866
Xylem, Inc.	United States	337,300	44,085,110
			80,923,976

Franklin Small-Mid Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Media 0.8%			
New York Times Co. (The), A.	United States	711,900	\$30,633,057
Oil, Gas & Consumable Fuels 2.5%			
Cheniere Energy, Inc.	United States	296,700	46,825,194
Hess Corp.	United States	96,300	15,166,287
Targa Resources Corp.	United States	310,900	35,461,254
			97,452,735
Passenger Airlines 0.8%			
Delta Air Lines, Inc.	United States	588,000	29,441,160
Personal Care Products 0.8%			
^a BellRing Brands, Inc.	United States	512,100	28,252,557
^{a,b} Oddity Tech Ltd., A.	Israel	48,600	1,581,444
			29,834,001
Pharmaceuticals 0.8%			
^a Jazz Pharmaceuticals plc	United States	292,500	32,394,375
Professional Services 4.8%			
Paychex, Inc.	United States	604,900	71,868,169
TransUnion.	United States	648,100	47,311,300
Verisk Analytics, Inc., A.	United States	312,100	68,025,316
			187,204,785
Residential REITs 0.7%			
Equity LifeStyle Properties, Inc.	United States	466,700	28,137,343
Semiconductors & Semiconductor Equipment 4.0%			
^a Lattice Semiconductor Corp.	United States	711,214	48,789,280
Monolithic Power Systems, Inc.	United States	92,900	62,180,757
^a Onto Innovation, Inc.	United States	113,800	21,108,762
^a SiTime Corp.	United States	267,914	23,876,496
			155,955,295
Software 11.3%			
^a Alkami Technology, Inc.	United States	882,600	21,244,182
^a ANSYS, Inc.	United States	181,300	58,900,744
^a Arteris, Inc.	United States	1,324,600	8,782,098
^a Crowdstrike Holdings, Inc., A.	United States	276,900	81,004,326
^a Datadog, Inc., A.	United States	365,300	45,845,150
^a Fair Isaac Corp.	United States	46,300	52,473,179
^a HubSpot, Inc.	United States	101,700	61,515,279
^a Monday.com Ltd.	United States	146,800	27,793,644
^a Rubrik, Inc., A.	United States	275,500	8,821,510
^a Synopsys, Inc.	United States	56,400	29,925,276
^a Workday, Inc., A.	United States	175,900	43,048,007
			439,353,395
Specialized REITs 0.6%			
SBA Communications Corp., A.	United States	128,500	23,916,420
Specialty Retail 4.8%			
^a Burlington Stores, Inc.	United States	225,800	40,630,452
^a Five Below, Inc.	United States	226,100	33,087,474
Ross Stores, Inc.	United States	421,200	54,566,460
Tractor Supply Co.	United States	216,100	59,012,588
			187,296,974

Franklin Small-Mid Cap Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Textiles, Apparel & Luxury Goods 0.7%			
^a Lululemon Athletica, Inc.	United States	72,100	\$25,999,260
Trading Companies & Distributors 1.8%			
Fastenal Co.	United States	987,000	67,056,780
United Rentals, Inc.	United States	2,600	1,736,774
			68,793,554
Total Common Stocks (Cost \$2,655,708,094)			3,735,098,896
Convertible Preferred Stocks 1.5%			
Diversified Consumer Services 0.2%			
^{a,c,d} Newsela, Inc., D	United States	423,782	7,719,448
Semiconductors & Semiconductor Equipment 0.0%[†]			
^{a,c,d} Phononic Devices, Inc., F	United States	2,970,061	42,101
Software 1.3%			
^{a,c,d,e} Benchling, Inc., F	United States	347,106	4,869,742
^{a,c,d,e} Blaize, Inc., D	United States	1,948,384	11,660,901
^{a,c,d,e} Blaize, Inc., D-2	United States	1,467,659	6,776,488
^{a,c,d} Databricks, Inc., G	United States	227,829	17,131,212
^{a,c,d} OneTrust LLC, C	United States	767,526	11,593,968
			52,032,311
Total Convertible Preferred Stocks (Cost \$83,781,543)			59,793,860
Preferred Stocks 0.0%[†]			
Semiconductors & Semiconductor Equipment 0.0%[†]			
^{a,c,d} Phononic Devices, Inc., G-2	United States	513,050	40,186
^{a,c,d} Phononic, Inc., H	United States	117,763	389,779
			429,965
Total Preferred Stocks (Cost \$460,692)			429,965
Warrants			
Warrants 0.0%[†]			
Semiconductors & Semiconductor Equipment 0.0%[†]			
^{a,c,d} Phononic, Inc., H, 10/17/27	United States	47,104	12,474
Software 0.0%[†]			
^{a,c,d,e} Blaize, Inc., 9/19/25	United States	146,765	130,391
^{a,c,d,e} Blaize, Inc., 12/09/25	United States	1	—
^{a,c,e} Blaize, Inc., 8/23/33	United States	1	—
			130,391
Total Warrants (Cost \$44,091)			142,865
Principal Amount[†]			
Convertible Bonds 0.0%[†]			
Software 0.0%[†]			
^{c,e} Blaize, Inc., 10%, 1/03/25	United States	1,804,600	1,804,600
Total Convertible Bonds (Cost \$1,804,600)			1,804,600

Franklin Small-Mid Cap Growth Fund (continued)

	Country	Principal Amount [*]	Value
Corporate Bonds 0.0%[†]			
Software 0.0%[†]			
^{c,d,e} Blaize, Inc., 10%, 12/09/24	United States	570,121	\$570,178
Total Corporate Bonds (Cost \$570,121)			570,178
Senior Floating Rate Interests 0.1%			
Semiconductors & Semiconductor Equipment 0.1%			
^{c,d,g} Phononic, Inc., Advance Term Loan, PIK, 12%, 6/30/25	United States	923,808	813,040
Total Senior Floating Rate Interests (Cost \$877,552)			813,040
Total Long Term Investments (Cost \$2,743,246,693)			3,798,653,404
Short Term Investments 3.4%			
	Country	Shares	Value
Money Market Funds 2.9%			
^{h,i} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	112,627,227	112,627,227
Total Money Market Funds (Cost \$112,627,227)			112,627,227
Investments from Cash Collateral Received for Loaned Securities 0.5%			
Money Market Funds 0.5%			
^{h,i} Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	United States	19,901,900	19,901,900
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$19,901,900)			19,901,900
Total Short Term Investments (Cost \$132,529,127)			132,529,127
Total Investments (Cost \$2,875,775,820) 100.9%			\$3,931,182,531
Other Assets, less Liabilities (0.9)%			(35,127,452)
Net Assets 100.0%			\$3,896,055,079

See Abbreviations on page 82.

^{*}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 on loan at April 30, 2024. See Note 1(c).^cFair valued using significant unobservable inputs. See Note 10 regarding fair value measurements.^dSee Note 7 regarding restricted securities.^eSee Note 8 regarding holdings of 5% voting securities.^fSee Note 1(d) regarding senior floating rate interests.^gIncome may be received in additional securities and/or cash.^hSee Note 3(f) regarding investments in affiliated management investment companies.ⁱThe rate shown is the annualized seven-day effective yield at period end.^jSee Note 1(c) regarding securities on loan.

Statements of Assets and Liabilities

April 30, 2024

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Assets:			
Investments in securities:			
Cost - Unaffiliated issuers	\$1,820,634,649	\$2,068,423,749	\$2,702,076,823
Cost - Non-controlled affiliates (Note 3f and 8)	29,827,973	139,463,189	173,698,997
Value - Unaffiliated issuers (Includes securities loaned of \$23,536,182, \$15,924,442 and \$19,108,628, respectively)	\$4,251,188,572	\$2,693,978,180	\$3,772,841,104
Value - Non-controlled affiliates (Note 3f and 8)	29,827,973	119,562,017	158,341,427
Foreign currency, at value (cost \$—, \$— and \$154, respectively)	—	—	155
Receivables:			
Investment securities sold	8,379,420	5,731,373	769,849
Capital shares sold	1,326,696	1,840,133	1,978,435
Dividends and interest	303,093	19,629	1,259,544
Total assets	4,291,025,754	2,821,131,332	3,935,190,514
Liabilities:			
Payables:			
Investment securities purchased	21,330,934	7,646,297	11,744,071
Capital shares redeemed	3,581,408	2,097,921	3,588,982
Management fees	1,928,005	1,387,260	1,457,957
Distribution fees	815,186	218,062	662,118
Transfer agent fees	1,016,154	691,538	1,384,568
Trustees' fees and expenses	87	125	214
Payable upon return of securities loaned (Note 1c)	24,049,725	16,408,075	19,901,900
Accrued expenses and other liabilities	347,188	307,337	395,625
Total liabilities	53,068,687	28,756,615	39,135,435
Net assets, at value	\$4,237,957,067	\$2,792,374,717	\$3,896,055,079
Net assets consist of:			
Paid-in capital	\$1,627,059,326	\$2,156,731,599	\$3,044,111,963
Total distributable earnings (losses)	2,610,897,741	635,643,118	851,943,116
Net assets, at value	\$4,237,957,067	\$2,792,374,717	\$3,896,055,079

Statements of Assets and Liabilities (continued)

April 30, 2024

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Class A:			
Net assets, at value	\$3,453,647,074	\$881,445,462	\$2,822,865,742
Shares outstanding	75,090,003	42,108,202	80,159,524
Net asset value per share ^{a,b}	\$45.99	\$20.93	\$35.22
Maximum offering price per share (net asset value per share + 94.50%) ^b	\$48.67	\$22.15	\$37.27
Class C:			
Net assets, at value	\$87,686,460	\$22,350,774	\$60,280,657
Shares outstanding	2,741,407	1,560,311	3,814,481
Net asset value and maximum offering price per share ^{a,b}	\$31.99	\$14.32	\$15.80
Class R:			
Net assets, at value	\$28,932,596	\$39,962,736	\$37,275,921
Shares outstanding	691,398	2,120,411	1,266,197
Net asset value and maximum offering price per share ^b	\$41.85	\$18.85	\$29.44
Class R6:			
Net assets, at value	\$375,777,360	\$1,458,516,258	\$539,962,153
Shares outstanding	6,982,209	59,210,530	12,489,337
Net asset value and maximum offering price per share ^b	\$53.82	\$24.63	\$43.23
Advisor Class:			
Net assets, at value	\$291,913,577	\$390,099,487	\$435,670,606
Shares outstanding	5,555,687	16,311,924	10,424,248
Net asset value and maximum offering price per share ^b	\$52.54	\$23.91	\$41.79

^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 April 30, 2024

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Investment income:			
Dividends: (net of foreign taxes of \$41,291, \$— and \$—, respectively)			
Unaffiliated issuers	\$16,695,297	\$12,020,775	\$22,903,176
Non-controlled affiliates (Note 3f and 8)	1,376,419	2,254,924	7,615,721
Interest:			
Unaffiliated issuers	—	—	259,804
Non-controlled affiliates (Note 3f and 8)	—	—	267,668
Income from securities loaned:			
Unaffiliated entities (net of fees and rebates)	(422,737)	84,638	21,292
Non-controlled affiliates (Note 3f)	830,335	1,170,725	734,975
Total investment income	18,479,314	15,531,062	31,802,636
Expenses:			
Management fees (Note 3a)	21,960,126	16,210,845	17,410,404
Distribution fees: (Note 3c)			
Class A	7,948,760	2,028,423	6,849,485
Class C	1,030,545	212,769	707,744
Class R	131,828	200,311	182,835
Transfer agent fees: (Note 3e)			
Class A	3,202,699	1,522,446	3,865,467
Class C	104,851	39,959	100,450
Class R	26,565	75,329	51,614
Class R6	84,619	387,239	186,405
Advisor Class	315,510	694,568	658,324
Custodian fees (Note 4)	—	33,376	13,482
Reports to shareholders fees	268,197	211,029	372,967
Registration and filing fees	123,933	157,190	83,483
Professional fees	131,294	117,185	105,056
Trustees' fees and expenses	48,446	31,501	45,872
Interest expense	4,136	214	287
Other	111,313	91,818	124,349
Total expenses	35,492,822	22,014,202	30,758,224
Expense reductions (Note 4)	(3,672)	(884)	(1,007)
Expenses waived/paid by affiliates (Note 3f and 3g)	(146,776)	(221,842)	(615,265)
Net expenses	35,342,374	21,791,476	30,141,952
Net investment income (loss)	(16,863,060)	(6,260,414)	1,660,684
Realized and unrealized gains (losses):			
Net realized gain (loss) from:			
Investments:			
Unaffiliated issuers	708,606,266	70,857,818	252,553,489
Non-controlled affiliates (Note 3f and 8)	—	2,998,796	—
Foreign currency transactions	(155)	—	2,334
Net realized gain (loss)	708,606,111	73,856,614	252,555,823
Net change in unrealized appreciation (depreciation) on:			
Investments:			
Unaffiliated issuers	444,926,647	450,147,029	363,171,903
Non-controlled affiliates (Note 3f and 8)	—	250,047	14,022,220
Net change in unrealized appreciation (depreciation)	444,926,647	450,397,076	377,194,123
Net realized and unrealized gain (loss)	1,153,532,758	524,253,690	629,749,946
Net increase (decrease) in net assets resulting from operations	\$1,136,669,698	\$517,993,276	\$631,410,630

Statements of Changes in Net Assets

	Franklin Growth Opportunities Fund		Franklin Small Cap Growth Fund	
	Year Ended April 30, 2024	Year Ended April 30, 2023	Year Ended April 30, 2024	Year Ended April 30, 2023
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$(16,863,060)	\$(9,874,135)	\$(6,260,414)	\$(7,326,644)
Net realized gain (loss)	708,606,111	159,660,518	73,856,614	(95,635,906)
Net change in unrealized appreciation (depreciation)	444,926,647	(390,972,122)	450,397,076	19,949,802
Net increase (decrease) in net assets resulting from operations.	1,136,669,698	(241,185,739)	517,993,276	(83,012,748)
Distributions to shareholders:				
Class A	(394,865,139)	(117,604,433)	—	(4,398,226)
Class C	(14,781,504)	(7,051,867)	—	(182,310)
Class R	(3,514,792)	(1,037,867)	—	(269,006)
Class R6	(40,009,371)	(16,500,576)	—	(6,963,574)
Advisor Class	(29,305,757)	(12,978,865)	—	(1,824,783)
Total distributions to shareholders	(482,476,563)	(155,173,608)	—	(13,637,899)
Capital share transactions: (Note 2)				
Class A	180,676,777	(156,935,909)	(39,879,038)	(65,065,140)
Class C	(45,526,143)	(22,566,167)	(2,202,373)	(10,464,989)
Class R	2,433,373	(1,799,745)	(7,631,504)	(8,407,569)
Class R6	(148,900,791)	23,823,563	(161,659,325)	(136,904,139)
Advisor Class	(86,022,379)	(264,796,290)	(25,481,258)	(77,248,269)
Total capital share transactions	(97,339,163)	(422,274,548)	(236,853,498)	(298,090,106)
Net increase (decrease) in net assets	556,853,972	(818,633,895)	281,139,778	(394,740,753)
Net assets:				
Beginning of year	3,681,103,095	4,499,736,990	2,511,234,939	2,905,975,692
End of year	\$4,237,957,067	\$3,681,103,095	\$2,792,374,717	\$2,511,234,939

Statements of Changes in Net Assets (continued)

	Franklin Small-Mid Cap Growth Fund	
	Year Ended April 30, 2024	Year Ended April 30, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income (loss)	\$1,660,684	\$(3,896,955)
Net realized gain (loss)	252,555,823	(241,439,881)
Net change in unrealized appreciation (depreciation)	377,194,123	56,299,755
Net increase (decrease) in net assets resulting from operations	631,410,630	(189,037,081)
Distributions to shareholders:		
Class A	—	(158,598,985)
Class C	—	(10,930,574)
Class R	—	(2,417,236)
Class R6	—	(22,679,273)
Advisor Class	—	(24,693,770)
Total distributions to shareholders	—	(219,319,838)
Capital share transactions: (Note 2)		
Class A	(213,650,350)	(147,703,497)
Class C	(33,720,039)	(10,637,467)
Class R	(3,141,034)	(158,411)
Class R6	4,476,222	(44,934,203)
Advisor Class	(105,370,472)	(14,301,398)
Total capital share transactions	(351,405,673)	(217,734,976)
Net increase (decrease) in net assets	280,004,957	(626,091,895)
Net assets:		
Beginning of year	3,616,050,122	4,242,142,017
End of year	\$3,896,055,079	\$3,616,050,122

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Franklin Strategic Series (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of ten separate funds, three of which are included in this report (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 Funds offer five classes of shares: Class A, Class C, Class R, Class R6 and Advisor Class. 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.

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 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.

Investments in open-end mutual funds are valued at the closing NAV. Investments in repurchase agreements are valued at cost, which approximates fair value.

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 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.

1. Organization and Significant Accounting Policies

(continued)

a. Financial Instrument Valuation (continued)

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.

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. 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 and rebates 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.

1. Organization and Significant Accounting Policies
(continued)**d. 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.

e. 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.

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 April 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.

f. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income (including interest income from payment-in-kind securities, if any) and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Certain or all Funds may receive other income from investments in senior secured corporate loans or unfunded commitments, including amendment fees, consent fees or commitment fees. These fees are recorded as income when received by the Funds. 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 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.

g. 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

1. Organization and Significant Accounting Policies

(continued)

g. Accounting Estimates (continued)

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.

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

	Franklin Growth Opportunities Fund		Franklin Small Cap Growth Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended April 30, 2024				
Shares sold ^a	8,574,980	\$371,585,582	6,835,765	\$132,067,556
Shares issued in reinvestment of distributions	9,108,435	385,104,617	—	—
Shares redeemed	(13,213,422)	(576,013,422)	(9,161,615)	(171,946,594)
Net increase (decrease)	4,469,993	\$180,676,777	(2,325,850)	\$(39,879,038)
Year ended April 30, 2023				
Shares sold ^a	4,502,909	\$173,052,149	6,638,254	\$110,403,207
Shares issued in reinvestment of distributions	3,214,869	114,802,255	267,974	4,284,631
Shares redeemed	(11,643,392)	(444,790,313)	(10,879,344)	(179,752,978)
Net increase (decrease)	(3,925,614)	\$(156,935,909)	(3,973,116)	\$(65,065,140)
Class C Shares:				
Year ended April 30, 2024				
Shares sold	719,169	\$22,451,781	457,804	\$5,960,896
Shares issued in reinvestment of distributions	495,660	14,612,070	—	—
Shares redeemed ^a	(2,598,622)	(82,589,994)	(632,873)	(8,163,269)
Net increase (decrease)	(1,383,793)	\$(45,526,143)	(175,069)	\$(2,202,373)
Year ended April 30, 2023				
Shares sold	619,760	\$17,604,728	334,406	\$3,847,147
Shares issued in reinvestment of distributions	266,009	7,022,634	16,407	181,129
Shares redeemed ^a	(1,642,280)	(47,193,529)	(1,263,004)	(14,493,265)
Net increase (decrease)	(756,511)	\$(22,566,167)	(912,191)	\$(10,464,989)

2. Shares of Beneficial Interest (continued)

	Franklin Growth Opportunities Fund		Franklin Small Cap Growth Fund	
	Shares	Amount	Shares	Amount
Class R Shares:				
Year ended April 30, 2024				
Shares sold	139,079	\$5,560,362	524,963	\$9,001,348
Shares issued in reinvestment of distributions	91,293	3,514,792	—	—
Shares redeemed	(166,218)	(6,641,781)	(968,141)	(16,632,852)
Net increase (decrease)	64,154	\$2,433,373	(443,178)	\$(7,631,504)
Year ended April 30, 2023				
Shares sold	79,609	\$2,804,309	449,685	\$6,762,540
Shares issued in reinvestment of distributions	31,444	1,037,342	18,629	269,006
Shares redeemed	(158,057)	(5,641,396)	(1,031,229)	(15,439,115)
Net increase (decrease)	(47,004)	\$(1,799,745)	(562,915)	\$(8,407,569)
Class R6 Shares:				
Year ended April 30, 2024				
Shares sold	548,608	\$27,946,401	12,060,415	\$272,225,636
Shares issued in reinvestment of distributions	809,267	39,985,905	—	—
Shares redeemed	(4,383,961)	(216,833,097)	(19,610,255)	(433,884,961)
Net increase (decrease)	(3,026,086)	\$(148,900,791)	(7,549,840)	\$(161,659,325)
Year ended April 30, 2023				
Shares sold	1,651,644	\$70,823,865	12,663,755	\$246,093,068
Shares issued in reinvestment of distributions	295,080	12,059,884	331,570	6,203,670
Shares redeemed	(1,359,181)	(59,060,186)	(20,016,884)	(389,200,877)
Net increase (decrease)	587,543	\$23,823,563	(7,021,559)	\$(136,904,139)
Advisor Class Shares:				
Year ended April 30, 2024				
Shares sold	879,399	\$44,142,934	3,950,917	\$86,229,902
Shares issued in reinvestment of distributions	586,399	28,293,747	—	—
Shares redeemed	(3,309,049)	(158,459,060)	(5,094,739)	(111,711,160)
Net increase (decrease)	(1,843,251)	\$(86,022,379)	(1,143,822)	\$(25,481,258)
Year ended April 30, 2023				
Shares sold	4,060,600	\$171,533,914	4,622,859	\$87,576,461
Shares issued in reinvestment of distributions	315,501	12,635,806	88,186	1,604,993
Shares redeemed in-kind (Note 3h)	(5,364,050)	(242,240,519)	—	—
Shares redeemed	(4,855,182)	(206,725,491)	(8,708,001)	(166,429,723)
Net increase (decrease)	(5,843,131)	\$(264,796,290)	(3,996,956)	\$(77,248,269)

2. Shares of Beneficial Interest (continued)

	Franklin Small-Mid Cap Growth Fund	
	Shares	Amount
Class A Shares:		
Year ended April 30, 2024		
Shares sold ^a	9,519,937	\$306,620,601
Shares redeemed	(16,016,549)	(520,270,951)
Net increase (decrease)	(6,496,612)	\$(213,650,350)
Year ended April 30, 2023		
Shares sold ^a	6,633,600	\$198,652,679
Shares issued in reinvestment of distributions	5,494,365	154,666,446
Shares redeemed	(16,780,836)	(501,022,622)
Net increase (decrease)	(4,652,871)	\$(147,703,497)
Class C Shares:		
Year ended April 30, 2024		
Shares sold	983,081	\$14,050,780
Shares redeemed ^a	(3,337,470)	(47,770,819)
Net increase (decrease)	(2,354,389)	\$(33,720,039)
Year ended April 30, 2023		
Shares sold	860,980	\$12,250,320
Shares issued in reinvestment of distributions	851,635	10,866,855
Shares redeemed ^a	(2,370,166)	(33,754,642)
Net increase (decrease)	(657,551)	\$(10,637,467)
Class R Shares:		
Year ended April 30, 2024		
Shares sold	245,626	\$6,647,839
Shares redeemed	(357,889)	(9,788,873)
Net increase (decrease)	(112,263)	\$(3,141,034)
Year ended April 30, 2023		
Shares sold	229,482	\$5,787,643
Shares issued in reinvestment of distributions	101,961	2,408,346
Shares redeemed	(331,668)	(8,354,400)
Net increase (decrease)	(225)	\$(158,411)
Class R6 Shares:		
Year ended April 30, 2024		
Shares sold	3,418,440	\$139,416,104
Shares redeemed	(3,333,237)	(134,939,882)
Net increase (decrease)	85,203	\$4,476,222
Year ended April 30, 2023		
Shares sold	2,952,937	\$107,377,100
Shares issued in reinvestment of distributions	581,100	19,984,012
Shares redeemed	(4,697,122)	(172,295,315)
Net increase (decrease)	(1,163,085)	\$(44,934,203)

2. Shares of Beneficial Interest (continued)

	Franklin Small-Mid Cap Growth Fund	
	Shares	Amount
Advisor Class Shares:		
Year ended April 30, 2024		
Shares sold	2,112,661	\$81,831,488
Shares redeemed	(5,005,566)	(187,201,960)
Net increase (decrease)	(2,892,905)	\$(105,370,472)
Year ended April 30, 2023		
Shares sold	2,320,439	\$83,749,485
Shares issued in reinvestment of distributions	724,960	24,141,123
Shares redeemed	(3,498,606)	(122,192,006)
Net increase (decrease)	(453,207)	\$(14,301,398)

^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

a. Management Fees

Franklin Growth Opportunities Fund pays an investment management fee, calculated daily and paid monthly, to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.700%	Up to and including \$500 million
0.600%	Over \$500 million, up to and including \$1 billion
0.550%	Over \$1 billion, up to and including \$1.5 billion
0.500%	Over \$1.5 billion, up to and including \$6.5 billion
0.475%	Over \$6.5 billion, up to and including \$11.5 billion
0.450%	Over \$11.5 billion, up to and including \$16.5 billion
0.440%	Over \$16.5 billion, up to and including \$19 billion
0.430%	Over \$19 billion, up to and including \$21.5 billion
0.420%	In excess of \$21.5 billion

3. Transactions with Affiliates (continued)

a. Management Fees (continued)

Franklin Small Cap Growth Fund pays an investment management fee, calculated daily and paid monthly, to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.750%	Up to and including \$500 million
0.650%	Over \$500 million, up to and including \$1 billion
0.600%	Over \$1 billion, up to and including \$1.5 billion
0.550%	Over \$1.5 billion, up to and including \$6.5 billion
0.525%	Over \$6.5 billion, up to and including \$11.5 billion
0.500%	Over \$11.5 billion, up to and including \$16.5 billion
0.490%	Over \$16.5 billion, up to and including \$19 billion
0.480%	Over \$19 billion, up to and including \$21.5 billion
0.470%	In excess of \$21.5 billion

Franklin Small-Mid Cap Growth Fund pays an investment management fee, calculated daily and paid monthly, to Advisers based on the average daily net assets of the Fund 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%	In excess of \$15 billion

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

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small-Mid Cap Growth Fund
Gross effective investment management fee rate.	0.543%	0.617%	0.457%

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 Fund's 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 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 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

3. Transactions with Affiliates (continued)**c. Distribution Fees** (continued)

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 Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Class A	0.35%	0.35%	0.25%
Class C	1.00%	1.00%	1.00%
Class R	0.50%	0.50%	0.50%

For Franklin Growth Opportunities Fund and Franklin Small Cap Growth Fund, the Board has set the current rate at 0.25% per year for Class A shares until further notice and approval by the Board.

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:

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Sales charges retained net of commissions paid to unaffiliated brokers/dealers	\$245,664	\$104,958	\$290,258
CDSC retained	\$10,260	\$7,663	\$11,809

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 April 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:

3. Transactions with Affiliates (continued)

e. Transfer Agent Fees (continued)

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small-Mid Cap Growth Fund
Transfer agent fees	\$1,369,720	\$1,061,514	\$1,526,861

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 April 30, 2024, investments in affiliated management investment companies were as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Franklin Growth Opportunities Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$84,915,861	\$830,853,419	\$(909,991,032)	\$—	\$—	\$5,778,248	5,778,248	\$1,376,419
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$24,476,348	\$313,844,347	\$(314,270,970)	\$—	\$—	\$24,049,725	24,049,725	\$830,335
Total Affiliated Securities . . .	\$109,392,209	\$1,144,697,766	\$(1,224,262,002)	\$—	\$—	\$29,827,973		\$2,206,754
Franklin Small Cap Growth Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$32,742,362	\$544,532,020	\$(486,719,259)	\$—	\$—	\$90,555,123	90,555,123	\$2,254,924
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$12,159,690	\$401,072,715	\$(396,824,330)	\$—	\$—	\$16,408,075	16,408,075	\$1,170,725
Total Affiliated Securities . . .	\$44,902,052	\$945,604,735	\$(883,543,589)	\$—	\$—	\$106,963,198		\$3,425,649

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 Small-Mid Cap Growth Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$180,826,526	\$515,246,061	\$(583,445,360)	\$—	\$—	\$112,627,227	112,627,227	\$7,615,721
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 5.006%	\$—	\$276,151,660	\$(256,249,760)	\$—	\$—	\$19,901,900	19,901,900	\$734,975
Total Affiliated Securities . . .	\$180,826,526	\$791,397,721	\$(839,695,120)	\$—	\$—	\$132,529,127		\$8,350,696

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 August 31, 2024.

h. Other Affiliated Transactions

During the year ended April 30, 2023, the New Jersey Better Educational Savings Trust Program - Franklin Templeton Managed Investments Options (529 Portfolios) redeemed out of the Franklin Growth Opportunities Fund. As a result, on July 22, 2022, the Fund delivered portfolio securities and cash that were transferred in-kind to the 529 Portfolios, which included \$145,404,409 of net realized gains. As such gains are not taxable to the Fund and are not distributed to remaining shareholders, they are reclassified from accumulated net realized gains to paid-in capital.

i. Interfund Transactions

Franklin Growth Opportunities Fund engaged in purchases and sales of investments with funds or other accounts that have common investment managers (or affiliated investment managers), directors, trustees or officers. During the year ended April 30, 2024, these purchase and sale transactions aggregated \$0 and \$1,743,976, respectively, with net realized losses of \$224,024.

4. Expense Offset Arrangement

The Funds have previously entered into an arrangement with their custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Funds' custodian expenses. During the year ended April 30, 2024, the custodian fees were reduced as noted in the Statements of Operations. Effective July 10, 2023, earned credits, if any, will be recognized as income.

5. Income Taxes

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

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

	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Capital loss carryforwards not subject to expiration:		
Short term	\$—	\$186,402,631
Long term	21,532,759	—
Total capital loss carryforwards	\$21,532,759	\$186,402,631

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

	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Capital loss utilized carryforwards	\$74,244,303	\$255,502,753

For tax purposes, the Funds may elect to defer any portion of a post-October capital loss or late-year ordinary loss to the first day of the following fiscal year. At April 30, 2024, the deferred losses were as follows:

	Franklin Small Cap Growth Fund
Late-year ordinary loss	\$2,482,673

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

	Franklin Growth Opportunities Fund		Franklin Small Cap Growth Fund	
	2024	2023	2024	2023
Distributions paid from:				
Ordinary income	\$1,497,881	\$—	\$—	\$—
Long term capital gain	480,978,682	155,173,608	—	13,637,899
	\$482,476,563	\$155,173,608	\$—	\$13,637,899

	Franklin Small-Mid Cap Growth Fund	
	2024	2023
Distributions paid from:		
Long term capital gain	\$—	\$219,319,838

5. Income Taxes (continued)

At April 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 Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Cost of investments	\$1,851,350,908	\$2,214,866,110	\$2,901,288,347
Unrealized appreciation.	\$2,485,535,274	\$958,825,524	\$1,186,156,110
Unrealized depreciation.	(55,869,637)	(360,151,437)	(156,261,926)
Net unrealized appreciation (depreciation).	\$2,429,665,637	\$598,674,087	\$1,029,894,184
Distributable earnings:			
Undistributed ordinary income.	\$16,024,556	\$—	\$621,425
Undistributed long term capital gains.	165,207,547	—	—
Total distributable earnings	\$181,232,103	\$—	\$621,425

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 and net operating losses.

6. Investment Transactions

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

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Purchases	\$1,101,174,971	\$414,037,514	\$1,355,105,309
Sales	\$1,593,749,558	\$706,990,837	\$1,575,745,341

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

	Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small- Mid Cap Growth Fund
Securities lending transactions^a:			
Equity investments ^b	\$24,049,725	\$16,408,075	\$19,901,900

^a The agreements can be terminated at any time.

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

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.

At April 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 Opportunities Fund				
3,094	Canva, Inc., A	3/18/24	\$3,300,249	\$3,300,249
11,829	Canva, Inc., B	12/22/21	20,158,531	12,617,534
4,619	Celonis SE	6/16/21	1,708,060	1,325,257
25,571	Celonis SE, D	6/16/21 - 10/04/22	9,427,681	7,336,684
6,309,366	ClearMotion, Inc.	11/06/17 - 12/21/18	15,500,000	651,101
417,667	ClearMotion, Inc., A-3	3/23/23	—	57,322
2,606,463	ClearMotion, Inc., A-4	12/21/21	251,500	331,738
338,280	Databricks, Inc., G	2/01/21	20,000,005	25,436,387
1,029,939	Fanatics Holdings, Inc.	8/13/20 - 3/22/21	19,730,229	75,342,166
810,440	Lacework, Inc., D	11/12/21	20,330,471	11,960,504
517,056	OneTrust LLC, C	4/01/21	10,139,623	7,810,459
556,026	Optoro, Inc., E	7/24/18 - 12/01/21	10,942,592	9,017,603
142,857	Space Exploration Technologies Corp., A	5/25/22	9,999,990	13,857,129
1,753,060	Talkdesk, Inc., C	7/15/20	11,517,955	8,571,187
805,800	Tanium, Inc., G	9/14/15	4,000,233	6,576,739
504,854	Tempus Labs, Inc., F	5/29/19	12,499,983	16,292,837
126,131	Tempus Labs, Inc., G	2/06/20	4,837,426	4,070,547
Total Restricted Securities (Value is 4.8% of Net Assets).			\$174,344,528	\$204,555,443

Shares	Issuer	Acquisition Date	Cost	Value
Franklin Small Cap Growth Fund				
3,436,485	1661, Inc., F	5/28/21	\$19,999,999	\$7,235,237
382,306	Benchling, Inc., F	10/20/21	12,499,992	5,363,582
1,388,889	Checkr, Inc., E	8/24/21	25,000,002	21,236,766
410,500	Chinook Therapeutics, Inc., CVR, 6/30/30	8/14/23	160,095	395,806
3,698,772	ClearMotion, Inc.	12/21/18	10,000,000	381,698
1,037,942	ClearMotion, Inc., A-3	3/23/23	—	142,450
6,477,294	ClearMotion, Inc., A-4	12/21/21	625,000	824,398
98,754	Flock Group, Inc., G	3/08/24	9,999,899	9,999,899
709,046	Newsela, Inc., D	1/21/21	15,000,010	12,915,705
625,361	OneTrust LLC, A	3/10/23	6,878,971	9,446,475
56,457	OneTrust LLC, A-1	3/10/23	621,027	852,819
554,878	Optoro, Inc., E	7/24/18 - 12/01/21	10,919,999	8,998,985

7. Restricted Securities (continued)

Shares	Issuer	Acquisition Date	Cost	Value
Franklin Small Cap Growth Fund (continued)				
148,478	ServiceTitan, Inc.	2/28/24	\$10,096,504	\$9,999,993
1,542,673	Smule, Inc., 144A, G	5/31/16	11,099,995	993,216
352,675	Smule, Inc., 144A, H	4/27/17	2,999,995	268,275
162,712	Smule, Inc., J	8/05/22 - 11/28/22	764,393	2,325,203
361,111	Tula eTechnology, Inc.	11/01/18	—	—
3,611,111	Tula eTechnology, Inc., E	9/08/17	6,500,000	6,478,900
Total Restricted Securities (Value is 3.5% of Net Assets).			\$143,165,881	\$97,859,407

Principal Amount*/ Shares/ Warrants	Issuer	Acquisition Date	Cost	Value
Franklin Small-Mid Cap Growth Fund				
347,106	Benchling, Inc., F	10/20/21	\$11,349,082	\$4,869,742
570,121	^a Blaize, Inc., 10%, 12/09/24	1/19/23	570,121	570,178
1	^a Blaize, Inc., 12/09/25	1/19/23	57	—
146,765	^a Blaize, Inc., 9/19/25	9/20/22 - 9/22/22	5	130,391
1,948,384	^a Blaize, Inc., D	3/02/21 - 11/09/21	20,346,009	11,660,901
1,467,659	^a Blaize, Inc., D-2	4/01/22 - 9/20/22	7,099,996	6,776,488
227,829	Databricks, Inc., G	2/01/21	13,469,850	17,131,212
793,714	Fanatics Holdings, Inc.	8/13/20 - 3/22/21	14,052,061	58,061,819
423,782	Newsela, Inc., D	1/21/21	8,965,193	7,719,448
767,526	OneTrust LLC, C	4/01/21	15,051,415	11,593,968
2,970,061	Phononic Devices, Inc., F	6/06/19	7,499,998	42,101
513,050	Phononic Devices, Inc., G-2	1/17/20 - 11/03/20	47	40,186
923,808	Phononic, Inc., Advance Term Loan, PIK, 12%, 6/30/25	10/17/22 - 4/01/24	877,552	813,040
117,763	Phononic, Inc., H	10/17/22	460,645	389,779
47,104	Phononic, Inc., H, 10/17/27	10/17/22	44,029	12,474
Total Restricted Securities (Value is 3.1% of Net Assets).			\$99,786,060	\$119,811,727

*In U.S. dollars unless otherwise indicated.

^aThe Fund also invests in unrestricted securities of the issuer, valued at \$1,804,600 as of April 30, 2024.

8. 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 April 30, 2024, investments in "affiliated companies" were as follows:

8. Holdings of 5% Voting Securities of Portfolio 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/Warrants/ Principal Amount* Held at End of Year	Investment Income
Franklin Growth Opportunities Fund								
Non-Controlled Affiliates								
								Dividends
Optoro, Inc., E.	\$8,167,495	\$—	\$—	\$—	\$— ^a	\$— ^a	— ^a	\$—
Talkdesk, Inc., C.	9,955,707	—	—	—	— ^a	— ^a	— ^a	—
Total Affiliated Securities (Value is —% of Net Assets).	\$18,123,202	\$—	\$—	\$—	\$—	\$—		\$—
Franklin Small Cap Growth Fund								
Non-Controlled Affiliates								
								Dividends
1661, Inc., F.	6,545,566	—	—	—	689,671	7,235,237	3,436,485	—
Benchling, Inc., F.	5,803,206	—	—	—	(439,624)	5,363,582	382,306	—
EyePoint Pharmaceuticals, Inc.	12,290,588	977,196	(18,005,458)	5,965,328	— ^a	— ^a	— ^a	—
Optoro, Inc., E.	8,150,632	—	—	—	— ^a	— ^a	— ^a	—
Paymentus Holdings, Inc., A.	18,067,319	—	(3,588,726)	(2,966,532)	— ^a	— ^a	— ^a	—
Total Affiliated Securities (Value is 0.5% of Net Assets).	\$50,857,311	\$977,196	\$(21,594,184)	\$2,998,796	\$250,047	\$12,598,819		\$—
Franklin Small-Mid Cap Growth Fund								
Non-Controlled Affiliates								
								Dividends
Benchling, Inc., F.	5,268,888	—	—	—	(399,146)	4,869,742	347,106	—
Blaize, Inc., 9/19/25	—	—	—	—	130,391	130,391	146,765	—
Blaize, Inc., 12/09/25	—	—	—	—	—	—	1	—
Blaize, Inc., 8/23/33	—	—	—	—	—	—	1	—
Blaize, Inc., D.	3,051,900	—	—	—	8,609,001	11,660,901	1,948,384	—
Blaize, Inc., D, 2/28/24	—	—	— ^b	—	—	— ^c	—	—
Blaize, Inc., D-2.	1,094,514	—	—	—	5,681,974	6,776,488	1,467,659	—
OneTrust LLC, C.	7,746,763	—	—	—	— ^a	— ^a	— ^a	—
Phononic Devices, Inc., F.	2,020,235	—	—	—	— ^a	— ^a	— ^a	—
Phononic Devices, Inc., G-2	771,484	—	—	—	— ^a	— ^a	— ^a	—
Phononic, Inc., H.	563,212	—	—	—	— ^a	— ^a	— ^a	—
Phononic, Inc., H, 10/17/27	60,114	—	—	—	— ^a	— ^a	— ^a	—
								Interest
Blaize, Inc., 10%, 12/09/24	570,178	—	—	—	—	570,178	570,121	57,012
Blaize, Inc., 10%, 1/03/25	—	1,804,600	—	—	—	1,804,600	1,804,600	124,317

8. Holdings of 5% Voting Securities of Portfolio 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/Warrants/ Principal Amount* Held at End of Year	Investment Income
Franklin Small-Mid Cap Growth Fund (continued)								
Non-Controlled Affiliates								
Phononic, Inc., Advance Term Loan, PIK, 12%, 6/30/25	\$625,802	\$155,370 ^b	\$—	\$—	\$— ^a	\$— ^a	— ^a	\$86,339
Total Affiliated Securities (Value is 0.7% of Net Assets)	\$21,773,090	\$1,959,970	\$—	\$—	\$14,022,220	\$25,812,300		\$267,668

¹In U.S. dollars unless otherwise indicated.^aAs of April 30, 2024, no longer an affiliate.^bMay include accretion, amortization, and/or other cost basis adjustments.^cAs of April 30, 2024, no longer held by the fund.**9. 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 April 30, 2024, the Funds did not use the Global Credit Facility.

10. Fair Value Measurements

The Funds follow a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Funds' own market assumptions (unobservable inputs). These inputs are used in determining the value of the Funds' financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Funds' own assumptions in determining the fair value of financial instruments)

10. Fair Value Measurements (continued)

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 April 30, 2024, in valuing the Funds' assets carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin Growth Opportunities Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$68,436,848	\$—	\$13,857,129	\$82,293,977
Automobiles	13,055,768	—	—	13,055,768
Beverages	54,211,051	—	—	54,211,051
Biotechnology	17,539,095	—	—	17,539,095
Broadline Retail	290,131,975	—	—	290,131,975
Building Products	53,641,250	—	—	53,641,250
Capital Markets	145,891,571	—	—	145,891,571
Chemicals	69,052,572	—	—	69,052,572
Commercial Services & Supplies	57,267,499	—	8,661,941	65,929,440
Construction Materials	33,624,434	—	—	33,624,434
Electrical Equipment	11,454,814	—	—	11,454,814
Entertainment	62,799,633	—	—	62,799,633
Financial Services	146,806,493	—	—	146,806,493
Food Products	52,228,740	—	—	52,228,740
Ground Transportation	94,356,135	—	—	94,356,135
Health Care Equipment & Supplies	126,339,256	—	—	126,339,256
Health Care Providers & Services	128,186,215	—	—	128,186,215
Hotels, Restaurants & Leisure	188,979,202	—	—	188,979,202
Interactive Media & Services	352,861,894	—	—	352,861,894
IT Services	87,766,391	—	15,917,783	103,684,174
Leisure Products	—	—	75,342,166	75,342,166
Life Sciences Tools & Services	147,230,766	—	—	147,230,766
Personal Care Products	61,801,513	—	—	61,801,513
Pharmaceuticals	137,814,725	—	—	137,814,725
Professional Services	80,906,436	—	—	80,906,436
Real Estate Management & Development	37,494,075	—	—	37,494,075
Semiconductors & Semiconductor Equipment	570,138,674	—	—	570,138,674
Software	822,247,090	—	651,101	822,898,191
Specialty Retail	23,290,519	—	—	23,290,519
Technology Hardware, Storage & Peripherals	111,078,495	—	—	111,078,495
Convertible Preferred Stocks	—	—	45,207,350	45,207,350
Preferred Stocks	—	—	44,917,973	44,917,973
Escrows and Litigation Trusts	—	—	— ^a	—
Short Term Investments	29,827,973	—	—	29,827,973
Total Investments in Securities	\$4,076,461,102	\$—	\$204,555,443	\$4,281,016,545

Franklin Small Cap Growth Fund

Assets:

Investments in Securities:

Common Stocks:

Aerospace & Defense	175,223,932	—	—	175,223,932
Banks	36,041,932	—	—	36,041,932
Biotechnology	225,473,318	—	—	225,473,318
Capital Markets	75,886,455	—	—	75,886,455
Communications Equipment	17,137,470	—	—	17,137,470
Construction & Engineering	104,324,591	—	—	104,324,591
Consumer Staples Distribution & Retail	13,738,912	—	—	13,738,912
Diversified Consumer Services	9,908,822	—	—	9,908,822
Electronic Equipment, Instruments & Components	49,353,261	—	—	49,353,261

10. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Small Cap Growth Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Energy Equipment & Services	\$48,732,200	\$—	\$—	\$48,732,200
Financial Services	114,008,952	—	—	114,008,952
Food Products	78,596,176	—	—	78,596,176
Health Care Equipment & Supplies	164,601,248	—	—	164,601,248
Health Care Providers & Services	104,259,057	—	—	104,259,057
Health Care Technology	48,815,402	—	—	48,815,402
Hotel & Resort REITs	17,069,844	—	—	17,069,844
Hotels, Restaurants & Leisure	191,148,954	—	—	191,148,954
Household Durables	63,777,013	—	—	63,777,013
Industrial REITs	25,189,404	—	—	25,189,404
Interactive Media & Services	32,620,848	—	—	32,620,848
IT Services	9,954,808	—	—	9,954,808
Life Sciences Tools & Services	5,347,557	—	—	5,347,557
Machinery	56,316,806	—	—	56,316,806
Media	36,104,580	—	—	36,104,580
Oil, Gas & Consumable Fuels	44,793,700	—	—	44,793,700
Passenger Airlines	54,357,215	—	—	54,357,215
Personal Care Products	73,271,211	—	—	73,271,211
Pharmaceuticals	63,269,940	—	—	63,269,940
Professional Services	60,111,105	—	—	60,111,105
Semiconductors & Semiconductor Equipment	170,775,169	—	—	170,775,169
Software	287,671,969	—	10,381,691	298,053,660
Specialty Retail	81,415,032	—	—	81,415,032
Textiles, Apparel & Luxury Goods	24,983,679	—	—	24,983,679
Trading Companies & Distributors	44,437,030	—	—	44,437,030
Convertible Preferred Stocks	—	—	69,375,686	69,375,686
Preferred Stocks	—	—	17,706,224 ^a	17,706,224
Rights	—	—	395,806	395,806
Escrows and Litigation Trusts	—	—	— ^a	—
Short Term Investments	106,963,198	—	—	106,963,198
Total Investments in Securities	\$2,715,680,790	\$—	\$97,859,407	\$2,813,540,197

Franklin Small-Mid Cap Growth Fund**Assets:**

Investments in Securities:

Common Stocks:

Aerospace & Defense	130,176,517	—	—	130,176,517
Automobile Components	18,857,975	—	—	18,857,975
Beverages	29,755,225	—	—	29,755,225
Biotechnology	81,735,448	—	—	81,735,448
Building Products	99,041,814	—	—	99,041,814
Capital Markets	306,324,806	—	—	306,324,806
Commercial Services & Supplies	40,467,870	—	—	40,467,870
Containers & Packaging	42,000,224	—	—	42,000,224
Electrical Equipment	67,044,078	—	—	67,044,078
Electronic Equipment, Instruments & Components	58,392,295	—	—	58,392,295
Energy Equipment & Services	28,855,647	—	—	28,855,647
Entertainment	48,702,976	—	—	48,702,976
Financial Services	55,414,300	—	—	55,414,300
Food Products	72,353,795	—	—	72,353,795
Ground Transportation	53,059,320	—	—	53,059,320
Health Care Equipment & Supplies	193,760,946	—	—	193,760,946
Health Care Providers & Services	26,127,101	—	—	26,127,101

10. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Small-Mid Cap Growth Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Health Care Technology	\$66,502,301	\$—	\$—	\$66,502,301
Hotels, Restaurants & Leisure	235,040,709	—	—	235,040,709
Household Durables	25,292,090	—	—	25,292,090
Industrial REITs	29,305,520	—	—	29,305,520
Insurance	44,379,879	—	—	44,379,879
Interactive Media & Services	83,773,312	—	—	83,773,312
IT Services	197,028,865	—	—	197,028,865
Leisure Products	—	—	58,061,819	58,061,819
Life Sciences Tools & Services	226,307,734	—	—	226,307,734
Machinery	80,923,976	—	—	80,923,976
Media	30,633,057	—	—	30,633,057
Oil, Gas & Consumable Fuels	97,452,735	—	—	97,452,735
Passenger Airlines	29,441,160	—	—	29,441,160
Personal Care Products	29,834,001	—	—	29,834,001
Pharmaceuticals	32,394,375	—	—	32,394,375
Professional Services	187,204,785	—	—	187,204,785
Residential REITs	28,137,343	—	—	28,137,343
Semiconductors & Semiconductor Equipment	155,955,295	—	—	155,955,295
Software	439,353,395	—	—	439,353,395
Specialized REITs	23,916,420	—	—	23,916,420
Specialty Retail	187,296,974	—	—	187,296,974
Textiles, Apparel & Luxury Goods	25,999,260	—	—	25,999,260
Trading Companies & Distributors	68,793,554	—	—	68,793,554
Convertible Preferred Stocks	—	—	59,793,860	59,793,860
Preferred Stocks	—	—	429,965	429,965
Warrants	—	—	142,865 ^a	142,865
Convertible Bonds	—	—	1,804,600	1,804,600
Corporate Bonds	—	—	570,178	570,178
Senior Floating Rate Interests	—	—	813,040	813,040
Short Term Investments	132,529,127	—	—	132,529,127
Total Investments in Securities	\$3,809,566,204	\$—	\$121,616,327	\$3,931,182,531

^a Includes financial instruments determined to have no value.

10. Fair Value Measurements (continued)

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. At April 30, 2024, the reconciliations are as follows:

	Balance at Beginning of Year	Purchases ^a	Sales ^b	Transfer Into Level 3	Transfer Out of Level 3 ^c	Net Accretion (Amortiza- tion)	Net Realized Gain (Loss)	Net Unrealized Appreciation (Depreciation)	Balance at End of Year	Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Year End
Franklin Growth Opportunities Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
Aerospace & Defense	\$10,999,989	\$—	\$—	\$—	\$—	\$—	\$—	\$2,857,140	\$13,857,129	\$2,857,140
Commercial Services & Supplies	7,056,488	—	—	—	—	—	—	1,605,453	8,661,941	1,605,453
Health Care Equipment & Supplies	16,934,771	—	—	—	(16,934,771)	—	—	—	—	—
IT Services	9,178,870	3,300,250	—	—	—	—	—	3,438,663	15,917,783	3,438,663
Leisure Products	71,332,234	—	—	—	—	—	—	4,009,932	75,342,166	4,009,932
Software	732,694	—	—	—	—	—	—	(81,593)	651,101	(81,593)
Convertible Preferred Stocks:										
Software	35,421,533	—	—	—	—	—	—	9,785,817	45,207,350	9,785,817
Preferred Stocks:										
Commercial Services & Supplies	8,167,495	—	—	—	—	—	—	850,108	9,017,603	850,108
Health Care Providers & Services	18,953,290	—	—	—	—	—	—	1,410,094	20,363,384	1,410,094
Software	15,232,654	—	—	—	—	—	—	304,332	15,536,986	304,332
Escrows and Litigation Trusts:										
	— ^d	—	— ^d	—	—	—	—	—	— ^d	—
Total Investments in Securities	\$194,010,018	\$3,300,250	\$—	\$—	\$(16,934,771)	\$—	\$—	\$24,179,946	\$204,555,443	\$24,179,946
Franklin Small Cap Growth Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
Software	429,531	10,096,503	—	—	—	—	—	(144,343)	10,381,691	(144,343)
Convertible Preferred Stocks:										
Automobile Components	—	9,999,899	—	—	—	—	—	—	9,999,899	—
Diversified Consumer Services	12,019,999	—	—	—	—	—	—	895,706	12,915,705	895,706
Software	35,813,345	—	—	—	—	—	—	3,411,500	39,224,845	3,411,500
Specialty Retail	6,545,566	—	—	—	—	—	—	689,671	7,235,237	689,671
Preferred Stocks:										
Automobile Components	6,232,998 ^d	—	—	—	—	—	—	245,902	6,478,900 ^d	245,902
Commercial Services & Supplies	8,150,632	—	—	—	—	—	—	848,353	8,998,985	848,353
Software	2,698,021	—	—	—	—	—	—	(469,682)	2,228,339	(469,682)
Rights:										
Biotechnology	—	160,095	—	—	—	—	—	235,711	395,806	235,711
Escrows and Litigation Trusts										
	— ^d	—	— ^d	—	—	—	—	—	— ^d	—
Total Investments in Securities	\$71,890,092	\$20,256,497	\$—	\$—	\$—	\$—	\$—	\$5,712,818	\$97,859,407	\$5,712,818

10. Fair Value Measurements (continued)

	Balance at Beginning of Year	Purchases ^a	Sales ^b	Transfer Into Level 3	Transfer Out of Level 3 ^c	Net Accretion (Amortiza- tion)	Net Realized Gain (Loss)	Net Unrealized Appreciation (Depreciation)	Balance at End of Year	Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Year End
Franklin Small-Mid Cap Growth Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
Leisure Products	\$54,971,598	\$—	\$—	\$—	\$—	\$—	\$—	\$3,090,221	\$58,061,819	\$3,090,221
Convertible Preferred Stocks:										
Diversified Consumer Services	7,184,103	—	—	—	—	—	—	535,345	7,719,448	535,345
Semiconductors & Semiconductor Equipment	2,020,235	—	—	—	—	—	—	(1,978,134)	42,101	(1,978,134)
Software	28,719,105	—	—	—	—	—	—	23,313,206	52,032,311	23,313,206
Preferred Stocks:										
Semiconductors & Semiconductor Equipment	1,334,696	—	—	—	—	—	—	(904,731)	429,965	(904,731)
Warrants:										
Semiconductors & Semiconductor Equipment	60,114	—	—	—	—	—	—	(47,640)	12,474	(47,640)
Software	— ^d	— ^d	— ^d	—	—	—	—	130,391	130,391 ^e	130,391
Convertible Bonds:										
Software	—	1,804,600	—	—	—	—	—	—	1,804,600	—
Corporate Bonds:										
Software	570,178	—	—	—	—	—	—	—	570,178	—
Senior Floating Rate Interests:										
Semiconductors & Semiconductor Equipment	625,802	127,779	—	—	—	27,591	—	31,868	813,040	31,868
Escrows and Litigation Trusts:	— ^d	—	— ^d	—	—	—	—	—	—	—
Total Investments in Securities	\$95,485,831	\$1,932,379	\$—	\$—	\$—	\$27,591	\$—	\$24,170,526	\$121,616,327	\$24,170,526

^aPurchases include all purchases of securities and securities received in corporate actions.

^bSales include all sales of securities, maturities, paydowns and securities tendered in corporate actions.

^cTransferred out of Level 3 as a result of the availability of a quoted market price in an active market for identical securities and other significant observable valuation inputs. May include amounts related to a corporate action.

^dIncludes financial instruments determined to have no value.

10. Fair Value Measurements (continued)

Significant unobservable valuation inputs for material Level 3 assets and/or liabilities and impact to fair value as a result of changes in unobservable valuation inputs as of April 30, 2024, are as follows:

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount	Impact to Fair Value if Input Increases ^a
Franklin Growth Opportunities Fund					
Assets:					
Investments in Securities:					
Common Stocks:					
Leisure Products.	\$75,342,166	Market comparables	Discount for lack of marketability	13.7%	Decrease
			Estimated Revenue	\$7.5 bil	Increase
			EV / revenue multiple	4.5x	Increase
Convertible Preferred Stocks:					
Software.	25,436,387	Market comparables	Discount for lack of marketability	4.9%	Decrease
			EV / revenue multiple	20.7x	Increase
			Revenue	\$2.4 bil	Increase
			Trade Price	\$66.0	Increase
			Volatility	32.8%	Increase
All Other Investments. . . .	103,776,890 ^{b,c}				
Total.	\$204,555,443				

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount	Impact to Fair Value if Input Increases ^a
Franklin Small Cap Growth Fund					
Assets:					
Investments in Securities:					
Convertible Preferred Stocks:					
Software	\$21,236,766	Market comparables	Discount for lack of marketability	8.0%	Decrease
			Estimated Revenue	\$481.5 mil	Increase
			EV / revenue multiple	5.0x	Increase
			Volatility	27.3%	Increase
All Other Investments. . . .	76,622,641 ^{b,c}				
Total.	\$97,859,407				

10. Fair Value Measurements (continued)

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount	Impact to Fair Value if Input Increases ^a
Franklin Small-Mid Cap Growth Fund					
Assets:					
Investments in Securities:					
Common Stocks:					
Leisure Products	\$58,061,819	Market comparables	Discount for lack of marketability	13.7%	Decrease
			Estimated Revenue	\$7.5 bil	Increase
			EV / revenue multiple	4.5x	Increase
All Other Investments.	63,554,508 ^{b,c}				
Total.	\$121,616,327				

^aRepresents the directional change in the fair value of the Level 3 financial instruments that would result from a significant and reasonable increase in the corresponding input. A significant and reasonable decrease in the input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

^bIncludes fair value of immaterial assets and/or liabilities developed using various valuation techniques and unobservable inputs. May also include values derived using recent transactions, private transaction prices or non-public third-party pricing information which is unobservable.

^cIncludes financial instruments determined to have no value.

Abbreviations List

EV - Enterprise value

11. 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
CVR	Contingent Value Right
PIK	Payment-In-Kind
REIT	Real Estate Investment Trust

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Strategic Series and Shareholders of Franklin Growth Opportunities Fund, Franklin Small Cap Growth Fund and Franklin Small-Mid Cap Growth Fund

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Franklin Growth Opportunities Fund, Franklin Small Cap Growth Fund and Franklin Small-Mid Cap Growth Fund (three of the funds constituting Franklin Strategic Series, hereafter collectively referred to as the "Funds") as of April 30, 2024, the related statements of operations for the year ended April 30, 2024, the statements of changes in net assets for each of the two years in the period ended April 30, 2024, including the related notes, and the financial highlights for each of the five years in the period ended April 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 April 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 April 30, 2024 and each of the financial highlights for each of the five years in the period ended April 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 April 30, 2024 by correspondence with the custodian, transfer agent, brokers and agent banks; when replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

/s/PricewaterhouseCoopers LLP
San Francisco, California
June 20, 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 their fiscal year.

The Funds hereby report the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended April 30, 2024:

		Franklin Growth Opportunities Fund	Franklin Small Cap Growth Fund	Franklin Small-Mid Cap Growth Fund
	Pursuant to:			
Long-Term Capital Gain Dividends Distributed	§852(b)(3)(C)	\$520,926,655	—	—
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	\$14,415,996	\$10,648,692	\$20,119,895
Qualified Dividend Income Earned (QDI)	§854(b)(1)(B)	\$16,377,273	\$10,648,692	\$21,069,624
Short-Term Capital Gain Dividends Distributed	§871(k)(2)(C)	\$3,444,818	—	—
Section 163(j) Interest Dividends Earned	§163(j)	—	—	\$10,655

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1991	117	Bar-S Foods (meat packing company) (1981-2010).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and formerly , Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).				
Terrence J. Checki (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2017	117	Hess Corporation (exploration of oil and gas) (2014-present).
Principal Occupation During at Least the Past 5 Years: Member of the Council on Foreign Relations (1996-present); Member of the National Committee on U.S.-China Relations (1999-present); member of the board of trustees of the Economic Club of New York (2013-present); member of the board of trustees of the Foreign Policy Association (2005-present); member of the board of directors of Council of the Americas (2007-present) and the Tallberg Foundation (2018-present); and formerly , Executive Vice President of the Federal Reserve Bank of New York and Head of its Emerging Markets and Internal Affairs Group and Member of Management Committee (1995-2014); and Visiting Fellow at the Council on Foreign Relations (2014).				
Mary C. Choksi (1950) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2014	117	Omnicom Group Inc. (advertising and marketing communications services) (2011-present) and White Mountains Insurance Group, Ltd. (holding company) (2017-present); and formerly , Avis Budget Group Inc. (car rental) (2007-2020).
Principal Occupation During at Least the Past 5 Years: Director of various companies; and formerly , Founder and Senior Advisor, Strategic Investment Group (investment management group) (2015-2017); Founding Partner and Senior Managing Director, Strategic Investment Group (1987-2015); Founding Partner and Managing Director, Emerging Markets Management LLC (investment management firm) (1987-2011); and Loan Officer/Senior Loan Officer/Senior Pension Investment Officer, World Bank Group (international financial institution) (1977-1987).				

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Edith E. Holiday (1952) One Franklin Parkway San Mateo, CA 94403-1906	Lead Independent Trustee	Trustee since 1998 and Lead Independent Trustee since 2019	117	Hess Corporation (exploration of oil and gas) (1993-present); Santander Holdings USA (holding company) (2019-present); and formerly , Santander Consumer USA Holdings, Inc. (consumer finance) (2016-2023), Canadian National Railway (railroad) (2001-2021), White Mountains Insurance Group, Ltd. (holding company) (2004-2021), RTI International Metals, Inc. (manufacture and distribution of titanium) (1999-2015) and H.J. Heinz Company (processed foods and allied products) (1994-2013).

Principal Occupation During at Least the Past 5 Years:

Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison-United States Treasury Department (1988-1989).

J. Michael Luttig (1954) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2009	117	Boeing Capital Corporation (aircraft financing) (2006-2010).
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Principal Occupation During at Least the Past 5 Years:

Counselor and Special Advisor to the CEO and Board of Directors of The Coca-Cola Company (beverage company) (2021-present); and **formerly**, Counselor and Senior Advisor to the Chairman, CEO, and Board of Directors, of The Boeing Company (aerospace company), and member of the Executive Council (2019-2020); Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (2006-2019); and Federal Appeals Court Judge, United States Court of Appeals for the Fourth Circuit (1991-2006).

Larry D. Thompson (1945) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2007	117	Graham Holdings Company (education and media organization) (2011-2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012).
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Principal Occupation During at Least the Past 5 Years:

Director of various companies; Counsel, Finch McCranie, LLP (law firm) (2015-present); John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2015-present; previously 2011-2012); and **formerly**, Independent Compliance Monitor and Auditor, Volkswagen AG (manufacturer of automobiles and commercial vehicles) (2017-2020); Executive Vice President - Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-2014); Senior Vice President - Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Independent Board Members (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2021	107	Omnicom Group, Inc. (advertising and marketing communications services) (2016-present), DTE Energy Co. (gas and electric utility) (2018-present), Devon Energy Corporation (exploration and production of oil and gas) (2021-present); and formerly , WPX Energy, Inc. (exploration and production of oil and gas) (2018-2021).

Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Regional Assurance Managing Partner, Ernst & Young LLP (public accounting) (2005-2016) and various roles of increasing responsibility at Ernst & Young (1981-2005).

Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Gregory E. Johnson² (1961) One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board and Trustee	Chairman of the Board since 2023 and Trustee since 2013	126	None

Principal Occupation During at Least the Past 5 Years:

Executive Chairman, Chairman of the Board and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton fund complex; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015) Franklin Resources, Inc.

Rupert H. Johnson, Jr.³ (1940) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1991	117	None
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Principal Occupation During at Least the Past 5 Years:

Director (Vice Chairman), Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton fund complex.

Ted P. Becker (1951) 280 Park Avenue New York, NY 10017	Chief Compliance Officer	Since June 2023	Not Applicable	Not Applicable
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Principal Occupation During at Least the Past 5 Years:

Vice President, Global Compliance of Franklin Templeton (since 2020); Chief Compliance Officer of Franklin Templeton Fund Adviser, LLC (since 2006); Chief Compliance Officer of certain funds associated with Legg Mason & Co. or its affiliates (since 2006); **formerly**, Director of Global Compliance at Legg Mason (2006-2020); Managing Director of Compliance of Legg Mason & Co. (2005-2020).

Sonal Desai, Ph.D. (1963) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2018	Not Applicable	Not Applicable
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Principal Occupation During at Least the Past 5 Years:

Director and Executive Vice President, Franklin Advisers, Inc.; Executive Vice President, Franklin Templeton Institutional, LLC; and officer of certain funds in the Franklin Templeton fund complex.

Interested Board Members and Officers (continued)

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member ¹	Other Directorships Held During at Least the Past 5 Years
Susan Kerr (1949) 280 Park Avenue New York, NY 10017	Vice President – AML Compliance	Since 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, Franklin Distributors, LLC; and officer of certain funds in the Franklin Templeton fund complex.				
Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer – Finance and Administration	Since January 2024	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; and officer of certain funds in the Franklin Templeton fund complex.				
Edward D. Perks (1970) One Franklin Parkway San Mateo, CA 94403-1906	President and Chief Executive Officer – Investment Management	Since 2018	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: President and Director, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton fund complex.				
Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906	Vice President and Secretary	Vice President since 2015 and Secretary since June 2023	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; and officer of certain funds in the Franklin Templeton fund complex.				
Jeffrey W. White (1971) One Franklin Parkway San Mateo, CA 94403-1906	Chief Financial Officer, Chief Accounting Officer and Treasurer	Since January 2024	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Chief Financial Officer, Chief Accounting Officer & Treasurer and officer of certain funds in the Franklin Templeton/Legg Mason fund complex; and formerly , Director and Assistant Treasurer within Franklin Templeton Global Fund Tax and Fund Administration and Financial Reporting (2017-2023).				

Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.

Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

1. Information is for the calendar year ended December 31, 2023, unless otherwise noted. We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton fund complex. These portfolios have a common investment manager or affiliated investment managers.

2. Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor.

3. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director and a major shareholder of Resources, which is the parent company of the Fund's investment manager and distributor.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Mary C. Choksi as its audit committee financial expert. The Board believes that Ms. Choksi qualifies as such an expert in view of her extensive business background and experience. She served as a director of Avis Budget

Interested Board Members and Officers (continued)

Group, Inc. (2007 to 2020) and formerly, Founder and Senior Advisor, Strategic Investment Group (1987 to 2017). Ms. Choksi has been a Member of the Fund's Audit Committee since 2014. As a result of such background and experience, the Board believes that Ms. Choksi has acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Choksi is an independent Board member as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN STRATEGIC SERIES

Franklin Growth Opportunities Fund

Franklin Small Cap Growth Fund

Franklin Small-Mid Cap Growth Fund

(each a Fund)

At an in-person meeting held on April 16, 2024 (Meeting), the Board of Trustees (Board) of Franklin Strategic Series (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 also 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 Growth Opportunities 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-, three-, five- and 10-year periods was above the median of its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Franklin Small Cap Growth Fund and Franklin Small-Mid Cap Growth Fund - The Performance Universe for the Franklin Small Cap Growth Fund included the Fund and all retail and institutional small-cap growth funds. The Performance Universe for Franklin Small-Mid Cap Growth Fund included the Fund and all retail and institutional mid-cap growth funds. The Board noted that each Fund's annualized total return for the one- and five-year periods was above the median of its Performance Universe, but for the three- and 10-year periods was below the median of its Performance Universe. The Board further noted that each Fund's one-year annualized total return was in the first quintile. The Board concluded that each 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 each Fund and for each of the other funds in each Fund's respective Expense Group. The Board received a description of the methodology used by Broadridge to select the mutual funds included in an Expense Group.

The Expense Group for the Franklin Growth Opportunities Fund included the Fund, 12 other multi-cap growth funds and one mid-cap growth fund. The Expense Group for the Franklin Small Cap Growth Fund included the Fund and 14 other small-cap growth funds. The Expense Group for the Franklin Small-Mid Cap Growth Fund included the Fund and 11 other mid-cap growth funds. The Board noted that the Management Rates and actual total expense ratios for these 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 these Funds are 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 noted that each Fund had experienced a significant decrease in assets and would not be expected to demonstrate additional economies of scale in the near term, but 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.

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Schedule of Investments

The Trust files a complete schedule of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

Householding of Reports and Prospectuses

You will receive, or receive notice of the availability of, each Fund's financial reports every six months. In addition, you will receive an annual updated summary prospectus (detail prospectus available upon request). To reduce Fund expenses, we try to identify related shareholders in a household and send only one copy of the financial reports (to the extent received by mail) and summary prospectus. This process, called "householding," will continue indefinitely unless you instruct us otherwise. If you prefer not to have these documents househanded, please call us at (800) 632-2301. At any time you may view current prospectuses/summary prospectuses and financial reports on our website. If you choose, you may receive these documents through electronic delivery.

Authorized for distribution only when accompanied or preceded by a summary prospectus and/or prospectus. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. A prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



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