

ANNUAL REPORT AND SHAREHOLDER LETTER

FRANKLIN CUSTODIAN FUNDS

September 30, 2021



FRANKLIN
TEMPLETON

Franklin DynaTech Fund

Franklin Focused Growth Fund

Franklin Growth Fund

Franklin Income Fund

Franklin U.S. Government Securities Fund

Franklin Utilities Fund

SHAREHOLDER LETTER

Dear Shareholder:

During the 12 months ended September 30, 2021, the U.S. economy continued to recover from the COVID-19 pandemic. Growth accelerated in 2021's first half as the reopening of businesses, widespread COVID-19 vaccinations and federal assistance programs continued to boost consumer spending. During the summer, however, investors became concerned that the swiftly spreading Delta variant of COVID-19 could hinder the economic recovery.

During the reporting period, the U.S. Federal Reserve, in its efforts to support U.S. economic activity, held the federal funds rate unchanged at 0.25%, and it continued broad quantitative easing measures to bolster credit markets. The Federal Reserve also adjusted its GDP and inflation projections higher and expected to begin decreasing its asset purchases later this year, while delaying any interest rate increases until reaching its goal of maximum U.S. employment.

The 10-year U.S. Treasury yield was 0.69% on September 30, 2020, and it increased to 1.52% by the end of September 2021. In this environment, the prices of U.S. stocks, as measured by the Standard & Poor's® 500 Index (S&P 500®), rose 28.09%, (the index increasing from 3,363.00 to 4,307.54).^{1,2} Reflecting the rise in interest rates, investment-grade bonds, as measured by the Bloomberg U.S. Aggregate Bond Index (Bloomberg Index), posted a -0.90% total return (an index decrease from 2,376.13 to 2,352.55), which includes reinvestment of income and distributions.³

We are committed to our long-term perspective and disciplined investment approach as we conduct a rigorous, fundamental analysis of securities with a regular emphasis on investment risk management.

We believe active, professional investment management serves investors well. We also recognize the important role of financial professionals in today's markets and encourage investors to continue to seek their advice. Amid changing markets and economic conditions, we are confident investors with a well-diversified portfolio and a patient, long-term outlook should be well-positioned for the years ahead.

Franklin Custodian Funds' annual report, covering Franklin DynaTech Fund, Franklin Focused Growth Fund, Franklin Growth Fund, Franklin Income Fund, Franklin U.S. Government Securities Fund and Franklin Utilities Fund, includes more detail about investment decisions during the period. All securities markets fluctuate in value, as do mutual fund share prices.

We thank you for investing with Franklin, welcome your questions and comments, and look forward to serving your future investment needs.

Sincerely,

Rupert H. Johnson, Jr.
Chairman
Franklin Custodian Funds

This letter reflects our analysis and opinions as of September 30, 2021, unless otherwise indicated. The information is not a complete analysis of every aspect of any market, country, industry, security or fund. Statements of fact are from sources considered reliable.

1. Source: Copyright © 2021, S&P Dow Jones Indices LLC. All rights reserved.

2. Source: Morningstar. The changes in index prices shown for the S&P 500 do not include reinvestments of income and distributions, which are included in its total return, which was: S&P 500 +30.00% (index total return resulting in an increase from 6,918.83 to 8,994.83).

3. Sources: Morningstar and Bloomberg Barclays indexes. For the Bloomberg Index, only total return as shown is available, not price change without the inclusion of reinvested income and distributions.

See www.franklintempletondatasources.com for additional data provider information.

Not FDIC Insured	May Lose Value	No Bank Guarantee
------------------	----------------	-------------------

Contents

Annual Report

Economic and Market Overview.....3

Franklin DynaTech Fund.....4

Franklin Focused Growth Fund 11

Franklin Growth Fund17

Franklin Income Fund.....23

Franklin U.S. Government Securities Fund30

Franklin Utilities Fund.....36

Financial Highlights and Statements of Investments.....42

Financial Statements107

Notes to Financial Statements..... 117

Report of Independent Registered
Public Accounting Firm144

Tax Information145

Board Members and Officers.....146

Shareholder Information151

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

ANNUAL REPORT

Economic and Market Overview

U.S. equities, as measured by the Standard & Poor's® 500 Index (S&P 500®), posted a +30.00% total return for the 12 months ended September 30, 2021.¹ Stocks benefited from the continued economic recovery, monetary and fiscal stimulus measures, development of highly effective novel coronavirus (COVID-19) vaccines, implementation of vaccination programs and easing pandemic restrictions. As many businesses reopened, stimulus payments and generally high household savings contributed to increased consumer spending. A rebound in corporate earnings and the U.S. Senate's passage of a bipartisan infrastructure bill further bolstered investor sentiment, helping equities to reach new all-time price highs late in the 12-month period.

Gross domestic product growth was robust, as the lifting of many COVID-19 restrictions and strong consumer spending continued to support the economy. Both exports and imports increased significantly in an environment of high business confidence and recovering industrial production. The continued growth of the economy led the U.S. to surpass its pre-pandemic output in 2021's second quarter.

The inflation rate surged during the 12-month period amid increased demand and supply-chain bottlenecks, with the price pressures coming principally from the areas particularly impacted by the shutdown, such as used vehicles, airfares, semiconductors and energy. Personal consumption expenditure, a measure of inflation, also rose dramatically during the period, representing the highest 12-month increase in decades. The unemployment rate declined from 7.8% in September 2020 to 4.8% in September 2021 as job openings increased, but a relative lack of available workers fueled wage growth, adding to some investors' inflation concerns.

In an effort to support the economy, the U.S. Federal Reserve (Fed) kept the federal funds target rate at a record-low range of 0.00%–0.25%. The Fed also maintained quantitative easing measures aimed at ensuring credit flows to borrowers and supporting credit markets with open-ended U.S. Treasury and mortgage bond purchasing. In its September 2021 meeting statement, the Fed indicated that it soon plans to reduce its purchases of U.S. Treasury and mortgage-backed securities but declined to provide a timetable. The Fed also maintained that it views inflation as partially transitory, and that further employment progress was needed before the Fed would consider raising the range for the federal funds target rate.

The foregoing information reflects our analysis and opinions as of September 30, 2021. The information is not a complete analysis of every aspect of any market, country, industry, security or fund. Statements of fact are from sources considered reliable.

¹. Source: Morningstar.
See www.franklintempletondatasources.com for additional data provider information.

Franklin DynaTech Fund

This annual report for Franklin DynaTech Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks capital appreciation by investing primarily in equity securities of companies that emphasize innovation and new technologies, have superior management and that benefit from new industry conditions in the dynamically changing global economy.

Performance Overview

The Fund's Class A shares posted a +29.69% cumulative total return for the 12 months under review. In comparison, the Russell 1000® Growth Index, which is market capitalization weighted and measures performance of those Russell 1000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates, posted a cumulative total return of +27.32%.¹ Also for comparison, the broad U.S. stock market, as measured by the Standard & Poor's 500 Index (S&P 500), posted a +30.00% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 7.

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.

Investment Strategy

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 to target leaders and emerging leaders. 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.

Portfolio Composition

9/30/21

	% of Total Net Assets
Software	22.6%
IT Services	14.5%
Internet & Direct Marketing Retail	9.3%
Interactive Media & Services	8.9%
Semiconductors & Semiconductor Equipment	8.8%
Life Sciences Tools & Services	6.7%
Health Care Equipment & Supplies	6.6%
Entertainment	3.9%
Capital Markets	2.2%
Biotechnology	2.0%
Health Care Technology	1.8%
Automobiles	1.7%
Electronic Equipment, Instruments & Components	1.2%
Pharmaceuticals	1.1%
Other	7.0%
Short-Term Investments & Other Net Assets	1.7%

Manager's Discussion

During the period under review, the Fund posted a solid absolute return aided by widespread gains across nine out of 10 sector allocations. Information technology (IT) investments provided more than half of the overall gain, followed by strong support from health care, communication services and consumer discretionary stocks.

The IT sector comprised roughly almost half of the overall portfolio, and related contributors were concentrated in the software; IT services; and semiconductors and semiconductor equipment industries. HubSpot, a marketing, sales and customer service platform, PC software giant Microsoft and Atlassian, a software development and collaboration tools provider, topped a long list of software-related contributors, while IT services gains were boosted foremost by Adyen, a versatile payments platform for

1. Source: Morningstar.

Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

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.

See www.franklintempletondatasources.com for additional data provider information.

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

The SOI begins on page 47.

e-commerce, mobile and point-of-sale transactions, Shopify, a sales, shipping and payments processing hybrid platform, and PayPal, a digital payments and money transfer services provider for merchants and consumers.

Top 10 Holdings

9/30/21

Company Industry, Country	% of Total Net Assets
Amazon.com, Inc. <i>Internet & Direct Marketing Retail, United States</i>	5.9%
Alphabet, Inc. <i>Interactive Media & Services, United States</i>	3.5%
Microsoft Corp. <i>Software, United States</i>	3.0%
NVIDIA Corp. <i>Semiconductors & Semiconductor Equipment, United States</i>	3.0%
Sea Ltd. <i>Entertainment, Taiwan</i>	2.9%
Shopify, Inc. <i>IT Services, Canada</i>	2.4%
PayPal Holdings, Inc. <i>IT Services, United States</i>	2.3%
ServiceNow, Inc. <i>Software, United States</i>	2.2%
Facebook, Inc. <i>Interactive Media & Services, United States</i>	2.2%
Adyen NV <i>IT Services, Netherlands</i>	2.0%

Semiconductor stocks saw the highest average returns within the IT sector as several related holdings more than doubled the Fund's overall return for the year. Similar to many of its industry peers, semiconductor manufacturer NVIDIA was contending with brisk demand and a robust order backlog amid a worldwide shortage of specialty microchips. The company gets most of its sales from its industry-leading graphics processing units (GPUs), which are the top choice of gamers everywhere. NVIDIA dominates the competition, with a significant share of the discrete desktop GPU market. NVIDIA consistently posted record revenues throughout the year as it benefited from the broadening digital transformation and accelerated adoption of cloud computing, which represents another massive market for NVIDIA. It turns out that the parallel processing that is key to rendering lifelike images in video games, is equally adept at training artificial intelligence systems and moving information around the data center at lightning speeds. As a result, NVIDIA has become the leading provider of GPUs for cloud computing operations, and its processors are harnessed by each of the biggest cloud providers, including Amazon Web Services, Alphabet's Google Cloud, and Microsoft's Azure, just to name a few.

Some of the largest individual contributors to the Fund's overall gain were in the communication services sector as our investment in tech bellwether Alphabet, Google's

parent holding company, appreciated substantially within the interactive media and services space, while the shares of Singapore-based consumer internet company Sea, which has operations in Taiwan and is the Fund's top overall contributor for the period under review, more than doubled in value and served as a major outlier to the upside in the entertainment industry. The company specializes in online gaming services through its Digital Entertainment division, though it has also been making headway with its e-commerce and digital financial services segments. In particular, Sea manages a third-party marketplace through the Shopee mobile app and websites that connect buyers and sellers. These services saw a notable rise in adoption by consumers as the company expanded into more countries. Sea repeatedly reported accelerating quarterly earnings throughout the annual period, and its latest release for 2021's second quarter underscored a continuation of its impressive growth streak. The company's digital entertainment division, Garena, has grown its user base, increasing its number of quarterly paying users substantially. Its e-commerce division, Shopee, also posted positive results as it saw its revenue increase as orders and gross merchandise value rose. SeaMoney, the company's digital financial-services arm, also saw an increase in paying users over the period.

Although Alphabet sold off from record highs in September 2021, the company reported accelerating earnings through June 2021 as it continued to reap larger-than-expected profits during the pandemic, though Alphabet and other tech giants, including Microsoft and social networking services provider Facebook (both of which are owned by the Fund), began facing tougher quarter-over-quarter financial performance comparisons going forward.

Elsewhere in the portfolio, health care sector returns were positive across all six industry groups, led by life sciences tools and services companies such as Hong Kong-based WuXi Biologics, a contract research organization for pharmaceutical and biotech companies conducting clinical trials and other medical research. Advanced health care equipment manufacturers such as IDEXX Laboratories and Danaher also provided a solid contribution to overall returns. In the consumer discretionary sector, a portfolio concentration in internet retailers such as Latin American e-commerce giant MercadoLibre further lifted returns despite generally trading lower throughout the summer of 2021, while electric vehicle manufacturer Tesla was the standout contributor in the automobile industry.

Given the breadth of the portfolio's gains, there were very few detractors of consequence. Our small exposure to real estate holdings was focused solely on technology-oriented

real estate investment trusts (REITs), which had mixed but slightly negative results overall. In particular, our REIT holdings in American Tower and Digital Realty Trust (not held at period-end) detracted from performance.

All other detractors served to reduce the overall gains made in other sector allocations. In particular, China-based e-commerce giant Alibaba Group Holding (not held at period-end) was the single largest detractor, and in general the portfolio's Chinese tech stocks showed erratic performance in the latter half of the period, with Alibaba losing about a third of its market value in 2021's third quarter alone. Some Chinese companies have seen their industries uprooted amid political pressures, while others faced a surge in government regulation as Beijing rolls out strict new anti-monopoly initiatives—the latter of which were directed at Alibaba. Not only did Ant Financial, a digital payment platform provider, indefinitely suspend a potentially lucrative initial public offering (Alibaba owns about one-third of Ant), but the government also took a closer look at Alibaba's massive operations and decided to levy a substantial fine on the company. Online gaming and social-media company Tencent, another significant detractor for the period under review, and other companies also sold off in response to China's intensifying regulatory crackdown on property, private education, technology, data security and other sectors of the economy.

Health care sector gains were pared by key detractors iRhythm Technologies, a provider of health care equipment and supplies (not held at period-end), and health care technology industry companies such as Teledoc Health and Livongo Health (not held at period-end). Many of these companies underwent prolonged rallies during the worst of the COVID-19 pandemic but began to lose steam as the pandemic waned. For example, iRhythm Technologies' stock price more than tripled in 2020 given rapid growth in the cardiac device maker's revenue growth. Strong demand for the company's heart sensors prompted huge gains last year but concerns over significantly lower Medicare reimbursement rates for its products, along with the abrupt departure of its CEO, sent the shares tumbling in 2021. Teladoc, meanwhile, fared well during the pandemic as remote care "telehealth" took off, but investors eventually grew concerned about whether the company could hold on to its COVID-19 related momentum. Investors were seeing the stock as too COVID-19 dependent, in that its business plan is reliant on people staying at home and out of their doctors' offices. From 2018 to 2019, the company's annual revenue increased slightly, but last year, once the pandemic hit, Teladoc's annual revenue rose substantially. Though the company was still seeing growth in 2021, we also grew

concerned that such a growth rate could not be sustained once people began going back to work and returning in-person to their doctors' offices.

Elsewhere in the portfolio, several other holdings curbed the Fund's absolute gains including key detractors Wix.com (not held at period-end), a website building platform within the IT sector; ridesharing app developer Uber Technologies within the industrials sector; and Coupa Software, which offers a global technology platform for business spending management, within the software sector.

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

Matthew J. Moberg, CPA
Rupert H. Johnson, Jr.

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

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 9/30/21¹

*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	+29.69% ⁵	+22.55%
5-Year	+229.55%	+25.51%
10-Year	+599.43%	+20.79%
Advisor		
1-Year	+30.01%	+30.01%
5-Year	+233.71%	+27.26%
10-Year	+617.32%	+21.78%

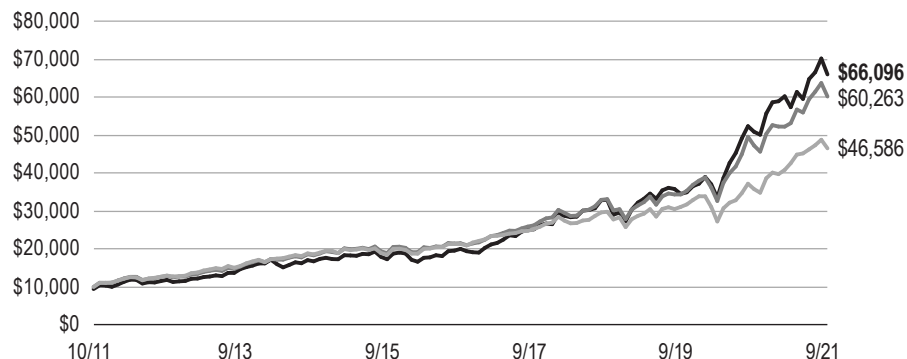
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 9 for Performance Summary footnotes.

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

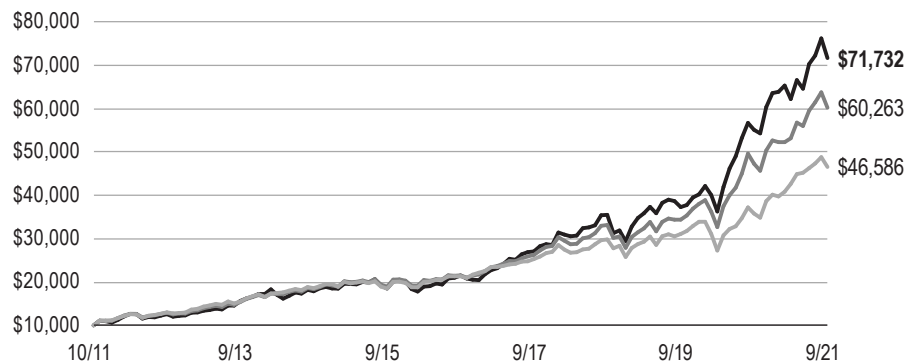
Total return represents the change in value of an investment over the periods shown. It includes any applicable maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged indexes include reinvestment of any income or distributions. They differ from the Fund in composition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

Class A (10/1/11–9/30/21)



—Franklin DynaTech Fund —Russell Growth 1000 Index⁶ —S&P 500⁶

Advisor Class (10/1/11–9/30/21)



—Franklin DynaTech Fund —Russell Growth 1000 Index⁶ —S&P 500⁶

See page 9 for Performance Summary footnotes.

Total Annual Operating Expenses⁷

Share Class	With Fee Waiver	Without Fee Waiver
A	0.85%	0.86%
Advisor	0.60%	0.61%

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

All investments involve risks, including possible loss of principal. Stocks historically have outperformed other asset classes over the long term, but tend to fluctuate more dramatically over the short term. Investments in fast-growing industries, like the technology and health care sectors (which have historically been volatile) could result in increased price fluctuation, especially over the short term, due to the rapid pace of product change and development and changes in government regulation of companies emphasizing scientific or technological advancement or regulatory approval for new drugs and medical instruments. The Fund may also invest in small- and mid-capitalization companies, which can be particularly sensitive to changing economic conditions, and their prospects for growth are less certain than those of larger, more established companies. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 1/31/22. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

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. Total return information is based on net asset values calculated for shareholder transactions. Certain adjustments were made to the net asset values of the Fund at 9/30/21 for financial reporting purposes. Accordingly, adjusted total returns have been disclosed in the Financial Highlights and differ from those reported here.

6. Source: Morningstar. The Russell 1000 Growth Index is market capitalization weighted and measures performance of those Russell 1000 Index companies with relatively higher price-to-book ratios and higher forecasted growth rate. The S&P 500 is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.

7. 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.

See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$1,150.60	\$4.35	\$1,021.02	\$4.09	0.81%
C	\$1,000	\$1,146.20	\$8.52	\$1,017.13	\$8.01	1.58%
R	\$1,000	\$1,149.10	\$5.69	\$1,019.77	\$5.35	1.06%
R6	\$1,000	\$1,152.50	\$2.36	\$1,022.88	\$2.22	0.44%
Advisor	\$1,000	\$1,152.00	\$2.98	\$1,022.30	\$2.80	0.55%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 Focused Growth Fund

This annual report for Franklin Focused Growth Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks capital appreciation by investing in an equity securities portfolio of approximately 20–50 companies that we believe offers a compelling trade-off between growth opportunity, business and financial risk and valuation.

Performance Overview

The Fund's Class A shares posted a +27.17% cumulative total return for the 12 months under review.¹ In comparison, the Russell 1000® Growth Index, which is market capitalization weighted and measures performance of those Russell 1000® Index companies with relatively higher price-to-book ratios and higher forecasted growth rates, posted a cumulative total return of +27.32%.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.

Investment Strategy

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 to target leaders and emerging leaders. 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.

1. Source: Morningstar.

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

See www.franklintempletondatasources.com for additional data provider information.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 58.

Portfolio Composition

9/30/21

	% of Total Net Assets
Software	18.6%
IT Services	16.5%
Internet & Direct Marketing Retail	11.1%
Semiconductors & Semiconductor Equipment	10.6%
Health Care Equipment & Supplies	9.9%
Interactive Media & Services	7.5%
Entertainment	4.2%
Automobiles	2.9%
Life Sciences Tools & Services	2.7%
Health Care Technology	2.1%
Media	2.0%
Electric Utilities	2.0%
Food & Staples Retailing	1.9%
Capital Markets	1.7%
Other	2.9%
Short-Term Investments & Other Net Assets	3.4%

Manager's Discussion

During the period under review, the health care sector was the biggest contributor to relative performance. Within the sector, notable holdings included Wuxi Biologics and IDEXX Laboratories. Wuxi Biologics is a China-based contract developer and manufacturer of biologic drugs. The company was approached by several vaccine developers for help with COVID-19 vaccine related development and manufacturing services, which improved its bottom line. The acceleration in the adoption of companion animals during the COVID-19 pandemic increased demand for veterinary services and products, which contributed to revenue growth for IDEXX Laboratories. Conversely, Veeva Systems, a provider of cloud-based software for the life sciences industry, underperformed the benchmark and hampered relative returns over the annual period.

Positive fund results were also supported by stock selection in the information technology sector and the performance of semiconductor equipment manufacturer ASML Holding. The company has essentially a monopoly on extreme ultraviolet lithography and ASML's performance has been bolstered by the strong demand backdrop and supply constraints in the

semiconductor industry. Digital communications platform Twilio, on the other hand, dampened relative results as it maintained a more cautious outlook of its business.

Top 10 Holdings

9/30/21

Company Industry, Country	% of Total Net Assets
Amazon.com, Inc. Internet & Direct Marketing Retail, United States	7.9%
Microsoft Corp. Software, United States	7.5%
NVIDIA Corp. Semiconductors & Semiconductor Equipment, United States	4.8%
Shopify, Inc. IT Services, Canada	4.5%
ServiceNow, Inc. Software, United States	4.1%
PayPal Holdings, Inc. IT Services, United States	3.5%
Adyen NV IT Services, Netherlands	3.4%
MercadoLibre, Inc. Internet & Direct Marketing Retail, Argentina	3.2%
Sea Ltd. Entertainment, Taiwan	3.2%
Danaher Corp. Health Care Equipment & Supplies, United States	3.0%

Although communication services was a leading relative detractor at the sector level, a position in Singapore-based consumer internet company Sea Limited served as a catalyst for positive Fund performance over the period. The company generates revenue from its online gaming and shopping platforms, which have been more widely adopted since the pandemic. Conversely, search engine provider Google, which was not held most of the period, was a leading detractor. Elsewhere, record-high e-commerce revenue contributed to strong growth for Argentina-based online marketplace MercadoLibre in the consumer discretionary sector. Conversely, performance of Chinese tech giants Alibaba Group Holding (not held at period-end), an online and mobile commerce company, and Tencent Holdings, an internet content and information provider, was pressured by fear of Chinese regulations.

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

Matthew J. Moberg, CPA
Portfolio Manager

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

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 9/30/21¹

*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	+27.17%	+20.17%
5-Year	+209.96%	+23.98%
Since Inception (4/13/16) ⁵	+238.09%	+23.67%
Advisor		
1-Year	+27.47%	+27.47%
5-Year	+213.91%	+25.71%
Since Inception (4/13/16) ⁵	+242.79%	+25.28%

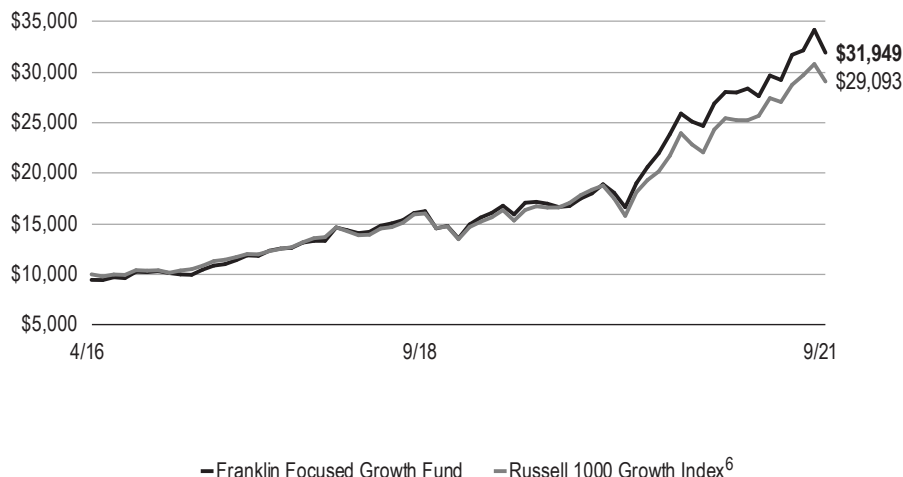
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com 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 index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

Class A (4/13/16–9/30/21)



Advisor Class (4/13/16–9/30/21)



See page 15 for Performance Summary footnotes.

Distributions (10/1/20–9/30/21)

Share Class	Short-Term Capital Gain	Long-Term Capital Gain	Total
A	\$0.0703	\$0.1389	\$0.2092
C	\$0.0703	\$0.1389	\$0.2092
R	\$0.0703	\$0.1389	\$0.2092
R6	\$0.0703	\$0.1389	\$0.2092
Advisor	\$0.0703	\$0.1389	\$0.2092

Total Annual Operating Expenses⁷

Share Class	With Fee Waiver	Without Fee Waiver
A	1.12%	1.95%
Advisor	0.87%	1.70%

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

All investments involve risks, including possible loss of principal. To the extent the Fund focuses on particular countries, regions, industries, sectors or types of investment from time to time, it may be subject to greater risks of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments. Growth stock prices reflect projections of future earnings or revenues, and can, therefore, fall dramatically if the company fails to meet those projections. The Fund may also invest in small- and mid-capitalization companies, which can be particularly sensitive to changing economic conditions, and their prospects for growth are less certain than those of larger, more established companies. Foreign investing carries additional risks such as currency and market volatility, and political or social instability; risks which are heightened in developing countries. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The Fund has an expense reduction contractually guaranteed through 1/31/22. Fund investment results reflect the expense reduction; without this reduction, the results would have been lower.
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. Effective 2/14/20, the Fund began offering Class A shares. Class A performance shown has been calculated as follows: (a) for periods prior to 2/14/20, a restated figure is used based on the Fund's Advisor Class performance that includes any Rule 12b-1 rate differential that exists between Class A and Advisor Class; and (b) for periods after 2/14/20, actual Class A performance is used, reflecting all charges and fees applicable to that class.
5. Since Inception returns are based on the performance inception date of 4/13/16.
6. Source: Morningstar. The Russell 1000 Growth Index is market capitalization-weighted and measures performance of those Russell 1000 Index companies with relatively higher price-to-book ratios and higher forecasted growth rates.
7. 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. See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$1,156.20	\$5.93	\$1,019.57	\$5.56	1.10%
C	\$1,000	\$1,152.00	\$9.99	\$1,015.79	\$9.35	1.85%
R	\$1,000	\$1,154.50	\$6.98	\$1,018.59	\$6.54	1.29%
R6	\$1,000	\$1,158.20	\$3.97	\$1,021.39	\$3.72	0.73%
Advisor	\$1,000	\$1,157.50	\$4.60	\$1,020.80	\$4.31	0.85%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 Growth Fund

This annual report for Franklin Growth Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks capital appreciation by investing substantially in equity securities of companies that are leaders in their industries.

Performance Overview

The Fund's Class A shares posted a +26.44% cumulative total return for the 12 months under review. In comparison, the Standard & Poor's 500 Index (S&P 500), which is a broad measure of U.S. stock performance, posted a +30.00% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 19.

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.

Investment Strategy

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 to target leaders and emerging leaders. 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. The investment manager's process generally includes

an assessment of the potential impacts of any material environmental, social and governance ("ESG") factors on the long-term risk and return profile of a company.

Portfolio Composition

9/30/21

	% of Total Net Assets
Software	17.5%
IT Services	7.0%
Semiconductors & Semiconductor Equipment	6.3%
Health Care Equipment & Supplies	6.3%
Interactive Media & Services	5.6%
Life Sciences Tools & Services	5.3%
Internet & Direct Marketing Retail	4.7%
Technology Hardware, Storage & Peripherals	4.6%
Pharmaceuticals	4.6%
Machinery	3.9%
Aerospace & Defense	3.5%
Capital Markets	3.4%
Electronic Equipment, Instruments & Components	2.9%
Road & Rail	2.9%
Other*	20.9%
Short-Term Investments & Other Net Assets	0.6%

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

Manager's Discussion

During the period under review, the Fund posted a solid absolute return aided by gains across all sector allocations. The Fund's relative returns, however, lagged those of the benchmark. This was due, in part, to an underweighting and stock selection in the financials sector and a lack of exposure to the bank industry, which received a boost from rising U.S. Treasury yields and talk of potential stimulus tapering. Stock selection in the industrials sector also weighed on results. Within the sector, relative underperformance was most evident in the aerospace and defense industry. Uncertainty about defense industry spending under the new Biden administration had a dampening effect on the shares of many defense contractors, which included the Fund's holdings in Lockheed Martin. Lack of exposure to the energy sector proved adverse as an emerging shortfall in global energy supplies supported crude oil and natural gas markets leading to a broad-based rally in the sector.

1. Source: Morningstar.

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

See www.franklintempletondatasources.com for additional data provider information.

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

The SOI begins on page 65.

In the consumer discretionary sector, China-based e-commerce giant Alibaba Group Holding was the single largest detractor over the period as some Chinese companies had seen their industries uprooted amid political pressures, while others faced a surge in government regulation as Beijing rolled out strict new anti-monopoly initiatives, the latter of which were directed at Alibaba.

Top 10 Holdings

9/30/21

Company Industry, Country	% of Total Net Assets
Microsoft Corp. Software, United States	4.7%
Apple, Inc. Technology Hardware, Storage & Peripherals, United States	4.6%
Amazon.com, Inc. Internet & Direct Marketing Retail, United States	4.5%
Alphabet, Inc. Interactive Media & Services, United States	3.9%
ServiceNow, Inc. Software, United States	2.5%
Mastercard, Inc. IT Services, United States	2.2%
Intuit, Inc. Software, United States	2.1%
NVIDIA Corp. Semiconductors & Semiconductor Equipment, United States	2.0%
Mettler-Toledo International, Inc. Life Sciences Tools & Services, United States	1.9%
Union Pacific Corp. Road & Rail, United States	1.8%

Turning to contributors, the Fund benefited from stock selection in the information technology (IT) sector where contributors were concentrated in the software and semiconductor and semiconductor equipment sectors. Top software contributors were Bill.com Holdings and Intuit. Bill.com is a provider of payment software solutions and has been a beneficiary of the digital transformation needs of small and medium size businesses. Financial software company Intuit has seen strong growth of its business driven by increased adoption of its tax software, outperformance by its credit reporting arm and improved usage metrics for its accounting software.

Semiconductor equipment manufacturer ASML Holding has been a beneficiary of the brisk demand and robust order backlog amid a worldwide shortage of specialty microchips. High demand for the company's leading extreme ultraviolet (EUV) lithography systems has been a significant growth driver. A detractor in the IT sector was payment processor Mastercard, which underperformed the benchmark although had an overall positive effect on returns. Elsewhere, stock selection in the health care sector

was a driver of performance helped by positions in Catalent, a pharmaceutical delivery technology and development solutions provider, and Wuxi Biologics, a manufacturer of biologics, which benefited from increased demand for their COVID-19 development and manufacturing services.

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

Serena Perin Vinton, CFA
Robert Rendler, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

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 9/30/21¹

*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	+26.44%	+19.49%
5-Year	+140.03%	+17.80%
10-Year	+391.67%	+16.60%
Advisor		
1-Year	+26.76%	+26.76%
5-Year	+143.06%	+19.44%
10-Year	+404.03%	+17.56%

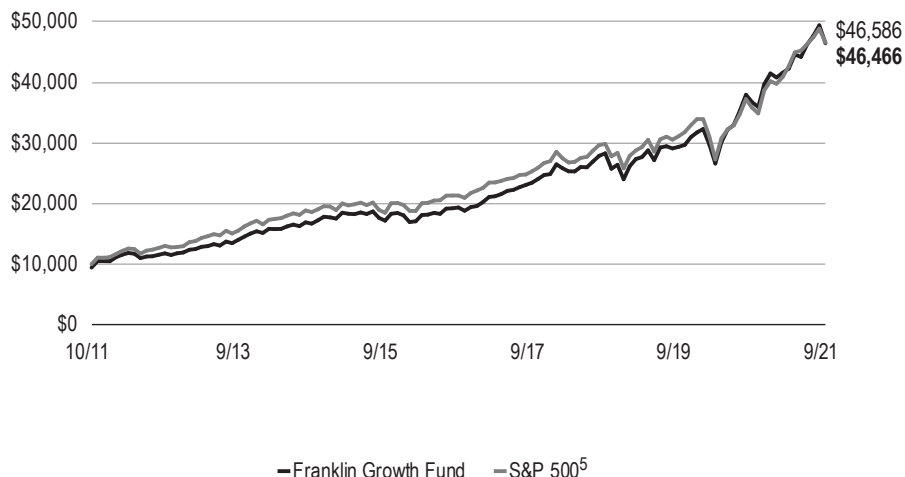
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 21 for Performance Summary footnotes.

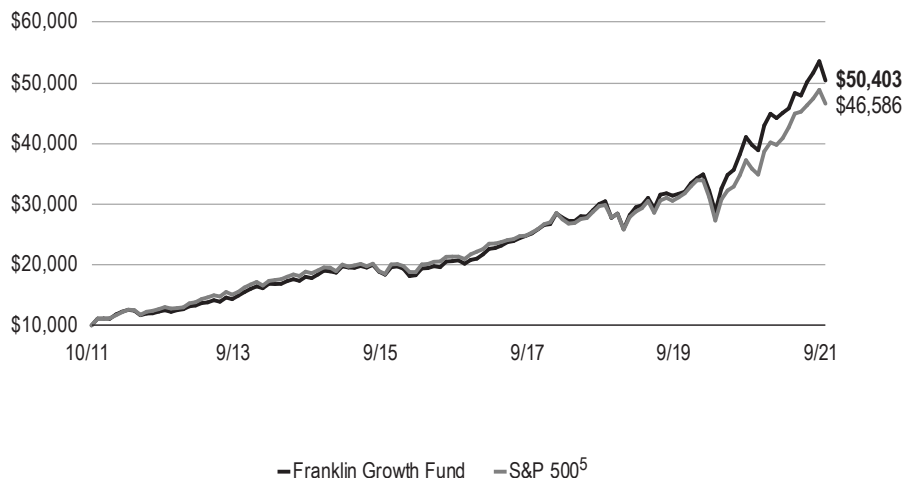
Total Return Index Comparison for a Hypothetical \$10,000 Investment

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

Class A (10/1/11–9/30/21)



Advisor Class (10/1/11–9/30/21)



See page 21 for Performance Summary footnotes.

Distributions (10/1/20–9/30/21)

Share Class	Net Investment Income	Long-Term Capital Gain	Total
A	\$0.1833	\$10.6145	\$10.7978
C	—	\$10.6145	\$10.6145
R	—	\$10.6145	\$10.6145
R6	\$0.4731	\$10.6145	\$11.0876
Advisor	\$0.3942	\$10.6145	\$11.0087

Total Annual Operating Expenses⁶

Share Class	With Fee Waiver	Without Fee Waiver
A	0.82%	0.83%
Advisor	0.57%	0.58%

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

All investments involve risks, including possible loss of principal. The market values of securities or other investments owned by the Fund will go up or down, sometimes rapidly or unpredictably. The Fund may focus on particular sectors of the market from time to time, which can carry greater risks of adverse developments in such sectors. While the Fund historically has focused on larger companies, it may invest up to 25% of its assets in small, relatively new and/or unseasoned companies, which involves additional risks, as these companies may have less certain growth prospects and limited or less developed product lines or markets, and less secure financing. Growth stock prices can be volatile, particularly over the short term. The Fund may invest up to 40% of its net assets in stocks of foreign companies, which involve special risks, including currency fluctuations and economic as well as political uncertainty. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 1/31/22. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

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: Morningstar. 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.

See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$1,099.00	\$4.14	\$1,021.12	\$3.99	0.79%
C	\$1,000	\$1,094.90	\$8.29	\$1,017.16	\$7.98	1.58%
R	\$1,000	\$1,097.60	\$5.69	\$1,019.64	\$5.48	1.08%
R6	\$1,000	\$1,100.90	\$2.56	\$1,022.63	\$2.47	0.49%
Advisor	\$1,000	\$1,100.40	\$2.88	\$1,022.33	\$2.77	0.55%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 Income Fund

This annual report for Franklin Income Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks to maximize income, while maintaining prospects for capital appreciation by investing, under normal market conditions, in a diversified portfolio of debt and equity securities.

Performance Overview

The Fund's Class A shares posted a cumulative total return of +24.55% for the 12 months under review. In comparison, the Fund's equity benchmark, the Standard & Poor's 500 Index (S&P 500), which is a broad measure of U.S. stock performance, posted a +30.00% cumulative total return.¹ The Fund's secondary benchmark, the blended 50% MSCI USA High Dividend Yield Index + 25% Bloomberg High Yield Very Liquid Index + 25% Bloomberg U.S. Aggregate Bond Index (Blended Benchmark), which is a combination of leading stock and bond indexes, posted a +12.83% cumulative total return.² You can find the Fund's long-term performance data in the Performance Summary beginning on page 26.

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.

Investment Strategy

In analyzing debt and equity securities, we consider such factors as a company's experience and managerial strength; responsiveness to changes in interest rates and business conditions; debt maturity schedules and borrowing requirements; changing financial condition and market recognition of the change; and a security's relative value based on such factors as anticipated cash flow, interest or dividend coverage, asset coverage and earnings. When choosing investments for the Fund, we apply a bottom-up, value oriented, long-term approach, focusing on the market price of a company's securities relative to the investment manager's evaluation of the company's long-term earning, asset value and cash flow potential.

1. Source: Morningstar.

2. Source: Factset. The Fund's Blended Benchmark was calculated internally.

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.

See www.franklintempletondatasources.com for additional data provider information.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 77.

Manager's Discussion

During the period under review, our equity weighting decreased from 73.7% to 64.6%, and our fixed income weighting increased from 24.8% to 30.1%. The Fund's cash position increased from 1.5% to 5.3% of total net assets.

The Fund generated positive returns during the period with strong performance across equity and fixed income. Overweight Fund exposure to the equity market helped drive strong returns, while lower exposure to interest-rate sensitive fixed income securities led to strong performance from the Fund relative to its blended benchmark.

Dividend stocks, particularly value-oriented sectors, outperformed considerably during more than the first half of the period under review. While the outperformance narrowed compared to other growth-oriented sectors by the end of the period, it did not fully offset the early outperformance. The equity component of the Fund's blended benchmark increased with the MSCI USA High Dividend Yield Index posting positive returns for the 12-month period. The Fund's equity positions also generated positive returns during the period. Corporate credit spreads continued to narrow during the period as the reopening of economies and the lingering positive effects of the record fiscal and monetary accommodation continued to support markets. Offsetting narrowing credit spreads were rising interest rates, which weighed on the more duration sensitive portions of the Fund's benchmark. Fixed income returns for the Fund outperformed the Fund's blended benchmark. The Bloomberg U.S. Aggregate Bond Index posted negative returns, while the Bloomberg U.S. High Yield Very Liquid Index posted positive returns at period-end.

The Fund entered the period with an increased equity weighting and a decreased fixed income weighting, while also holding a portion in cash equivalents, as a result of making a meaningful shift in asset mix earlier in 2020. The shift continued over the 12-month period, which continued to maintain the increased equity weighting and decreased fixed income weighting, while continuing to hold a portion in cash equivalents by period-end.

Portfolio Composition

9/30/21

	% of Total Net Assets
Pharmaceuticals	8.8%
Banks	8.4%
Health Care Providers & Services	8.1%
Electric Utilities	7.3%
Oil, Gas & Consumable Fuels	7.0%
Diversified Financial Services	6.5%
Multi-Utilities	3.8%
Semiconductors & Semiconductor Equipment	3.7%
Diversified Telecommunication Services	3.7%
Biotechnology	3.1%
Energy Equipment & Services	2.4%
Aerospace & Defense	2.2%
Beverages	2.1%
Media	2.1%
Other*	25.5%
Short-Term Investments & Other Net Assets	5.3%

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

Fixed Income holdings posted positive returns during the period with considerable outperformance relative to the Fund's blended fixed income benchmark. While U.S. 10-year Treasury yields did not move in a straight line over the course of the year, the broad trend over the period under review saw yields move higher. The Fund's duration positioning at the front end of the yield curve in the face of rising interest rates was a key source in driving the outperformance relative to the Fund's benchmark. Additionally, spread compression across the corporate credit market helped support strong performance across the Fund's fixed income allocation. The Fund was underweight fixed income relative to its benchmark given what was perceived to be better opportunities in the equity market during the period under review.

Every corporate credit sector generated positive absolute returns during the period under review, with health care and energy leading the way in terms of performance contribution relative to the Fund's blended benchmark. Our holdings in U.S. Treasuries and agency mortgage-backed securities (MBS) were minor absolute detractors during the period. However, these positions were shorter in duration and much smaller in size relative to the benchmark, which resulted in these sectors being positive contributors relative to the Fund's blended benchmark.

Top Five Fixed Income Holdings*

9/30/21

Company Industry, Country	% of Total Net Assets
U.S. Treasury Notes <i>Diversified Financial Services, United States</i>	6.5%
CHS/Community Health Systems, Inc. <i>Health Care Providers & Services, United States</i>	4.5%
Tenet Healthcare Corp. <i>Health Care Providers & Services, United States</i>	1.3%
DISH DBS Corp. <i>Media, United States</i>	1.2%
Weatherford International Ltd. <i>Energy Equipment & Services, United States</i>	1.0%

*Includes senior floating rate interests and index-linked notes.

Corporate credit spreads continued to narrow during the period under review, which benefited high-yield exposures in particular. High-yield corporate bonds are generally lower in duration than investment-grade corporate bonds. Narrowing credit spreads (high-yield saw spreads compress by 228 basis points) and a greater than 80 basis points increase in U.S. Treasury yields favored high-yield performance within the fixed income asset class.

Within health care, the largest contributor to performance was high-yield rated hospital company CHS/Community Health Systems. The company moved past COVID-19 induced disruptions and was able to access both the debt and equity markets during the period to reduce interest expense and improve the health of their balance sheet, which led to a very strong performance. The company represented the largest position in the Fund during the period and its strong performance generated roughly half of the total fixed income return contribution over the period.

In health care outside of CHS/Community Health Systems, high-yield hospital peer Tenet Healthcare and pharmaceutical companies Endo and Bausch Health also benefited Fund returns during the period.

The other large sector contributor to fixed income performance during the period came from debt securities in the energy sector. Strong commodity price performance, increased demand outlooks as the market looked past the COVID-19 enforced lockdowns as well as company specific drivers led to strong performance in Chesapeake Energy, Weatherford International, HighPoint Resources (not held at period-end) and Calumet Specialty Products.

No other corporate sectors stood out in terms of outsized performance contributions. However, other strong individual contributors came from the consumer discretionary sector in holdings of Ford Motor as well as communication services peers DISH Network and Univision Communications.

Top Five Equity Holdings*

9/30/21

Company Industry, Country	% of Total Net Assets
Merck & Co., Inc. <i>Pharmaceuticals, United States</i>	2.1%
Southern Co. (The) <i>Electric Utilities, United States</i>	1.9%
Verizon Communications, Inc. <i>Diversified Telecommunication Services, United States</i>	1.9%
Pfizer, Inc. <i>Pharmaceuticals, United States</i>	1.9%
Chevron Corp. <i>Oil, Gas & Consumable Fuels, United States</i>	1.7%

*Includes convertible bonds.

U.S. Treasury and agency MBS holdings were small absolute detractors during the period as noted previously. However, the reduced size and shorter duration of our U.S. Treasury holdings relative to the Fund's blended benchmark led to the strongest relative performance within fixed income after health care and energy.

Equity holdings increased over the period. As an asset-class, equities outperformed fixed income during the period. An overweight allocation to the equity market relative to the Fund's blended benchmark benefited overall Fund performance during the period under review. While absolute levels of our equity allocation looked similar from the beginning and end of the period under review, our allocation to the equity markets had increased for more than half of the period under review before a reduction in the Fund's equity allocation toward period-end.

All sectors were positive absolute contributors to Fund performance during the period.

Financials and energy holdings were large positive contributors relative to the Fund's benchmark during the period. Consumer discretionary, materials and utilities holdings provided notable positive relative contributions as well.

All the Fund's equity positions in the financials sector were positive contributors during the period amidst rising interest rates. Holdings of JPMorgan Chase, MetLife, Bank of America and Morgan Stanley led returns. Other notable contributors included Truist Financial, U.S. Bancorp and Citigroup.

Energy peers Chevron and Exxon Mobile were notable positive contributors during the period as a much better macro supply and demand forecast for the industry led to strong performance from depressed valuations.

Top performers in the Fund outside of financials and energy included CVS Health in the health care industry as the company played an active role in vaccine distribution, which contributed to strong financial performance. General Motors also saw strong performance from favorable vehicle sales trends coming out of the pandemic as well as a favorable reaction to the company's commitments in the electronic vehicle space going forward.

Despite positive absolute contributions, equity holdings in the health care, industrials and consumer staples sectors were modest detractors in the period relative to the Fund's benchmark.

At the individual security level, the only notable detractor from performance during the period was our small position in the preferred securities of Federal National Mortgage Association (FNMA), which received an unfavorable Supreme Court ruling related to the U.S. government conservatorship actions since the global financial crisis.

During the period, the Fund used derivatives such as equity call and put options to sell and reduce positions (call options) and/or to initiate and add to positions, which generated gains during the period under review.

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

Edward D. Perks, CFA
Lead Portfolio Manager

Brendan Circle, CFA
Todd Brighton, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

The performance tables 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 9/30/21¹

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 3.75% and the minimum is 0%. **Class A:** 3.75% 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
A ^{4,5}		
1-Year	+24.55%	+19.88%
5-Year	+41.95%	+6.44%
10-Year	+113.54%	+7.47%

Advisor		
1-Year	+24.98%	+24.98%
5-Year	+44.25%	+7.60%
10-Year	+118.35%	+8.12%

Share Class	Distribution Rate ⁶	30-Day Standardized Yield ⁷	
		(with fee waiver)	(without fee waiver)
A	4.20%	1.96%	1.96%
Advisor	4.68%	2.29%	2.28%

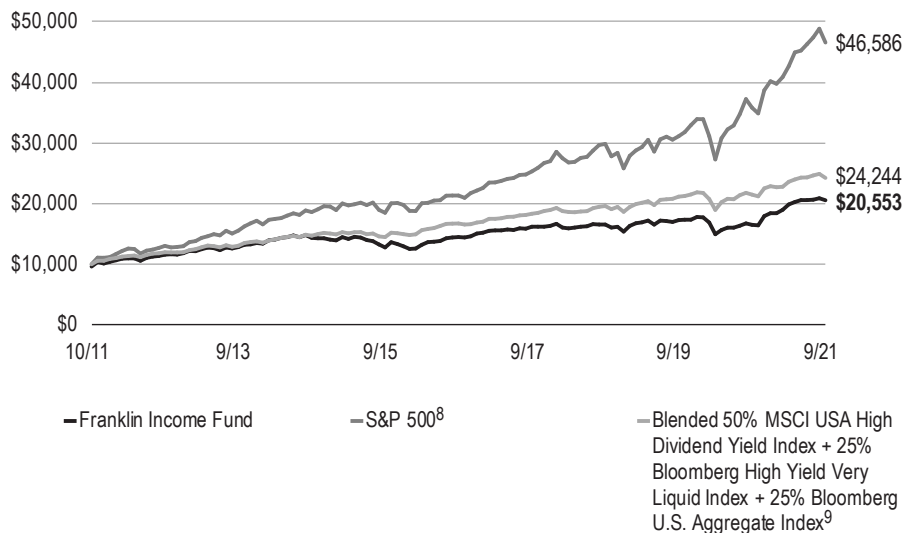
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 28 for Performance Summary footnotes.

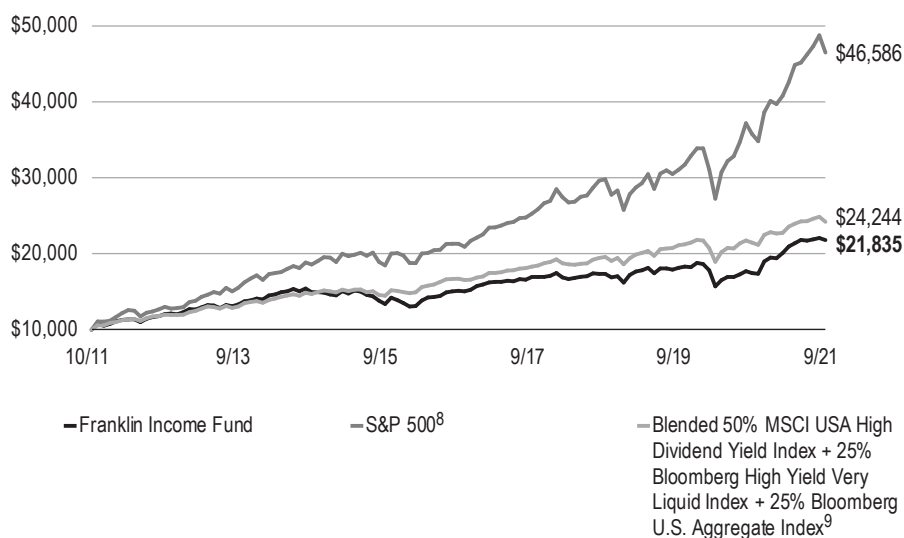
Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

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 (10/1/11–9/30/21)



Advisor Class (10/1/11–9/30/21)



See page 28 for Performance Summary footnotes.

Net Asset Value

Share Class (Symbol)	9/30/21	9/30/20	Change
A (FKIQX)	\$2.47	\$2.08	+\$0.39
A1 (FKINX)	\$2.48	\$2.08	+\$0.40
C (FCISX)	\$2.52	\$2.12	+\$0.40
R (FISRX)	\$2.43	\$2.04	+\$0.39
R6 (FNCFX)	\$2.47	\$2.07	+\$0.40
Advisor (FRIAX)	\$2.46	\$2.07	+\$0.39

Distributions (10/1/20–9/30/21)

Share Class	Net Investment Income
A	\$0.1116
A1	\$0.1144
C	\$0.1024
R	\$0.1063
R6	\$0.1184
Advisor	\$0.1172

Total Annual Operating Expenses¹⁰

Share Class	With Fee Waiver	Without Fee Waiver
A	0.71%	0.72%
Advisor	0.46%	0.47%

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

All investments involve risks, including possible loss of principal. The Fund's portfolio includes a substantial portion of higher-yielding, lower-rated corporate bonds and some floating rate loans, which are also higher-yielding and lower-rated. These investments have more credit risk than investment-grade securities and are subject to increased risk of default and potential loss of principal. The Fund's share price and yield will be affected by interest rate movements. Bond prices generally move in the opposite direction of interest rates. Thus, as prices of bonds in the Fund adjust to a rise in interest rates, the Fund's share price may decline. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Foreign investing involves additional risks such as currency and market volatility, as well as political and social instability. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 1/31/22. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.
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. Effective 9/10/18, Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the Fund's Class A1 performance that includes any Rule 12b-1 rate differential that exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class.
5. Prior to 3/1/19, these shares were offered at a higher initial sales charge of 4.25%, 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 3.75%.
6. Distribution rate is based on an annualization of the respective class's September dividend and the maximum offering price (NAV for Advisor Class) per share on 9/30/21.
7. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
8. Source: Morningstar. The S&P 500 is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance.
9. Source: Factset. The Blended 50% MSCI USD High Dividend Yield Index + 25% Bloomberg High Yield Very Liquid Index + 25% Bloomberg U.S. Aggregate Index measures performance of high dividend-paying global and developed and emerging stocks, noninvestment-grade corporate bonds and tracks performance of the U.S. investment-grade bond market.
10. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown. See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$1,034.60	\$3.66	\$1,021.47	\$3.64	0.72%
A1	\$1,000	\$1,039.40	\$3.16	\$1,021.97	\$3.13	0.62%
C	\$1,000	\$1,036.10	\$5.71	\$1,019.46	\$5.66	1.12%
R	\$1,000	\$1,038.40	\$4.95	\$1,020.21	\$4.90	0.97%
R6	\$1,000	\$1,040.40	\$2.05	\$1,023.06	\$2.03	0.40%
Advisor	\$1,000	\$1,040.40	\$2.40	\$1,022.72	\$2.38	0.47%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 U.S. Government Securities Fund

This annual report for Franklin U.S. Government Securities Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks income by investing at least 80% of its net assets in U.S. government securities. The Fund presently invests substantially all of its assets in Government National Mortgage Association obligations (Ginnie Maes).

Since 1983, the Fund has invested substantially in Ginnie Mae securities, which carry a guarantee backed by the full faith and credit of the U.S. government as to the timely payment of interest and principal.¹ Issued by the Government National Mortgage Association (GNMA), Ginnie Maes have been among the highest yielding U.S. government obligations available.

Performance Overview

The Fund's Class A shares posted a -1.15% cumulative total return for the 12 months under review. In comparison, the Bloomberg U.S. Government - Intermediate Index, the intermediate component of the Bloomberg U.S. Government Index, posted a -1.33% cumulative total return.² You can find the Fund's long-term performance data in the Performance Summary beginning on page 32.

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

Investment Strategy

We currently invest the Fund's assets substantially in GNMA obligations. We analyze securities using proprietary models to help us identify attractive investment opportunities.

Portfolio Composition

9/30/21

	% of Total Net Assets
Mortgage-Backed Securities	98.1%
Other	0.5%
Short-Term Investments & Other Net Assets	1.4%

Manager's Discussion

In the months leading up to the U.S. presidential election, there were bouts of risk-off sentiment driven largely by factors such as a resurgence in global COVID-19 cases and the political impasse regarding additional fiscal stimulus. Following the U.S. presidential election, market sentiment remained generally positive until year-end. As financial markets settled into 2021, amid a stronger than expected U.S. economic recovery along with unprecedented fiscal stimulus, inflation concerns took center stage. U.S. Treasury (UST) yields surged during the first half of the reporting period, peaking at 1.74% in March 2021 before trending lower and ending the reporting period at 1.52%, 84 basis points higher year-over-year. Volatility, as measured by the Merrill Lynch Option Volatility Estimate (MOVE) Index, also increased during the period.

The U.S. housing market remained strong with significant demand for homes despite a large increase in prices. Supply and demand imbalances combined with mortgage rates still near historic lows should continue to support a strong housing market.

The Federal Reserve (Fed) continued on its path towards tapering its current level of asset purchases and changed the language of its September 2021 meeting statement to "a moderation in the pace of asset purchases may soon be warranted" so long as economic progress continues broadly as expected. Based on this statement, and the comments from Fed Chair Jerome Powell during the September 2021 press conference, the tapering of asset purchases is likely to be announced in November and is likely to be completed around mid-2022, following a gradual tapering of \$10 billion in USTs and \$5 billion in mortgage-backed securities (MBS) per month.

1. Securities owned by the Fund, but not shares of the Fund, are guaranteed by the U.S. government, its agencies or instrumentalities as to the timely payment of principal and interest. The Fund's yield and share price are not guaranteed and will vary with market conditions.

2. Source: Morningstar.

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

See www.franklintempletondatasources.com for additional data provider information.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 97.

Prepayment risk is expected to decline over the next quarter, and we expect origination to drop over the winter season. We believe spreads will remain rangebound, with seasonal effects offsetting the reduced demand from tapering of purchases by the Fed. However, spreads could start widening post winter as origination begins to increase.

The Fund maintains a conservative, disciplined investment strategy and invests primarily in GNMA mortgage pass-throughs, which remain the only MBS that are backed by the full faith and credit of the U.S. government—the same guarantee applicable to U.S. Treasuries.¹ We believe our collateral-intensive research approach can allow us to uncover dislocations across the GNMA markets and associated mispricing of prepayment risk. We continue to focus on specified pools where we believe our experience and continual investment in new technologies help us uncover these discrepancies.

Agency MBS posted negative total returns and underperformed similar duration USTs during the reporting period. Within the agency mortgage pass-through sector, Fannie Mae MBS and Freddie Mac MBS were the best performers, while GNMA MBS underperformed. Within the GNMA sector, GNMA I 3.0%, 5.0% and 3.5% coupons were the best performers, while GNMA II 2.5%, 3.5% and 3.0% coupons lagged.

During the period, the portfolio retained a higher weighting to GNMA IIs (pools of mortgages from multiple issuers) than GNMA Is (pools of mortgages from single issuers). Over the period, we added to GNMA II 2.5% and 2.0% coupons, while reducing exposure to GNMA II 3.0% through 4.5% coupons. The portfolio's largest absolute allocations were in 2.5% and 3.0% coupons at period-end and relative to the Bloomberg GNMA Index the portfolio was underweight the 2.0%, 2.5%, 3.5% and 4.0% coupons and overweight the 3.0% coupon and 4.5% through 6.0% coupons.

The Fund's overweight allocation to GNMA I 5.0% coupons was the largest contributor to performance. In addition, an overweight allocation to coupons GNMA I 6.0%, 5.5% and 4.5% also contributed, as did security selection in GNMA I 5.0% coupons. Overweight allocation to GNMA II 5.5% and 6.0% coupons and security selection in GNMA II 2.5% through 5.0% coupons also benefited performance. Overweight allocation to GNMA II 3.0% and underweight allocation to GNMA I 3.0% coupons were the largest detractors from performance.

Thank you for your continued participation in Franklin U.S. Government Securities Fund. We welcome your comments and questions and look forward to serving your investment needs in the years ahead.

Paul Varunok
Neil Dhruv

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

The performance tables 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 9/30/21¹

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 3.75% and the minimum is 0%. **Class A:** 3.75% 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
A^{4,5}		
1-Year	-1.15%	-4.86%
5-Year	+6.60%	+0.52%
10-Year	+16.04%	+1.11%

Advisor		
1-Year	-0.74%	-0.74%
5-Year	+7.81%	+1.52%
10-Year	+18.25%	+1.69%

Share Class	Distribution Rate ⁶	30-Day Standardized Yield ⁷	
		(with fee waiver)	(without fee waiver)
A	2.20%	1.10%	1.10%
Advisor	2.51%	1.37%	1.37%

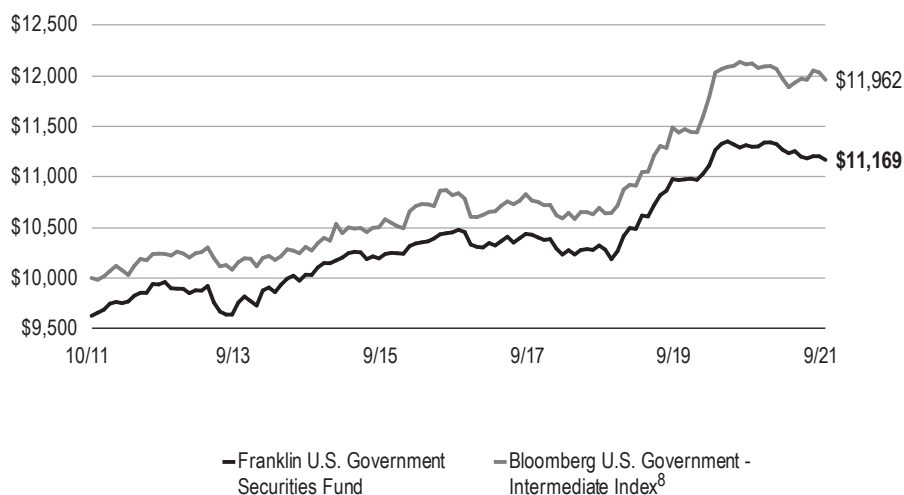
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 34 for Performance Summary footnotes.

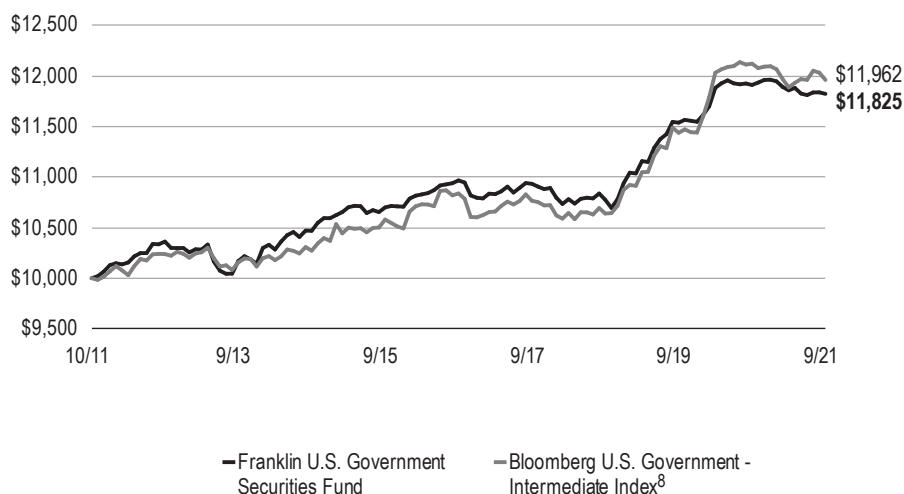
Total Return Index Comparison for a Hypothetical \$10,000 Investment¹

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

Class A (10/1/11–9/30/21)



Advisor Class (10/1/11–9/30/21)



See page 34 for Performance Summary footnotes.

Distributions (10/1/20–9/30/21)

Share Class	Net Investment Income
A	\$0.1308
A1	\$0.1368
C	\$0.1058
R	\$0.1151
R6	\$0.1520
Advisor	\$0.1457

Total Annual Operating Expenses⁹

Share Class	With Fee Waiver	Without Fee Waiver
A	0.89%	0.90%
Advisor	0.64%	0.65%

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

All investments involve risks, including loss of principal. The Fund's share price and yield will be affected by interest rate movements and mortgage prepayments. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in the Fund adjust to a rise in interest rates, the Fund's share price may decline. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 1/31/22. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.
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. Effective 9/10/18, Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the Fund's Class A1 performance that includes any Rule 12b-1 rate differential that exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class.
5. Prior to 3/1/19, these shares were offered at a higher initial sales charge of 4.25%, 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 3.75%.
6. Distribution rate is based on an annualization of the respective class's September dividend and the maximum offering price (NAV for Advisor Class) per share on 9/30/21.
7. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
8. Source: Morningstar. Bloomberg Barclays U.S. Government Intermediate Index, the intermediate component of the Bloomberg Barclays U.S. Government Index, which includes public obligations of the U.S. Treasury with at least one year to final maturity and publicly issued debt of U.S. government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. government.
9. 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. See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$994.10	\$4.35	\$1,020.70	\$4.41	0.87%
A1	\$1,000	\$996.30	\$3.84	\$1,021.23	\$3.88	0.77%
C	\$1,000	\$993.60	\$6.36	\$1,018.69	\$6.44	1.27%
R	\$1,000	\$992.80	\$5.60	\$1,019.45	\$5.68	1.12%
R6	\$1,000	\$997.50	\$2.53	\$1,022.54	\$2.56	0.50%
Advisor	\$1,000	\$997.00	\$3.11	\$1,021.96	\$3.15	0.62%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 Utilities Fund

This annual report for Franklin Utilities Fund covers the fiscal year ended September 30, 2021.

Your Fund's Goal and Main Investments

The Fund seeks both capital appreciation and current income by investing at least 80% of its net assets in the securities of public utility companies. These are companies that provide electricity, natural gas, water, and communications services to the public and companies that provide services to public utilities companies. The Fund concentrates (invests more than 25% of its total assets) in companies operating in the utilities industry. The Fund invests primarily in equity securities, which consist mainly of common stocks.

Performance Overview

The Fund's Class A shares posted a +12.29% cumulative total return for the 12 months under review. In comparison, the S&P 500 Utilities Index, which measures the performance of all utilities stocks in the S&P 500, posted a +11.01% cumulative total return and the Standard & Poor's 500 Index (S&P 500), which is a broad measure of U.S. stock performance, posted a +30.00% cumulative total return.¹ You can find the Fund's long-term performance data in the Performance Summary beginning on page 38.

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.

Investment Strategy

We search for the best return opportunities available in the global utilities arena with a specific focus on the U.S. electricity and gas sector. Generally, we seek to invest in companies producing a high percentage of earnings from their regulated operations.

Portfolio Composition

9/30/21

	% of Total Net Assets
Electric Utilities	58.7%
Multi-Utilities	32.5%
Gas Utilities	2.3%
Oil, Gas & Consumable Fuels	2.2%
Water Utilities	1.7%
Diversified Telecommunication Services	1.1%
Independent Power and Renewable Electricity Producers	1.1%
Short-Term Investments & Other Net Assets	0.4%

Manager's Discussion

During the 12 months under review, within the utilities sector, electric utilities, multi-utilities, and the oil, gas and consumable fuels industries drove performance. No industries detracted on an absolute basis.

Among the individual contributors, renewable power producer and electric utility NextEra Energy saw healthy growth in its renewable power business over the period, which bolstered the Fund's returns. The company's fundamentals have remained robust. We believe that the company is well-positioned for strong long-term growth regardless of the regulatory environment. NextEra has a significant backlog of renewable power projects that can be developed cost-effectively, in our view.

Shares of Exelon, a purchaser, transmitter, and distributor of electricity, also rose during the period, outperforming as Illinois passed clean energy legislation that included support for the company's merchant nuclear plants. The company announced that it was separating its generation and retail business, which includes the company's nuclear power plants, from its utility business, and investors reacted favorably. Recent earnings results have been relatively positive, but the company did caution that the February 2021 winter storm in Texas would have an impact on its full-year 2021 earnings.

Cheniere Energy, a liquefied natural gas (LNG) company, supported relative returns, benefiting from swiftly rising LNG prices toward the end of the period. While the company missed earnings estimates in the second quarter of 2021, it later announced plans to pay a dividend and spend \$1 billion on share buybacks. Cheniere was able to post robust

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.

See www.franklintempletondatasources.com for additional data provider information.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 105.

earnings earlier in the period, despite the stresses caused by then-low LNG prices, driven by the pandemic, and a spate of hurricanes in 2020. Despite significant competition in the market, we believe the supply and demand outlook is favorable in the natural gas industry.

Top 10 Holdings

9/30/21

Company Industry, Country	% of Total Net Assets
NextEra Energy, Inc. Electric Utilities, United States	12.5%
Exelon Corp. Electric Utilities, United States	4.9%
Dominion Energy, Inc. Multi-Utilities, United States	4.9%
CMS Energy Corp. Multi-Utilities, United States	4.9%
Duke Energy Corp. Electric Utilities, United States	4.5%
Southern Co. (The) Electric Utilities, United States	4.2%
Edison International Electric Utilities, United States	4.1%
Sempra Energy Multi-Utilities, United States	3.9%
American Electric Power Co., Inc. Electric Utilities, United States	3.9%
Entergy Corp. Electric Utilities, United States	3.7%

Conversely, Dominion Energy, a Virginia-based power company, hindered the Fund's performance as the stock lagged during the period. Results at the company were resilient during and shortly after the height of the pandemic, and Dominion continues to invest in more sustainable power generation. However, the stock underperformed in recent months amid concerns about risk to earnings power in Virginia, which cut incentive returns after the state reached in-state energy production goals.

Minnesota-based Xcel Energy, an electric and natural gas energy provider, weighed on absolute returns. The company has been a leader in transitioning to clean energy, with plans to invest heavily in the coming years. However, investors have been concerned about Xcel's regulatory risk as the firm seeks future rate increases in key states, such as Minnesota and Colorado. We view Xcel favorably, as its growth rate looks likely to be strong over the longer term, particularly because the company has made moves to focus more on renewables. Recent earnings showed improved profit and operating revenues, bolstered by higher margins for both electricity and natural gas.

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

John C. Kohli, CFA

J. Blair Schmicker, CFA

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2021, 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 September 30, 2021

The performance tables 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 9/30/21

*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 3.75% and the minimum is 0%. **Class A:** 3.75% maximum initial sales charge; **Advisor Class:** no sales charges. For other share classes, visit franklintempleton.com.*

Share Class	Cumulative Total Return ¹	Average Annual Total Return ²
A^{3,4}		
1-Year	+12.29%	+8.08%
5-Year	+46.63%	+7.13%
10-Year	+162.17%	+9.70%

Advisor		
1-Year	+12.62%	+12.62%
5-Year	+48.32%	+8.20%
10-Year	+167.17%	+10.33%

Share Class	Distribution Rate ⁵	30-Day Standardized Yield ⁶
A	2.19%	2.25%
Advisor	2.51%	2.60%

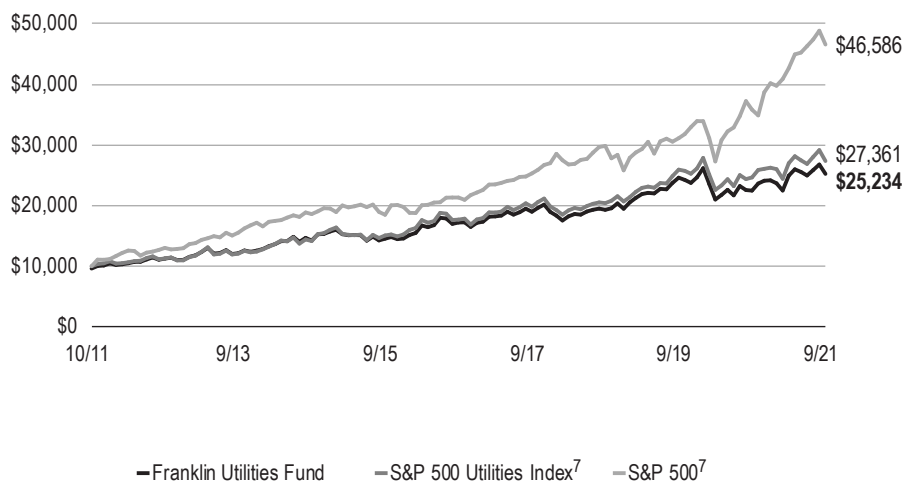
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to franklintempleton.com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

See page 40 for Performance Summary footnotes.

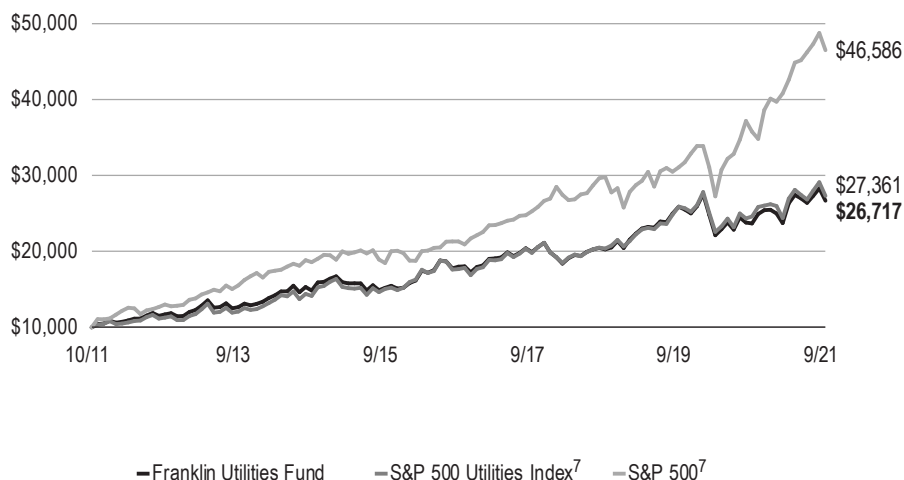
Total Return Index Comparison for a Hypothetical \$10,000 Investment

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 (10/1/11–9/30/21)



Advisor Class (10/1/11–9/30/21)



See page 40 for Performance Summary footnotes.

Net Asset Value

Share Class (Symbol)	9/30/21	9/30/20	Change
A (FKUQX)	\$20.20	\$19.76	+\$0.44
A1 (FKUTX)	\$20.21	\$19.77	+\$0.44
C (FRUSX)	\$20.09	\$19.65	+\$0.44
R (FRURX)	\$20.12	\$19.68	+\$0.44
R6 (FUFRR)	\$20.40	\$19.93	+\$0.47
Advisor (FRUAX)	\$20.40	\$19.93	+\$0.47

Distributions (10/1/20–9/30/21)

Share Class	Net Investment Income	Long-Term Capital Gain	Total
A	\$0.5168	\$1.4065	\$1.9233
A1	\$0.5374	\$1.4065	\$1.9439
C	\$0.4356	\$1.4065	\$1.8421
R	\$0.4661	\$1.4065	\$1.8726
R6	\$0.5849	\$1.4065	\$1.9914
Advisor	\$0.5680	\$1.4065	\$1.9745

Total Annual Operating Expenses⁸

Share Class	
A	0.83%
Advisor	0.58%

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

All investments involve risks, including loss of principal. Investing in a Fund concentrating in the utilities sector involves special risks, including increased susceptibility to adverse economic and regulatory developments affecting the sector. Stocks historically have outperformed other asset classes over the long term, but tend to fluctuate more dramatically over the short term. Securities issued by utility companies have been historically sensitive to interest rate changes. When interest rates fall, utility securities prices, and thus a utilities Fund's share price, tend to rise; when interest rates rise, their prices generally fall. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. Cumulative total return represents the change in value of an investment over the periods indicated.
2. 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.
3. Effective 9/10/18, Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the Fund's Class A1 performance that includes any Rule 12b-1 rate differential that exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class.
4. Prior to 3/1/19, these shares were offered at a higher initial sales charge of 4.25%, 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 3.75%.
5. Distribution rate is based on an annualization of the respective class's current quarterly dividend and the maximum offering price (NAV for Advisor Class) per share on 9/30/21.
6. The Fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the Fund's actual income distribution rate, which reflects the Fund's past dividends paid to shareholders.
7. Morningstar. The S&P 500 is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance. The S&P 500 Utilities Index is market capitalization weighted and consists of all utility stocks in the S&P 500.
8. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown. See www.franklintempletondatasources.com for additional data provider information.

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 4/1/21	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio ²
		Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	Ending Account Value 9/30/21	Expenses Paid During Period 4/1/21–9/30/21 ^{1,2}	
A	\$1,000	\$1,011.40	\$4.15	\$1,020.94	\$4.17	0.82%
A1	\$1,000	\$1,012.40	\$3.65	\$1,021.44	\$3.66	0.72%
C	\$1,000	\$1,010.00	\$6.16	\$1,018.94	\$6.19	1.22%
R	\$1,000	\$1,010.70	\$5.41	\$1,019.69	\$5.43	1.07%
R6	\$1,000	\$1,013.50	\$2.51	\$1,022.57	\$2.52	0.50%
Advisor	\$1,000	\$1,013.00	\$2.89	\$1,022.20	\$2.91	0.57%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 183/365 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 DynaTech Fund

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$121.24	\$82.84	\$81.16	\$63.10	\$52.05
Income from investment operations ^a :					
Net investment (loss) ^b	(0.82)	(0.38)	(0.20)	(0.23)	(0.18)
Net realized and unrealized gains (losses)	36.81	39.44	3.79	19.45	12.92
Total from investment operations	35.99	39.06	3.59	19.22	12.74
Less distributions from:					
Net realized gains	—	(0.66)	(1.91)	(1.16)	(1.69)
Net asset value, end of year	\$157.23	\$121.24	\$82.84	\$81.16	\$63.10
Total return ^c	29.68%	47.47%	4.77%	30.88%	25.67%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.79%	0.85%	0.86%	0.86%	0.92%
Expenses net of waiver and payments by affiliates	0.79% ^{d,e}	0.84% ^d	0.85% ^d	0.86% ^{d,e}	0.91% ^d
Net investment (loss)	(0.56)%	(0.39)%	(0.26)%	(0.32)%	(0.33)%
Supplemental data					
Net assets, end of year (000's)	\$12,129,483	\$8,378,574	\$4,504,434	\$3,741,562	\$2,498,393
Portfolio turnover rate	18.77%	13.82%	20.01%	17.22%	19.85%

^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 DynaTech Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$99.49	\$68.60	\$68.07	\$53.49	\$44.71
Income from investment operations ^a :					
Net investment (loss) ^b	(1.55)	(0.91)	(0.66)	(0.65)	(0.50)
Net realized and unrealized gains (losses)	30.12	32.46	3.10	16.39	10.97
Total from investment operations	28.57	31.55	2.44	15.74	10.47
Less distributions from:					
Net realized gains	—	(0.66)	(1.91)	(1.16)	(1.69)
Net asset value, end of year	\$128.06	\$99.49	\$68.60	\$68.07	\$53.49
Total return ^c	28.72%	46.37%	3.97%	29.93%	24.72%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.54%	1.60%	1.61%	1.61%	1.67%
Expenses net of waiver and payments by affiliates	1.54% ^{d,e}	1.59% ^d	1.60% ^d	1.61% ^{d,e}	1.66% ^d
Net investment (loss)	(1.31)%	(1.14)%	(1.01)%	(1.07)%	(1.08)%
Supplemental data					
Net assets, end of year (000's)	\$1,339,016	\$1,095,702	\$597,927	\$611,221	\$374,502
Portfolio turnover rate	18.77%	13.82%	20.01%	17.22%	19.85%

^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 DynaTech Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$117.13	\$80.26	\$78.88	\$61.51	\$50.90
Income from investment operations ^a :					
Net investment (loss) ^b	(1.14)	(0.60)	(0.39)	(0.40)	(0.31)
Net realized and unrealized gains (losses)	35.53	38.13	3.68	18.93	12.61
Total from investment operations	34.39	37.53	3.29	18.53	12.30
Less distributions from:					
Net realized gains	—	(0.66)	(1.91)	(1.16)	(1.69)
Net asset value, end of year	\$151.52	\$117.13	\$80.26	\$78.88	\$61.51
Total return	29.36%	47.09%	4.52%	30.57%	25.36%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.04%	1.10%	1.11%	1.11%	1.17%
Expenses net of waiver and payments by affiliates	1.04% ^{c,d}	1.09% ^c	1.10% ^c	1.11% ^{c,d}	1.16% ^c
Net investment (loss)	(0.81)%	(0.63)%	(0.51)%	(0.57)%	(0.58)%
Supplemental data					
Net assets, end of year (000's)	\$311,646	\$221,041	\$123,721	\$95,925	\$47,860
Portfolio turnover rate	18.77%	13.82%	20.01%	17.22%	19.85%

^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 DynaTech Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$127.01	\$86.46	\$84.31	\$65.28	\$53.56
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.36)	(0.05)	0.07	0.04	0.06
Net realized and unrealized gains (losses)	38.61	41.26	3.99	20.15	13.35
Total from investment operations	38.25	41.21	4.06	20.19	13.41
Less distributions from:					
Net realized gains	—	(0.66)	(1.91)	(1.16)	(1.69)
Net asset value, end of year	\$165.26	\$127.01	\$86.46	\$84.31	\$65.28
Total return	30.12%	47.97%	5.15%	31.38%	26.17%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.46%	0.50%	0.51%	0.50%	0.49%
Expenses net of waiver and payments by affiliates	0.46% ^{c,d}	0.50% ^{c,d}	0.50% ^c	0.50% ^{c,d}	0.48% ^c
Net investment income (loss)	(0.23)%	(0.05)%	0.09%	0.04%	0.10%
Supplemental data					
Net assets, end of year (000's)	\$9,820,184	\$5,817,028	\$2,473,942	\$1,688,595	\$457,846
Portfolio turnover rate	18.77%	13.82%	20.01%	17.22%	19.85%

^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 DynaTech Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$125.58	\$85.58	\$83.56	\$64.78	\$53.25
Income from investment operations ^a :					
Net investment (loss) ^b	(0.48)	(0.15)	(0.01)	(0.06)	(0.04)
Net realized and unrealized gains (losses)	38.17	40.81	3.94	20.00	13.26
Total from investment operations	37.69	40.66	3.93	19.94	13.22
Less distributions from:					
Net realized gains	—	(0.66)	(1.91)	(1.16)	(1.69)
Net asset value, end of year	\$163.27	\$125.58	\$85.58	\$83.56	\$64.78
Total return	30.01%	47.83%	5.04%	31.21%	25.98%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.54%	0.60%	0.61%	0.61%	0.67%
Expenses net of waiver and payments by affiliates	0.54% ^{c,d}	0.59% ^c	0.60% ^c	0.61% ^{c,d}	0.66% ^c
Net investment (loss)	(0.32)%	(0.15)%	(0.01)%	(0.07)%	(0.08)%
Supplemental data					
Net assets, end of year (000's)	\$4,352,531	\$2,884,489	\$1,154,604	\$680,066	\$712,762
Portfolio turnover rate	18.77%	13.82%	20.01%	17.22%	19.85%

^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%.

Statement of Investments, September 30, 2021

Franklin DynaTech Fund

	Country	Shares	Value
Common Stocks 98.3%			
Aerospace & Defense 0.5%			
^a Axon Enterprise, Inc.	United States	650,000	\$113,763,000
^a TransDigm Group, Inc.	United States	35,000	21,859,950
			135,622,950
Automobiles 1.7%			
^a Tesla, Inc.	United States	600,000	465,288,000
Banks 0.3%			
^a SVB Financial Group.	United States	150,000	97,032,000
Biotechnology 2.0%			
^{a,b} Applied Molecular Transport, Inc.	United States	622,200	16,096,314
^a Argenx SE	Netherlands	300,000	90,650,969
^a BioNTech SE, ADR	Germany	350,000	95,546,500
^a Intellia Therapeutics, Inc.	United States	400,000	53,660,000
^a Moderna, Inc.	United States	500,000	192,430,000
^a Natera, Inc.	United States	1,000,000	111,440,000
			559,823,783
Capital Markets 2.2%			
Moody's Corp.	United States	300,000	106,533,000
MSCI, Inc.	United States	500,000	304,170,000
Tradeweb Markets, Inc., A.	United States	2,500,000	201,950,000
			612,653,000
Chemicals 0.2%			
^{a,c} SK IE Technology Co. Ltd., 144A, Reg S	South Korea	300,000	56,868,604
Diversified Consumer Services 0.2%			
^a Chegg, Inc.	United States	800,000	54,416,000
^a Duolingo, Inc.	United States	62,900	10,464,044
			64,880,044
Electric Utilities 0.6%			
NextEra Energy, Inc.	United States	2,250,000	176,670,000
Electronic Equipment, Instruments & Components 1.2%			
Amphenol Corp., A	United States	1,200,000	87,876,000
Keyence Corp.	Japan	175,000	104,452,446
^a Keysight Technologies, Inc.	United States	200,000	32,858,000
^a Zebra Technologies Corp., A	United States	200,000	103,084,000
			328,270,446
Entertainment 3.9%			
Activision Blizzard, Inc.	United States	1,100,000	85,129,000
^a Netflix, Inc.	United States	100,000	61,034,000
^a ROBLOX Corp., A.	United States	2,000,000	151,100,000
^a Sea Ltd., ADR.	Taiwan	2,500,000	796,825,000
			1,094,088,000
Equity Real Estate Investment Trusts (REITs) 0.8%			
Crown Castle International Corp.	United States	500,000	86,660,000
SBA Communications Corp.	United States	400,000	132,228,000
			218,888,000
Health Care Equipment & Supplies 6.6%			
Abbott Laboratories.	United States	1,300,000	153,569,000
^a CryoPort, Inc.	United States	250,000	16,627,500
Danaher Corp.	United States	1,550,000	471,882,000
^a DexCom, Inc.	United States	100,000	54,686,000

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Equipment & Supplies (continued)			
^a Edwards Lifesciences Corp.	United States	1,200,000	\$135,852,000
^a IDEXX Laboratories, Inc.	United States	650,000	404,235,000
^a Inari Medical, Inc.	United States	400,000	32,440,000
^a Inmode Ltd.	United States	200,000	31,890,000
^a Insulet Corp.	United States	35,000	9,948,050
^a Intuitive Surgical, Inc.	United States	300,000	298,245,000
STERIS plc.	United States	500,000	102,140,000
Stryker Corp.	United States	500,000	131,860,000
			<hr/> 1,843,374,550
Health Care Providers & Services 0.6%			
^a Accolade, Inc.	United States	150,000	6,325,500
^a Guardant Health, Inc.	United States	500,000	62,505,000
UnitedHealth Group, Inc.	United States	250,000	97,685,000
			<hr/> 166,515,500
Health Care Technology 1.8%			
^a Definitive Healthcare Corp.	United States	350,000	14,990,500
^{a,b} Doximity, Inc., A	United States	200,000	16,140,000
^a Inspire Medical Systems, Inc.	United States	750,000	174,660,000
^a Veeva Systems, Inc., A	United States	1,000,000	288,170,000
			<hr/> 493,960,500
Hotels, Restaurants & Leisure 0.7%			
^a Airbnb, Inc., A	United States	500,000	83,875,000
^a Booking Holdings, Inc.	United States	50,000	118,693,500
			<hr/> 202,568,500
Industrial Conglomerates 0.3%			
Roper Technologies, Inc.	United States	200,000	89,226,000
Interactive Media & Services 8.9%			
^a Adevinta ASA	France	1,000,000	17,137,692
^a Alphabet, Inc., A	United States	300,000	802,056,000
^a Alphabet, Inc., C	United States	67,170	179,028,873
^a Facebook, Inc., A	United States	1,800,000	610,902,000
^a Match Group, Inc.	United States	1,000,000	156,990,000
^a Pinterest, Inc., A	United States	1,000,000	50,950,000
^a Snap, Inc., A	United States	2,750,000	203,142,500
Tencent Holdings Ltd.	China	5,000,000	298,491,874
^{a,c} Trustpilot Group plc, 144A, Reg S	United Kingdom	2,661,715	13,827,599
^a VTEX, A	Brazil	200,000	4,114,000
^a ZoomInfo Technologies, Inc., A	United States	2,250,000	137,677,500
			<hr/> 2,474,318,038
Internet & Direct Marketing Retail 9.3%			
^a Amazon.com, Inc.	United States	500,000	1,642,520,000
^{a,b} Chewy, Inc., A	United States	2,000,000	136,220,000
^{a,c} Delivery Hero SE, 144A, Reg S	Saudi Arabia	700,000	89,284,780
^a DoorDash, Inc., A	United States	350,000	72,093,000
^a Fiverr International Ltd.	Israel	800,000	146,144,000
^a MercadoLibre, Inc.	Argentina	300,000	503,820,000
^a THG plc	United Kingdom	845,675	5,776,432
^{a,c} Zalando SE, 144A, Reg S	Germany	150,678	13,741,477
			<hr/> 2,609,599,689
IT Services 14.5%			
^{a,c} Adyen NV, 144A, Reg S	Netherlands	200,000	559,048,632
^a Afterpay Ltd.	Australia	600,000	52,103,446

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
IT Services (continued)			
^a Cloudflare, Inc., A	United States	100,000	\$11,265,000
^{a,b} Dlocal Ltd.	Uruguay	150,000	8,184,000
^a Endava plc, ADR	United Kingdom	250,000	33,962,500
^a EPAM Systems, Inc.	United States	350,000	199,668,000
^a Globant SA	United States	250,000	70,252,500
Mastercard, Inc., A	United States	1,000,000	347,680,000
^a MongoDB, Inc.	United States	265,000	124,950,150
^{a,c} Nuvei Corp., 144A, Reg S	Canada	1,000,000	115,520,000
^a Okta, Inc.	United States	350,000	83,069,000
^a Paymentus Holdings, Inc., A	United States	421,700	10,390,688
^a PayPal Holdings, Inc.	United States	2,500,000	650,525,000
^{a,b} Remitly Global, Inc.	United States	382,400	14,034,080
^a Shopify, Inc., A	Canada	500,000	678,541,264
^a Snowflake, Inc., A	United States	225,000	68,046,750
^a Square, Inc., A	United States	1,600,000	383,744,000
^a TaskUS, Inc., A	Philippines	100,000	6,637,000
^{a,b} Thoughtworks Holding, Inc.	United States	547,700	15,724,467
^{a,b} Toast, Inc., A	United States	283,700	14,170,815
^a Twilio, Inc., A	United States	1,000,000	319,050,000
Visa, Inc., A	United States	1,300,000	289,575,000
			4,056,142,292
Life Sciences Tools & Services 6.7%			
^a 10X Genomics, Inc., A	United States	600,000	87,348,000
Agilent Technologies, Inc.	United States	100,000	15,753,000
^a Avantor, Inc.	United States	300,000	12,270,000
^a Bio-Rad Laboratories, Inc., A	United States	200,000	149,190,000
Bio-Techne Corp.	United States	200,000	96,914,000
^a Charles River Laboratories International, Inc.	United States	100,000	41,267,000
^a Evotec SE	Germany	550,000	26,078,211
^a Illumina, Inc.	United States	450,000	182,524,500
Lonza Group AG	Switzerland	250,000	187,557,641
^a Maravai LifeSciences Holdings, Inc., A	United States	1,750,000	85,890,000
^{a,b} Olink Holding AB, ADR	Sweden	500,000	12,125,000
^a Repligen Corp.	United States	1,000,000	288,990,000
^{a,b} Seer, Inc.	United States	100,000	3,453,000
Thermo Fisher Scientific, Inc.	United States	750,000	428,497,500
^{a,c} Wuxi Biologics Cayman, Inc., 144A, Reg S	China	15,000,000	243,302,877
			1,861,160,729
Media 0.8%			
^a Charter Communications, Inc., A	United States	150,000	109,134,000
^a Liberty Broadband Corp., A	United States	750,000	126,262,500
			235,396,500
Pharmaceuticals 1.1%			
^a Catalent, Inc.	United States	1,500,000	199,605,000
Zoetis, Inc.	United States	500,000	97,070,000
			296,675,000
Professional Services 0.5%			
^a CoStar Group, Inc.	United States	1,500,000	129,090,000
Semiconductors & Semiconductor Equipment 8.8%			
Analog Devices, Inc.	United States	1,000,000	167,480,000
ASML Holding NV, NYRS	Netherlands	650,000	484,321,500
^a Enphase Energy, Inc.	United States	200,000	29,994,000
Entegris, Inc.	United States	1,000,000	125,900,000
Intel Corp.	United States	750,000	39,960,000

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Semiconductors & Semiconductor Equipment (continued)			
KLA Corp.	United States	315,000	\$105,370,650
Lam Research Corp.	United States	500,000	284,575,000
Monolithic Power Systems, Inc.	United States	500,000	242,340,000
NVIDIA Corp.	United States	4,000,000	828,640,000
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	825,000	92,111,250
Teradyne, Inc.	United States	500,000	54,585,000
Texas Instruments, Inc.	United States	75,000	14,415,750
			2,469,693,150
Software 22.6%			
^a Adobe, Inc.	United States	600,000	345,432,000
^a Amplitude, Inc., A	United States	273,200	14,845,688
^a ANSYS, Inc.	United States	450,000	153,202,500
^a Aspen Technology, Inc.	United States	200,000	24,560,000
^a Atlassian Corp. plc, A	United States	1,000,000	391,420,000
^a Autodesk, Inc.	United States	500,000	142,585,000
^a Avalara, Inc.	United States	1,100,000	192,247,000
Bentley Systems, Inc., B	United States	400,000	24,256,000
^a Bill.com Holdings, Inc.	United States	250,000	66,737,500
^a Cadence Design Systems, Inc.	United States	1,200,000	181,728,000
^a Cerence, Inc.	United States	1,500,000	144,165,000
^a Coupa Software, Inc.	United States	300,000	65,754,000
^a CrowdStrike Holdings, Inc., A	United States	900,000	221,202,000
^a CS Disco, Inc.	United States	250,000	11,985,000
^a Datadog, Inc., A	United States	1,000,000	141,350,000
^a DocuSign, Inc.	United States	1,550,000	399,016,500
^{a,b} DoubleVerify Holdings, Inc.	United States	281,300	9,609,208
^a Five9, Inc.	United States	450,000	71,883,000
^a Fortinet, Inc.	United States	75,000	21,903,000
^a Freshworks, Inc., A	United States	609,400	26,015,286
^a HubSpot, Inc.	United States	800,000	540,872,000
Intuit, Inc.	United States	1,025,000	552,997,750
^a Lightspeed Commerce, Inc., (CAD Traded)	Canada	250,000	24,118,877
^a Lightspeed Commerce, Inc., (USD Traded)	Canada	200,000	19,286,000
Microsoft Corp.	United States	3,000,000	845,760,000
^a Monday.com Ltd.	United States	250,000	81,550,000
^a Palo Alto Networks, Inc.	United States	50,000	23,950,000
^{a,b} Procore Technologies, Inc.	United States	500,000	44,670,000
^a salesforce.com, Inc.	United States	1,000,000	271,220,000
^{a,b} SentinelOne, Inc., A	United States	650,000	34,820,500
^a ServiceNow, Inc.	United States	1,000,000	622,270,000
^{a,b} Sprinklr, Inc., A	United States	1,131,300	19,797,750
^a Sprout Social, Inc., A	United States	50,000	6,097,500
^a Synopsys, Inc.	United States	1,000,000	299,410,000
^a Tyler Technologies, Inc.	United States	250,000	114,662,500
^a Workday, Inc., A	United States	550,000	137,439,500
^a Zendesk, Inc.	United States	300,000	34,917,000
			6,323,736,059
Specialty Retail 0.7%			
^a Carvana Co.	United States	625,000	188,462,500
^a Olaplex Holdings, Inc.	United States	476,300	11,669,350
			200,131,850

Franklin DynaTech Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Technology Hardware, Storage & Peripherals 0.8%			
Apple, Inc.	United States	1,600,000	\$226,400,000
Total Common Stocks (Cost \$13,074,609,824)			27,488,073,184
Short Term Investments 1.8%			
	Country	Shares	Value
Money Market Funds 1.4%			
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	396,130,154	396,130,154
Total Money Market Funds (Cost \$396,130,154)			396,130,154
		Principal Amount^f	
Repurchase Agreements 0.1%			
^f Joint Repurchase Agreement, 0.028%, 10/01/21 (Maturity Value \$30,463,230)			
BNP Paribas Securities Corp. (Maturity Value \$18,816,223)			
Deutsche Bank Securities, Inc. (Maturity Value \$3,702,501)			
HSBC Securities (USA), Inc. (Maturity Value \$7,944,506)			
Collateralized by U.S. Government Agency Securities, 2.5% - 4%, 4/20/27 - 4/20/51; and U.S. Treasury Notes, 0.25% - 2%, 6/30/25 - 8/15/25 (valued at \$31,079,102)			
		30,463,206	30,463,206
Total Repurchase Agreements (Cost \$30,463,206)			30,463,206
^g Investments from Cash Collateral Received for Loaned Securities 0.3%			
	Country	Shares	
Money Market Funds 0.2%			
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	44,677,000	44,677,000
		Principal Amount^f	
Repurchase Agreements 0.1%			
^f Joint Repurchase Agreement, BNP Paribas SA, 0.05%, 10/01/21 (Maturity Value \$39,287,834)			
Collateralized by U.S. Treasury Notes, 0.125% - 3%, 9/30/22 - 8/31/26; and U.S. Treasury Notes, Index Linked, 0.125%, 10/15/24 - 4/15/25 (valued at \$40,073,546)			
		39,287,779	39,287,779
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$83,964,779)			83,964,779
Total Short Term Investments (Cost \$510,558,139)			510,558,139
Total Investments (Cost \$13,585,167,963) 100.1%			\$27,998,631,323
Other Assets, less Liabilities (0.1)%			(45,771,177)
Net Assets 100.0%			\$27,952,860,146

Franklin DynaTech Fund (continued)

See Abbreviations on page 143.

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

^aNon-income producing.

^bA portion or all of the security is on loan at September 30, 2021. See Note 1(g).

^cSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At September 30, 2021, the aggregate value of these securities was \$1,091,593,969, representing 3.9% of net assets.

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

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

^fSee Note 1(c) regarding joint repurchase agreement.

^gSee Note 1(g) regarding securities on loan.

Financial Highlights

Franklin Focused Growth Fund

	Year Ended September 30, 2021	Year Ended September 30, 2020 ^a
Class A		
Per share operating performance		
(for a share outstanding throughout the year)		
Net asset value, beginning of year	\$25.05	\$20.16
Income from investment operations ^b :		
Net investment (loss) ^c	(0.23)	(0.10)
Net realized and unrealized gains (losses)	7.00	4.99
Total from investment operations	6.77	4.89
Less distributions from:		
Net realized gains	(0.21)	—
Net asset value, end of year	\$31.61	\$25.05
Total return ^d	27.17%	24.26%
Ratios to average net assets^e		
Expenses before waiver and payments by affiliates	1.36%	1.81%
Expenses net of waiver and payments by affiliates	1.10% ^f	1.10%
Net investment (loss)	(0.78)%	(0.72)%
Supplemental data		
Net assets, end of year (000's)	\$80,509	\$26,793
Portfolio turnover rate	22.77%	33.93%

^aFor the period February 14, 2020 (effective date) to September 30, 2020.

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

^cBased on average daily shares outstanding.

^dTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year, except for non-recurring expenses, if any.

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

Franklin Focused Growth Fund (continued)

	Year Ended September 30, 2021	Year Ended September 30, 2020 ^a
Class C		
Per share operating performance		
(for a share outstanding throughout the year)		
Net asset value, beginning of year	\$24.94	\$20.16
Income from investment operations ^b :		
Net investment (loss) ^c	(0.44)	(0.21)
Net realized and unrealized gains (losses)	6.94	4.99
Total from investment operations	6.50	4.78
Less distributions from:		
Net realized gains	(0.21)	—
Net asset value, end of year	\$31.23	\$24.94
Total return ^d	26.20%	23.71%
Ratios to average net assets^e		
Expenses before waiver and payments by affiliates	2.12%	2.56%
Expenses net of waiver and payments by affiliates.	1.85% ^f	1.85%
Net investment (loss)	(1.53)%	(1.47)%
Supplemental data		
Net assets, end of year (000's)	\$6,028	\$3,931
Portfolio turnover rate	22.77%	33.93%

^aFor the period February 14, 2020 (effective date) to September 30, 2020.

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

^cBased on average daily shares outstanding.

^dTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year, except for non-recurring expenses, if any.

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

Franklin Focused Growth Fund (continued)

	Year Ended September 30, 2021	Year Ended September 30, 2020 ^a
Class R		
Per share operating performance		
(for a share outstanding throughout the year)		
Net asset value, beginning of year	\$25.06	\$20.16
Income from investment operations ^b :		
Net investment (loss) ^c	(0.31)	(0.11)
Net realized and unrealized gains (losses)	6.99	5.01
Total from investment operations	6.68	4.90
Less distributions from:		
Net realized gains	(0.21)	—
Net asset value, end of year	\$31.53	\$25.06
Total return ^d	26.79%	24.31%
Ratios to average net assets^e		
Expenses before waiver and payments by affiliates	1.66%	1.65%
Expenses net of waiver and payments by affiliates	1.38% ^f	1.04%
Net investment (loss)	(1.05)%	(0.77)%
Supplemental data		
Net assets, end of year (000's)	\$984	\$643
Portfolio turnover rate	22.77%	33.93%

^aFor the period February 14, 2020 (effective date) to September 30, 2020.

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

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year, except for non-recurring expenses, if any.

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

Franklin Focused Growth Fund (continued)

	Year Ended September 30, 2021	Year Ended September 30, 2020 ^a
Class R6		
Per share operating performance		
(for a share outstanding throughout the year)		
Net asset value, beginning of year	\$25.10	\$20.16
Income from investment operations ^b :		
Net investment (loss) ^c	(0.13)	(0.07)
Net realized and unrealized gains (losses)	7.02	5.01
Total from investment operations	6.89	4.94
Less distributions from:		
Net realized gains	(0.21)	—
Net asset value, end of year	\$31.78	\$25.10
Total return ^d	27.59%	24.50%
Ratios to average net assets^e		
Expenses before waiver and payments by affiliates	1.05%	2.08%
Expenses net of waiver and payments by affiliates.	0.77%	0.85%
Net investment (loss)	(0.44)%	(0.52)%
Supplemental data		
Net assets, end of year (000's)	\$75	\$65
Portfolio turnover rate	22.77%	33.93%

^aFor the period February 14, 2020 (effective date) to September 30, 2020.

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

^cBased on average daily shares outstanding.

^dTotal return is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year, except for non-recurring expenses, if any.

Franklin Focused Growth Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$25.10	\$17.62	\$17.24	\$13.36	\$10.93
Income from investment operations ^a :					
Net investment (loss) ^b	(0.16)	(0.09)	(0.06)	(0.05)	(0.02)
Net realized and unrealized gains (losses)	7.02	8.66	0.52	3.93	2.49
Total from investment operations	6.86	8.57	0.46	3.88	2.47
Less distributions from:					
Net investment income	—	—	(0.01)	—	(0.01)
Net realized gains	(0.21)	(1.09)	(0.07)	—	(0.03)
Total distributions	(0.21)	(1.09)	(0.08)	—	(0.04)
Net asset value, end of year	\$31.75	\$25.10	\$17.62	\$17.24	\$13.36
Total return	27.47%	51.20%	2.80%	29.04%	22.78%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.12%	2.04%	2.41%	2.23%	2.31%
Expenses net of waiver and payments by affiliates	0.85% ^c	0.88%	1.00%	1.00% ^c	1.00% ^c
Net investment (loss)	(0.53)%	(0.41)%	(0.36)%	(0.34)%	(0.20)%
Supplemental data					
Net assets, end of year (000's)	\$25,041	\$16,747	\$4,404	\$4,310	\$3,341
Portfolio turnover rate	22.77%	33.93%	28.65%	14.47%	28.48%

^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%.

Statement of Investments, September 30, 2021

Franklin Focused Growth Fund

	Country	Shares	Value
Common Stocks 96.6%			
Aerospace & Defense 1.0%			
^a Axon Enterprise, Inc.	United States	6,389	\$1,118,203
Automobiles 2.9%			
^a Tesla, Inc.	United States	4,272	3,312,851
Capital Markets 1.7%			
MSCI, Inc.	United States	3,210	1,952,771
Electric Utilities 2.0%			
NextEra Energy, Inc.	United States	28,002	2,198,717
Entertainment 4.2%			
^a ROBLOX Corp., A	United States	14,445	1,091,320
^a Sea Ltd., ADR	Taiwan	11,318	3,607,386
			4,698,706
Equity Real Estate Investment Trusts (REITs) 0.9%			
SBA Communications Corp.	United States	3,164	1,045,923
Food & Staples Retailing 1.9%			
Costco Wholesale Corp.	United States	4,823	2,167,215
Health Care Equipment & Supplies 9.9%			
Abbott Laboratories	United States	14,732	1,740,291
Danaher Corp.	United States	11,252	3,425,559
^a IDEXX Laboratories, Inc.	United States	5,318	3,307,264
^a Intuitive Surgical, Inc.	United States	2,672	2,656,369
			11,129,483
Health Care Technology 2.1%			
^a Veeva Systems, Inc., A	United States	8,020	2,311,123
Interactive Media & Services 7.5%			
^a Alphabet, Inc., A	United States	1,246	3,331,206
^a Facebook, Inc., A	United States	8,080	2,742,271
^a Snap, Inc., A	United States	16,226	1,198,615
Tencent Holdings Ltd.	China	19,994	1,193,609
			8,465,701
Internet & Direct Marketing Retail 11.1%			
^a Amazon.com, Inc.	United States	2,697	8,859,753
^a MercadoLibre, Inc.	Argentina	2,156	3,620,786
			12,480,539
IT Services 16.5%			
^{a,b} Adyen NV, 144A, Reg S	Netherlands	1,364	3,812,712
Mastercard, Inc., A	United States	6,792	2,361,442
^a PayPal Holdings, Inc.	United States	14,962	3,893,262
^a Shopify, Inc., A	Canada	3,742	5,078,203
^a Square, Inc., A	United States	9,221	2,211,565
^a Twilio, Inc., A	United States	3,741	1,193,566
			18,550,750
Life Sciences Tools & Services 2.7%			
^a Repligen Corp.	United States	4,314	1,246,703
^{a,b} Wuxi Biologics Cayman, Inc., 144A, Reg S	China	113,751	1,845,063
			3,091,766
Media 2.0%			
^a Charter Communications, Inc., A	United States	3,164	2,302,000

Franklin Focused Growth Fund

	Country	Shares	Value
Common Stocks (continued)			
Personal Products 1.0%			
Estee Lauder Cos., Inc. (The), A	United States	3,671	\$1,101,043
Semiconductors & Semiconductor Equipment 10.6%			
Analog Devices, Inc.	United States	11,882	1,989,997
ASML Holding NV, NYRS	Netherlands	4,307	3,209,189
NVIDIA Corp.	United States	26,174	5,422,206
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	11,781	1,315,349
			11,936,741
Software 18.6%			
^a Adobe, Inc.	United States	3,890	2,239,551
^a Atlassian Corp. plc, A	United States	4,367	1,709,331
^a DocuSign, Inc.	United States	5,305	1,365,666
Microsoft Corp.	United States	29,940	8,440,685
^a Procore Technologies, Inc.	United States	12,303	1,099,150
^a salesforce.com, Inc.	United States	5,285	1,433,398
^a ServiceNow, Inc.	United States	7,490	4,660,802
			20,948,583
Total Common Stocks (Cost \$83,256,018)			108,812,115
Short Term Investments 2.8%			
	Country	Shares	Value
Money Market Funds 2.8%			
^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	3,205,079	3,205,079
Total Money Market Funds (Cost \$3,205,079)			3,205,079
Total Short Term Investments (Cost \$3,205,079)			3,205,079
Total Investments (Cost \$86,461,097) 99.4%			\$112,017,194
Other Assets, less Liabilities 0.6%			619,800
Net Assets 100.0%			\$112,636,994

See abbreviations on page 143.

^a Non-income producing.^b Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At September 30, 2021, the aggregate value of these securities was \$5,657,775, representing 5.0% of net assets.^c See Note 3(f) regarding investments in affiliated management investment companies.^d The rate shown is the annualized seven-day effective yield at period end.

Financial Highlights

Franklin Growth Fund

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class A					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$129.91	\$110.04	\$107.59	\$91.61	\$78.54
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.06)	0.33	0.46	0.41	0.40
Net realized and unrealized gains (losses)	32.67	25.99	3.47	18.18	15.56
Total from investment operations	32.61	26.32	3.93	18.59	15.96
Less distributions from:					
Net investment income	(0.18)	(0.46)	(0.44)	(0.36)	(0.39)
Net realized gains	(10.61)	(5.99)	(1.04)	(2.25)	(2.50)
Total distributions	(10.79)	(6.45)	(1.48)	(2.61)	(2.89)
Net asset value, end of year	\$151.73	\$129.91	\$110.04	\$107.59	\$91.61
Total return ^c	26.44%	25.09%	3.79%	20.72%	21.12%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.79%	0.82%	0.83%	0.83%	0.88%
Expenses net of waiver and payments by affiliates ^d	0.79% ^e	0.81%	0.83% ^e	0.83% ^e	0.87%
Net investment income (loss)	(0.04)%	0.29%	0.45%	0.41%	0.47%
Supplemental data					
Net assets, end of year (000's)	\$12,927,577	\$10,990,297	\$9,157,154	\$9,044,834	\$8,051,641
Portfolio turnover rate	6.04% ^f	9.01%	4.91% ^f	6.05% ^f	5.60%

^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 13.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$117.27	\$100.21	\$98.38	\$84.25	\$72.60
Income from investment operations ^a :					
Net investment (loss) ^b	(1.01)	(0.47)	(0.29)	(0.30)	(0.21)
Net realized and unrealized gains (losses)	29.28	23.52	3.16	16.68	14.36
Total from investment operations	28.27	23.05	2.87	16.38	14.15
Less distributions from:					
Net realized gains	(10.61)	(5.99)	(1.04)	(2.25)	(2.50)
Net asset value, end of year	\$134.93	\$117.27	\$100.21	\$98.38	\$84.25
Total return ^c	25.51%	24.16%	3.02%	19.82%	20.21%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.54%	1.57%	1.58%	1.58%	1.63%
Expenses net of waiver and payments by affiliates ^d	1.54% ^e	1.56%	1.58% ^e	1.58% ^e	1.62%
Net investment (loss)	(0.79)%	(0.46)%	(0.30)%	(0.34)%	(0.28)%
Supplemental data					
Net assets, end of year (000's)	\$666,348	\$727,093	\$704,217	\$1,060,258	\$930,751
Portfolio turnover rate	6.04% ^f	9.01%	4.91% ^f	6.05% ^f	5.60%

^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 13.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$129.28	\$109.49	\$107.00	\$91.13	\$78.14
Income from investment operations ^a :					
Net investment income (loss) ^b	(0.41)	0.05	0.21	0.16	0.19
Net realized and unrealized gains (losses)	32.51	25.86	3.46	18.09	15.51
Total from investment operations	32.10	25.91	3.67	18.25	15.70
Less distributions from:					
Net investment income	—	(0.13)	(0.14)	(0.13)	(0.21)
Net realized gains	(10.61)	(5.99)	(1.04)	(2.25)	(2.50)
Total distributions	(10.61)	(6.12)	(1.18)	(2.38)	(2.71)
Net asset value, end of year	\$150.77	\$129.28	\$109.49	\$107.00	\$91.13
Total return	26.13%	24.78%	3.54%	20.42%	20.81%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.04%	1.07%	1.08%	1.08%	1.13%
Expenses net of waiver and payments by affiliates ^c	1.04% ^d	1.06%	1.08% ^d	1.08% ^d	1.12%
Net investment income (loss)	(0.29)%	0.04%	0.20%	0.16%	0.22%
Supplemental data					
Net assets, end of year (000's)	\$395,301	\$420,082	\$435,331	\$524,960	\$510,317
Portfolio turnover rate	6.04% ^e	9.01%	4.91% ^e	6.05% ^e	5.60%

^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 13.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$130.31	\$110.37	\$107.90	\$91.90	\$78.79
Income from investment operations ^a :					
Net investment income ^b	0.41	0.71	0.83	0.77	0.74
Net realized and unrealized gains (losses)	32.76	26.06	3.47	18.22	15.59
Total from investment operations	33.17	26.77	4.30	18.99	16.33
Less distributions from:					
Net investment income	(0.47)	(0.84)	(0.79)	(0.74)	(0.72)
Net realized gains	(10.61)	(5.99)	(1.04)	(2.25)	(2.50)
Total distributions	(11.08)	(6.83)	(1.83)	(2.99)	(3.22)
Net asset value, end of year	\$152.40	\$130.31	\$110.37	\$107.90	\$91.90
Total return	26.86%	25.51%	4.16%	21.17%	21.61%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.47%	0.48%	0.48%	0.47%	0.46%
Expenses net of waiver and payments by affiliates ^c	0.47% ^d	0.48% ^d	0.48% ^d	0.46%	0.45%
Net investment income	0.29%	0.63%	0.80%	0.78%	0.89%
Supplemental data					
Net assets, end of year (000's)	\$3,113,946	\$2,999,370	\$2,545,800	\$2,634,455	\$1,700,993
Portfolio turnover rate	6.04% ^e	9.01%	4.91% ^e	6.05% ^e	5.60%

^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 13.

Franklin Growth Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$130.38	\$110.41	\$107.95	\$91.90	\$78.80
Income from investment operations ^a :					
Net investment income ^b	0.30	0.62	0.72	0.66	0.60
Net realized and unrealized gains (losses)	32.79	26.07	3.47	18.23	15.61
Total from investment operations	33.09	26.69	4.19	18.89	16.21
Less distributions from:					
Net investment income	(0.39)	(0.73)	(0.69)	(0.59)	(0.61)
Net realized gains	(10.61)	(5.99)	(1.04)	(2.25)	(2.50)
Total distributions	(11.00)	(6.72)	(1.73)	(2.84)	(3.11)
Net asset value, end of year	\$152.47	\$130.38	\$110.41	\$107.95	\$91.90
Total return	26.76%	25.41%	4.05%	21.02%	21.43%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.54%	0.57%	0.58%	0.58%	0.63%
Expenses net of waiver and payments by affiliates ^c	0.54% ^d	0.56%	0.58% ^d	0.58% ^d	0.62%
Net investment income	0.21%	0.54%	0.70%	0.66%	0.72%
Supplemental data					
Net assets, end of year (000's)	\$4,229,679	\$3,549,412	\$3,154,342	\$3,139,208	\$2,801,153
Portfolio turnover rate	6.04% ^e	9.01%	4.91% ^e	6.05% ^e	5.60%

^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 13.

Statement of Investments, September 30, 2021

Franklin Growth Fund

	Country	Shares	Value
Common Stocks 99.0%			
Aerospace & Defense 3.5%			
BWX Technologies, Inc.	United States	1,395,585	\$75,166,208
Lockheed Martin Corp.	United States	491,971	169,779,192
Northrop Grumman Corp.	United States	808,736	291,266,270
Raytheon Technologies Corp.	United States	2,448,182	210,445,725
			746,657,395
Auto Components 0.4%			
^a Aptiv plc	United States	607,271	90,465,161
Automobiles 0.5%			
^a Lucid Group, Inc.	United States	4,040,405	102,545,479
Beverages 2.6%			
Brown-Forman Corp., B	United States	1,598,904	107,142,557
Constellation Brands, Inc., A	United States	548,723	115,610,449
^a Monster Beverage Corp.	United States	2,680,594	238,117,165
PepsiCo, Inc.	United States	639,563	96,196,671
			557,066,842
Biotechnology 1.9%			
AbbVie, Inc.	United States	452,614	48,823,472
Amgen, Inc.	United States	661,595	140,688,177
^a Deciphera Pharmaceuticals, Inc.	United States	573,931	19,502,175
^a Ginkgo Bioworks Holdings, Inc.	United States	2,000,000	23,180,000
^a Iovance Biotherapeutics, Inc.	United States	406,741	10,030,233
^a Mirati Therapeutics, Inc.	United States	267,000	47,234,970
^a Neurocrine Biosciences, Inc.	United States	369,571	35,445,555
^a PTC Therapeutics, Inc.	United States	965,463	35,924,878
^a Regeneron Pharmaceuticals, Inc.	United States	74,848	45,296,513
			406,125,973
Building Products 1.3%			
Allegion plc.	United States	688,759	91,040,165
Trane Technologies plc	United States	1,082,336	186,865,310
			277,905,475
Capital Markets 3.4%			
BlackRock, Inc.	United States	226,428	189,896,106
Charles Schwab Corp. (The)	United States	3,001,382	218,620,665
Intercontinental Exchange, Inc.	United States	1,402,427	161,026,668
MarketAxess Holdings, Inc.	United States	90,147	37,923,941
S&P Global, Inc.	United States	104,350	44,337,272
Tradeweb Markets, Inc., A	United States	916,652	74,047,149
			725,851,801
Chemicals 2.2%			
Air Products and Chemicals, Inc.	United States	491,971	125,998,693
^{a,b} Danimer Scientific, Inc.	United States	214,900	3,511,466
Ecolab, Inc.	United States	613,649	128,019,454
Linde plc.	United Kingdom	714,866	209,727,387
			467,257,000
Commercial Services & Supplies 0.4%			
Republic Services, Inc.	United States	640,528	76,901,792
Construction Materials 0.5%			
Martin Marietta Materials, Inc.	United States	312,378	106,733,315

Franklin Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Electric Utilities 0.7%			
NextEra Energy, Inc.	United States	2,020,008	\$158,611,028
Electrical Equipment 0.4%			
AMETEK, Inc.	United States	688,759	85,413,004
Electronic Equipment, Instruments & Components 2.9%			
Amphenol Corp., A	United States	2,849,842	208,693,930
Cognex Corp.	United States	410,654	32,942,664
^a Keysight Technologies, Inc.	United States	720,474	118,366,673
TE Connectivity Ltd.	United States	1,838,883	252,331,525
Vontier Corp.	United States	431,281	14,491,042
			626,825,834
Entertainment 1.3%			
^a Walt Disney Co. (The)	United States	1,603,162	271,206,915
Equity Real Estate Investment Trusts (REITs) 0.9%			
Crown Castle International Corp.	United States	1,125,695	195,105,457
Food Products 0.2%			
Lamb Weston Holdings, Inc.	United States	539,519	33,110,281
Health Care Equipment & Supplies 6.3%			
Abbott Laboratories.	United States	1,253,421	148,066,623
Danaher Corp.	United States	1,133,531	345,092,178
^a Edwards Lifesciences Corp.	United States	1,180,733	133,670,783
^a Haemonetics Corp.	United States	983,941	69,456,395
^a Intuitive Surgical, Inc.	United States	374,875	372,681,981
Stryker Corp.	United States	403,906	106,518,090
Teleflex, Inc.	United States	424,481	159,838,321
			1,335,324,371
Health Care Providers & Services 0.9%			
^a Guardant Health, Inc.	United States	156,800	19,601,568
^a Laboratory Corp. of America Holdings	United States	382,671	107,698,926
UnitedHealth Group, Inc.	United States	153,671	60,045,407
			187,345,901
Health Care Technology 0.4%			
^a Certara, Inc.	United States	249,400	8,255,140
^a Veeva Systems, Inc., A	United States	252,746	72,833,815
			81,088,955
Hotels, Restaurants & Leisure 0.8%			
^a Airbnb, Inc., A	United States	253,500	42,524,625
^a Booking Holdings, Inc.	United States	29,136	69,165,076
^a Las Vegas Sands Corp.	United States	1,924,125	70,422,975
			182,112,676
Interactive Media & Services 5.6%			
^a Alphabet, Inc., A	United States	159,656	426,843,509
^a Alphabet, Inc., C	United States	154,189	410,961,484
^a Facebook, Inc., A	United States	626,604	212,663,131
^a IAC/InterActiveCorp	United States	295,183	38,459,393
^a Match Group, Inc.	United States	637,122	100,021,783
^a Vimeo, Inc.	United States	479,229	14,074,956
			1,203,024,256

Franklin Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Internet & Direct Marketing Retail 4.7%			
^a Alibaba Group Holding Ltd., ADR	China	342,497	\$50,706,681
^a Amazon.com, Inc.	United States	292,803	961,869,567
			1,012,576,248
IT Services 7.0%			
^{a,c} Adyen NV, 144A, Reg S	Netherlands	59,595	166,582,516
Automatic Data Processing, Inc.	United States	109,359	21,863,051
^{a,b} Marqeta, Inc., A	United States	817,400	18,080,888
Mastercard, Inc., A	United States	1,334,308	463,912,205
^a Okta, Inc.	United States	313,296	74,357,673
^{a,b} Paymentus Holdings, Inc., A	United States	368,600	9,082,304
^a PayPal Holdings, Inc.	United States	725,315	188,734,216
^a Snowflake, Inc., A	United States	321,754	97,308,062
^a Twilio, Inc., A	United States	452,474	144,361,830
Visa, Inc., A	United States	1,377,517	306,841,912
			1,491,124,657
Life Sciences Tools & Services 5.3%			
^a 10X Genomics, Inc., A	United States	315,266	45,896,425
Agilent Technologies, Inc.	United States	1,279,123	201,500,246
^a Illumina, Inc.	United States	591,874	240,070,013
^a Mettler-Toledo International, Inc.	United States	289,278	398,439,946
Thermo Fisher Scientific, Inc.	United States	148,300	84,728,239
^{a,c} Wuxi Biologics Cayman, Inc., 144A, Reg S	China	9,367,269	151,938,900
			1,122,573,769
Machinery 3.9%			
Caterpillar, Inc.	United States	319,869	61,405,252
Deere & Co.	United States	462,571	154,993,665
Fortive Corp.	United States	1,078,204	76,088,856
Illinois Tool Works, Inc.	United States	983,941	203,311,729
^a Ingersoll Rand, Inc.	United States	1,353,352	68,222,475
Otis Worldwide Corp.	United States	522,147	42,962,255
^{a,b} Proterra, Inc.	United States	1,780,600	18,001,866
Stanley Black & Decker, Inc.	United States	781,107	136,935,868
Xylem, Inc.	United States	531,700	65,760,656
			827,682,622
Media 0.6%			
Cable One, Inc.	United States	47,817	86,698,437
Comcast Corp., A	United States	790,241	44,198,179
			130,896,616
Personal Products 0.3%			
Estee Lauder Cos., Inc. (The), A	United States	185,168	55,537,438
Pharmaceuticals 4.6%			
AstraZeneca plc, ADR	United Kingdom	2,018,704	121,243,362
^a Catalent, Inc.	United States	2,593,597	345,129,953
Eli Lilly & Co.	United States	1,146,323	264,857,929
Johnson & Johnson	United States	1,068,228	172,518,822
Merck & Co., Inc.	United States	983,941	73,903,809
			977,653,875
Professional Services 2.1%			
^a CoStar Group, Inc.	United States	1,279,480	110,112,049
Equifax, Inc.	United States	482,569	122,292,636
IHS Markit Ltd.	United States	914,914	106,697,270

Franklin Growth Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services (continued)			
Verisk Analytics, Inc.	United States	566,899	\$113,532,863
			452,634,818
Road & Rail 2.9%			
^b Canadian Pacific Railway Ltd.	Canada	1,398,655	91,010,481
JB Hunt Transport Services, Inc.	United States	491,971	82,267,391
^a Uber Technologies, Inc.	United States	1,002,639	44,918,227
Union Pacific Corp.	United States	1,997,400	391,510,374
			609,706,473
Semiconductors & Semiconductor Equipment 6.3%			
^a Alphawave IP Group plc	United Kingdom	2,232,000	6,976,384
ASML Holding NV, NYRS	Netherlands	403,753	300,840,398
Lam Research Corp.	United States	29,519	16,800,739
Monolithic Power Systems, Inc.	United States	442,775	214,604,187
NVIDIA Corp.	United States	2,023,924	419,276,096
NXP Semiconductors NV	China	666,769	130,600,044
Texas Instruments, Inc.	United States	1,377,517	264,772,542
			1,353,870,390
Software 17.1%			
^a Adobe, Inc.	United States	167,687	96,540,760
^{a,b} AppLovin Corp., A.	United States	256,100	18,533,957
^a Atlassian Corp. plc, A	United States	216,818	84,866,902
^a Autodesk, Inc.	United States	769,883	219,547,535
^a Avalara, Inc.	United States	673,934	117,783,445
^a Bill.com Holdings, Inc.	United States	1,066,191	284,619,687
^a CrowdStrike Holdings, Inc., A.	United States	85,100	20,915,878
Intuit, Inc.	United States	847,941	457,472,649
Microsoft Corp.	United States	3,586,466	1,011,096,495
^a Paycom Software, Inc.	United States	186,135	92,276,426
^{a,b} Procore Technologies, Inc.	United States	69,300	6,191,262
^a PTC, Inc.	United States	1,184,865	141,934,978
^a salesforce.com, Inc.	United States	554,766	150,463,635
^a ServiceNow, Inc.	United States	846,261	526,602,832
^{a,d,e} Stripe, Inc., B	United States	540,043	23,032,834
^a Synopsys, Inc.	United States	522,615	156,476,157
^a Tyler Technologies, Inc.	United States	118,574	54,383,965
^a Workday, Inc., A	United States	738,265	184,485,041
			3,647,224,438
Specialty Retail 0.0%[†]			
^a Olaplex Holdings, Inc.	United States	361,900	8,866,550
Technology Hardware, Storage & Peripherals 4.6%			
Apple, Inc.	United States	6,935,254	981,338,441
Textiles, Apparel & Luxury Goods 1.3%			
NIKE, Inc., B.	United States	1,874,977	272,302,910
Trading Companies & Distributors 0.7%			
Fastenal Co.	United States	2,705,146	139,612,585
Water Utilities 0.5%			
American Water Works Co., Inc.	United States	688,759	116,427,821
Total Common Stocks (Cost \$5,807,597,725)			21,116,708,562

Franklin Growth Fund (continued)

	Country	Shares	Value
Convertible Preferred Stocks 0.4%			
Software 0.4%			
^{a,d,e} Gusto, Inc., E	United States	822,494	\$28,554,628
^{a,d,e} OneTrust LLC, C.	United States	849,894	20,099,993
^{a,d,e} Stripe, Inc., H	United States	756,137	32,249,243
			80,903,864
Total Convertible Preferred Stocks (Cost \$72,006,650)			80,903,864
Total Long Term Investments (Cost \$5,879,604,375)			21,197,612,426
Short Term Investments 1.1%			
	Country	Shares	Value
Money Market Funds 0.7%			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	141,998,542	141,998,542
Total Money Market Funds (Cost \$141,998,542)			141,998,542
^hInvestments from Cash Collateral Received for Loaned Securities 0.4%			
Money Market Funds 0.3%			
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	76,774,000	76,774,000
		Principal Amountⁱ	
Repurchase Agreements 0.1%			
^j Joint Repurchase Agreement, BNP Paribas SA, 0.05%, 10/01/21 (Maturity Value \$19,174,790) Collateralized by U.S. Treasury Notes, 0.125% - 3%, 9/30/22 - 8/31/26; and U.S. Treasury Notes, Index Linked, 0.125%, 10/15/24 - 4/15/25 (valued at \$19,558,264).			
		19,174,763	19,174,763
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$95,948,763)			95,948,763
Total Short Term Investments (Cost \$237,947,305)			237,947,305
Total Investments (Cost \$6,117,551,680) 100.5%			\$21,435,559,731
Other Assets, less Liabilities (0.5%)			(102,709,369)
Net Assets 100.0%			\$21,332,850,362

Franklin Growth Fund (continued)

See Abbreviations on page 143.

*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 September 30, 2021. See Note 1(g).

^cSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At September 30, 2021, the aggregate value of these securities was \$318,521,416, representing 1.5% of net assets.

^dFair valued using significant unobservable inputs. See Note 14 regarding fair value measurements.

^eSee Note 9 regarding restricted securities.

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

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

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

ⁱSee Note 1(c) regarding joint repurchase agreement.

Financial Highlights

Franklin Income Fund

	Year Ended September 30,			Year Ended September 30, 2018 ^a
	2021	2020	2019	
Class A				
Per share operating performance				
(for a share outstanding throughout the year)				
Net asset value, beginning of year	\$2.08	\$2.30	\$2.32	\$2.31
Income from investment operations ^b :				
Net investment income (loss) ^c	0.08	0.08	0.08	(0.04)
Net realized and unrealized gains (losses)	0.42	(0.18)	0.02	0.05
Total from investment operations	0.50	(0.10)	0.10	0.01
Less distributions from:				
Net investment income	(0.11)	(0.12)	(0.12)	—
Net asset value, end of year	\$2.47	\$2.08	\$2.30	\$2.32
Total return ^d	24.55%	(4.48)%	4.40%	0.43%
Ratios to average net assets^e				
Expenses before waiver and payments by affiliates	0.72%	0.71%	0.72%	0.71%
Expenses net of waiver and payments by affiliates ^f	0.72% ^g	0.70%	0.72% ^g	0.71% ^g
Net investment income	3.19%	3.64%	3.92%	3.89%
Supplemental data				
Net assets, end of year (000's)	\$16,044,379	\$10,072,437	\$7,427,468	\$107,057
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%

^aFor the period September 10, 2018 (effective date) to September 30, 2018.

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

^cBased on average daily shares outstanding.

^dTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

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

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

Franklin Income Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.08	\$2.30	\$2.32	\$2.39	\$2.25
Income from investment operations ^a :					
Net investment income ^b	0.08	0.08	0.09	0.09	0.10
Net realized and unrealized gains (losses)	0.43	(0.18)	0.01	(0.04)	0.16
Total from investment operations	0.51	(0.10)	0.10	0.05	0.26
Less distributions from:					
Net investment income	(0.11)	(0.12)	(0.12)	(0.12)	(0.12)
Net asset value, end of year	\$2.48	\$2.08	\$2.30	\$2.32	\$2.39
Total return ^c	25.19%	(4.39)%	4.50%	2.18%	11.86%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.62%	0.61%	0.62%	0.61%	0.62%
Expenses net of waiver and payments by affiliates ^d	0.62% ^e	0.60%	0.62% ^e	0.61% ^e	0.61%
Net investment income	3.32%	3.74%	4.02%	3.99%	4.22%
Supplemental data					
Net assets, end of year (000's)	\$35,704,730	\$32,693,224	\$39,625,649	\$42,929,573	\$46,505,632
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%	34.12%

^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 Income Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.12	\$2.34	\$2.35	\$2.42	\$2.27
Income from investment operations ^a :					
Net investment income ^b	0.07	0.07	0.08	0.08	0.09
Net realized and unrealized gains (losses)	0.43	(0.18)	0.02	(0.04)	0.17
Total from investment operations	0.50	(0.11)	0.10	0.04	0.26
Less distributions from:					
Net investment income	(0.10)	(0.11)	(0.11)	(0.11)	(0.11)
Net asset value, end of year	\$2.52	\$2.12	\$2.34	\$2.35	\$2.42
Total return ^c	24.09%	(4.80)%	4.35%	1.61%	11.63%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.13%	1.11%	1.12%	1.11%	1.12%
Expenses net of waiver and payments by affiliates ^d	1.12%	1.10%	1.12% ^e	1.11% ^e	1.11%
Net investment income	2.84%	3.24%	3.52%	3.49%	3.72%
Supplemental data					
Net assets, end of year (000's)	\$7,507,658	\$9,339,238	\$13,488,627	\$19,895,441	\$23,036,875
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%	34.12%

^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 Income Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.04	\$2.26	\$2.28	\$2.35	\$2.21
Income from investment operations ^a :					
Net investment income ^b	0.07	0.07	0.08	0.08	0.09
Net realized and unrealized gains (losses)	0.43	(0.18)	0.01	(0.04)	0.16
Total from investment operations	0.50	(0.11)	0.09	0.04	0.25
Less distributions from:					
Net investment income	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Net asset value, end of year	\$2.43	\$2.04	\$2.26	\$2.28	\$2.35
Total return	24.75%	(4.82)%	4.20%	1.86%	11.67%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.97%	0.96%	0.97%	0.96%	0.97%
Expenses net of waiver and payments by affiliates ^c	0.97% ^d	0.95%	0.97% ^d	0.96% ^d	0.96%
Net investment income	2.97%	3.40%	3.67%	3.64%	3.87%
Supplemental data					
Net assets, end of year (000's)	\$257,109	\$221,584	\$265,531	\$296,098	\$361,603
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%	34.12%

^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 Income Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.07	\$2.29	\$2.30	\$2.37	\$2.23
Income from investment operations ^a :					
Net investment income ^b	0.08	0.09	0.10	0.10	0.11
Net realized and unrealized gains (losses)	0.44	(0.19)	0.01	(0.05)	0.15
Total from investment operations	0.52	(0.10)	0.11	0.05	0.26
Less distributions from:					
Net investment income	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)
Net asset value, end of year	\$2.47	\$2.07	\$2.29	\$2.30	\$2.37
Total return	25.53%	(4.23)%	5.17%	2.40%	12.15%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.43%	0.40%	0.41%	0.39%	0.39%
Expenses net of waiver and payments by affiliates ^c	0.41%	0.39%	0.40%	0.39% ^d	0.38%
Net investment income	3.50%	3.96%	4.24%	4.21%	4.45%
Supplemental data					
Net assets, end of year (000's)	\$748,355	\$1,626,735	\$1,902,027	\$2,062,334	\$1,815,977
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%	34.12%

^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 Income Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$2.07	\$2.28	\$2.30	\$2.37	\$2.23
Income from investment operations ^a :					
Net investment income ^b	0.08	0.08	0.09	0.10	0.10
Net realized and unrealized gains (losses)	0.43	(0.17)	0.01	(0.05)	0.16
Total from investment operations	0.51	(0.09)	0.10	0.05	0.26
Less distributions from:					
Net investment income	(0.12)	(0.12)	(0.12)	(0.12)	(0.12)
Net asset value, end of year	\$2.46	\$2.07	\$2.28	\$2.30	\$2.37
Total return	24.98%	(3.86)%	4.65%	2.34%	12.09%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.47%	0.46%	0.47%	0.46%	0.47%
Expenses net of waiver and payments by affiliates ^c	0.47% ^d	0.45%	0.47% ^d	0.46% ^d	0.46%
Net investment income	3.46%	3.89%	4.17%	4.14%	4.37%
Supplemental data					
Net assets, end of year (000's)	\$11,969,691	\$9,712,076	\$11,816,599	\$11,328,761	\$11,671,173
Portfolio turnover rate	68.93%	69.13%	43.63%	49.95%	34.12%

^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%.

Statement of Investments, September 30, 2021

Franklin Income Fund

	Country	Shares	Value
Common Stocks 43.4%			
Aerospace & Defense 1.5%			
Lockheed Martin Corp.	United States	2,500,000	\$862,750,000
Raytheon Technologies Corp.	United States	2,959,550	254,402,918
			1,117,152,918
Banks 4.0%			
Bank of America Corp.	United States	10,000,000	424,500,000
Barclays plc	United Kingdom	160,000,000	406,511,444
Citigroup, Inc.	United States	6,000,000	421,080,000
JPMorgan Chase & Co.	United States	5,000,000	818,450,000
Truist Financial Corp.	United States	7,170,000	420,520,500
US Bancorp	United States	7,000,000	416,080,000
			2,907,141,944
Beverages 2.1%			
Coca-Cola Co. (The)	United States	15,000,000	787,050,000
PepsiCo, Inc.	United States	5,000,100	752,065,041
			1,539,115,041
Biotechnology 1.9%			
AbbVie, Inc.	United States	9,000,000	970,830,000
Amgen, Inc.	United States	2,000,000	425,300,000
			1,396,130,000
Capital Markets 0.1%			
Morgan Stanley.	United States	810,000	78,821,100
Chemicals 1.0%			
Air Products and Chemicals, Inc.	United States	1,150,000	294,526,500
BASF SE	Germany	6,000,000	454,842,023
			749,368,523
Communications Equipment 1.0%			
Cisco Systems, Inc.	United States	13,000,000	707,590,000
Diversified Telecommunication Services 3.4%			
AT&T, Inc.	United States	22,500,000	607,725,000
BCE, Inc.	Canada	7,500,000	375,636,421
TELUS Corp.	Canada	4,000,000	87,903,067
Verizon Communications, Inc.	United States	25,000,000	1,350,250,000
			2,421,514,488
Electric Utilities 5.4%			
American Electric Power Co., Inc.	United States	8,750,000	710,325,000
Duke Energy Corp.	United States	6,000,000	585,540,000
Edison International	United States	11,000,000	610,170,000
Entergy Corp.	United States	1,500,000	148,965,000
Exelon Corp.	United States	7,000,000	338,380,000
^a PG&E Corp.	United States	10,000,000	96,000,000
PPL Corp.	United States	6,500,000	181,220,000
Southern Co. (The)	United States	17,000,000	1,053,490,000
Xcel Energy, Inc.	United States	2,500,000	156,250,000
			3,880,340,000
Energy Equipment & Services 0.4%			
Halliburton Co.	United States	4,000,000	86,480,000
^{a,b} Weatherford International plc.	United States	11,820,000	232,499,400
			318,979,400

Franklin Income Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food & Staples Retailing 0.4%			
Walmart, Inc.	United States	2,000,500	\$278,829,690
Health Care Providers & Services 0.5%			
^{a,b} CHS/Community Health Systems, Inc.	United States	10,000,000	117,000,000
CVS Health Corp.	United States	2,800,000	237,608,000
			354,608,000
Health Care Technology 0.0%[†]			
^a Multiplan Corp.	United States	4,400,000	24,772,000
Household Products 1.2%			
Procter & Gamble Co. (The)	United States	6,000,000	838,800,000
Independent Power and Renewable Electricity Producers 0.2%			
Vistra Corp.	United States	10,000,000	171,000,000
Industrial Conglomerates 0.4%			
3M Co.	United States	1,500,000	263,130,000
Insurance 0.3%			
MetLife, Inc.	United States	3,500,000	216,055,000
IT Services 0.9%			
Fidelity National Information Services, Inc.	United States	2,000,000	243,360,000
International Business Machines Corp.	United States	3,000,000	416,790,000
			660,150,000
Metals & Mining 0.2%			
Freeport-McMoRan, Inc.	United States	3,500,000	113,855,000
Multi-Utilities 3.0%			
CMS Energy Corp.	United States	2,000,000	119,460,000
Dominion Energy, Inc.	United States	12,000,000	876,240,000
DTE Energy Co.	United States	4,000,000	446,840,000
NiSource, Inc.	United States	1,000,000	24,230,000
Sempra Energy.	United States	5,621,111	711,070,541
			2,177,840,541
Oil, Gas & Consumable Fuels 4.8%			
^b Bonanza Creek Energy, Inc.	United States	3,400,000	162,860,000
BP plc, ADR	United Kingdom	10,000,000	273,300,000
^b Chesapeake Energy Corp.	United States	5,000,000	307,950,000
Chevron Corp.	United States	12,000,000	1,217,400,000
DT Midstream, Inc.	United States	471,785	21,815,338
Exxon Mobil Corp.	United States	15,000,000	882,300,000
Royal Dutch Shell plc, ADR, A.	Netherlands	5,500,000	245,135,000
TotalEnergies SE, ADR	France	7,500,000	359,475,000
			3,470,235,338
Personal Products 0.8%			
Unilever plc.	United Kingdom	10,000,000	541,323,408
Pharmaceuticals 6.5%			
AstraZeneca plc, ADR.	United Kingdom	2,500,000	150,150,000
Bayer AG	Germany	5,000,000	271,365,801
Bristol-Myers Squibb Co.	United States	9,500,000	562,115,000
Johnson & Johnson	United States	5,500,000	888,250,000
Merck & Co., Inc.	United States	20,000,000	1,502,200,000
Pfizer, Inc.	United States	31,249,800	1,344,053,898
			4,718,134,699

Franklin Income Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Road & Rail 0.3%			
Union Pacific Corp.	United States	1,000,000	\$196,010,000
Semiconductors & Semiconductor Equipment 0.7%			
Intel Corp.	United States	6,282,800	334,747,584
Texas Instruments, Inc.	United States	720,000	138,391,200
			473,138,784
Specialty Retail 0.5%			
Home Depot, Inc. (The).	United States	1,000,000	328,260,000
Tobacco 1.5%			
Altria Group, Inc.	United States	4,000,000	182,080,000
British American Tobacco plc.	United Kingdom	3,000,000	104,851,925
Philip Morris International, Inc.	United States	8,777,900	832,057,141
			1,118,989,066
Wireless Telecommunication Services 0.4%			
Vodafone Group plc	United Kingdom	175,000,000	266,266,461
Total Common Stocks (Cost \$29,458,599,568).			31,327,551,401
Equity-Linked Securities 17.9%			
Aerospace & Defense 0.6%			
¶J.P. Morgan Structured Products BV into Raytheon Technologies Corp., 144A, 9%, 3/18/22	United States	3,345,000	271,548,744
¶J.P. Morgan Structured Products BV into Raytheon Technologies Corp., 144A, 10%, 1/11/22	United States	2,120,000	166,869,012
			438,417,756
Air Freight & Logistics 0.3%			
¶Royal Bank of Canada into United Parcel Service, Inc., 144A, 8.5%, 3/08/22	United States	1,355,000	234,333,960
Airlines 0.2%			
¶BNP Paribas Issuance BV into Delta Air Lines, Inc., 144A, 10%, 5/03/22	United States	3,507,000	158,772,232
Automobiles 1.2%			
¶Barclays Bank plc into General Motors Co., 144A, 10%, 12/08/21	United States	5,735,000	285,860,401
¶Credit Suisse AG into General Motors Co., 144A, 10%, 12/17/21	United States	5,678,000	281,755,211
¶Credit Suisse AG into General Motors Co., 144A, 12%, 2/08/22	United States	4,820,000	263,246,889
			830,862,501
Banks 2.1%			
¶Barclays Bank plc into Truist Financial Corp., 144A, 8%, 8/17/22	United States	2,740,000	157,056,724
¶BNP Paribas Issuance BV into Bank of America Corp., 144A, 9%, 4/13/22	United States	7,200,000	301,496,669
¶Credit Suisse AG into Citigroup, Inc., 144A, 9%, 8/05/22	United States	4,060,000	283,652,686
¶Mizuho Markets Cayman LP into JPMorgan Chase & Co., 144A, 8%, 6/30/22	United States	1,620,000	254,585,973
¶National Bank of Canada into Bank of America Corp., 144A, 8%, 6/15/22	United States	5,833,000	249,128,061
¶UBS AG into JPMorgan Chase & Co., 144A, 8.5%, 5/06/22	United States	1,725,000	273,847,068
			1,519,767,181
Biotechnology 1.0%			
¶Merrill Lynch International & Co. CV into Gilead Sciences, Inc., 144A, 10%, 1/25/22	United States	3,725,000	251,473,511
¶National Bank of Canada into AbbVie, Inc., 144A, 8.5%, 8/12/22	United States	2,197,000	244,067,895

Franklin Income Fund (continued)

	Country	Shares	Value
Equity-Linked Securities (continued)			
Biotechnology (continued)			
^d Societe Generale SA into AbbVie, Inc., 144A, 10%, 12/10/21	United States	2,345,000	\$251,841,657
			747,383,063
Capital Markets 1.0%			
^d Citigroup Global Markets Holdings, Inc. into Barrick Gold Corp., 144A, 9%, 10/13/22	United States	3,225,000	58,679,332
^d Credit Suisse AG into Morgan Stanley, 144A, 8.5%, 7/06/22	United States	2,970,000	264,004,291
^d Royal Bank of Canada into Barrick Gold Corp., 144A, 10%, 4/08/22	United States	8,910,000	165,150,573
^d UBS AG into Morgan Stanley, 144A, 8.5%, 2/11/22	United States	2,345,000	196,502,605
			684,336,801
Chemicals 0.4%			
^d Citigroup Global Markets Holdings, Inc. into LyondellBasell Industries NV, 144A, 10%, 6/23/22	United States	1,600,000	156,549,384
^d National Bank of Canada into Air Products and Chemicals, Inc., 144A, 8.5%, 4/13/22	United States	590,000	157,913,334
			314,462,718
Communications Equipment 0.2%			
^d Royal Bank of Canada into Cisco Systems, Inc., 144A, 8.5%, 1/25/22	United States	3,175,000	157,198,422
Containers & Packaging 0.4%			
^d National Bank of Canada into International Paper Co., 144A, 9.5%, 12/06/21	United States	5,000,000	272,939,762
Energy Equipment & Services 1.0%			
^d J.P. Morgan Structured Products BV into Baker Hughes Co., 144A, 12%, 2/15/22	United States	9,836,000	240,572,511
^d Societe Generale SA into Schlumberger NV, 144A, 10%, 2/10/22 . .	United States	8,975,000	248,472,123
^d UBS AG into Halliburton Co., 144A, 12%, 2/25/22	United States	10,300,000	222,230,605
			711,275,239
Health Care Providers & Services 0.7%			
^d Citigroup Global Markets Holdings, Inc. into CVS Health Corp., 144A, 8%, 5/18/22	United States	3,287,000	270,915,220
^d J.P. Morgan Structured Products BV into CVS Health Corp., 144A, 9%, 2/22/22	United States	2,950,000	237,858,931
			508,774,151
Hotels, Restaurants & Leisure 0.1%			
^d Mizuho Markets Cayman LP into Las Vegas Sands Corp., 144A, 12%, 8/29/22	United States	1,734,000	66,327,800
Industrial Conglomerates 0.4%			
^d Societe Generale SA into Honeywell International, Inc., 144A, 8%, 2/01/22	United States	1,271,000	273,660,795
Insurance 1.1%			
^d Barclays Bank plc into MetLife, Inc., 144A, 8.5%, 7/11/22	United States	4,240,000	258,970,559
^d Barclays Bank plc into MetLife, Inc., 144A, 9.5%, 3/09/22	United States	4,251,700	258,830,181
^d Royal Bank of Canada into MetLife, Inc., 144A, 9.5%, 12/21/21 . .	United States	4,545,000	244,324,827
			762,125,567
Internet & Direct Marketing Retail 0.5%			
^d Citigroup Global Markets Holdings, Inc. into Amazon.com, Inc., 144A, 9.54%, 12/02/21	United States	113,000	372,160,913
Machinery 0.5%			
^d Goldman Sachs International Bank into Cummins, Inc., 144A, 9%, 1/28/22	United States	920,000	209,723,659

Franklin Income Fund (continued)

	Country	Shares	Value
Equity-Linked Securities (continued)			
Machinery (continued)			
^d Royal Bank of Canada into International Paper Co., 144A, 9.5%, 3/18/22	Italy	2,852,000	\$160,428,969
			370,152,628
Metals & Mining 0.6%			
^d Barclays Bank plc into Newmont Corp., 144A, 9.5%, 6/15/22	United States	3,278,000	188,854,077
^d Morgan Stanley Finance II Ltd. into Rio Tinto Ltd., 144A, 10%, 6/07/22	Australia	2,972,000	214,730,093
			403,584,170
Multiline Retail 0.7%			
^d Citigroup Global Markets Holdings, Inc. into Target Corp., 144A, 9%, 3/09/22	United States	1,386,000	292,168,968
^d Societe Generale SA into Target Corp., 144A, 8%, 12/20/21	United States	1,165,000	229,261,125
			521,430,093
Oil, Gas & Consumable Fuels 0.4%			
^d Credit Suisse AG into Chevron Corp., 144A, 10%, 6/07/22	United States	2,540,000	258,695,019
Pharmaceuticals 0.3%			
^d National Bank of Canada into Bristol-Myers Squibb Co., 144A, 8.5%, 2/16/22	United States	3,984,000	240,154,650
Road & Rail 0.3%			
^d Goldman Sachs International Bank into Union Pacific Corp., 144A, 8%, 2/09/22	United States	1,085,000	220,182,143
Semiconductors & Semiconductor Equipment 2.9%			
^d BNP Paribas Issuance BV into Broadcom, Inc., 144A, 10%, 8/08/22	United States	575,000	277,051,150
^d Citigroup Global Markets Holdings, Inc. into Intel Corp., 144A, 10%, 4/06/22	United States	3,857,000	220,419,891
^d Citigroup Global Markets Holdings, Inc. into Texas Instruments, Inc., 144A, 8%, 6/21/22	United States	1,328,000	251,295,521
^d Goldman Sachs International Bank into Texas Instruments, Inc., 144A, 9%, 1/26/22	United States	1,593,000	283,804,245
^d Merrill Lynch International & Co. CV into Broadcom, Inc., 144A, 9.5%, 10/13/22	United States	550,000	267,419,502
^d Merrill Lynch International & Co. CV into Intel Corp., 144A, 8.5%, 12/08/21	United States	6,167,000	309,250,188
^d Mizuho Markets Cayman LP into Microchip Technology, Inc., 144A, 9%, 10/11/22	United States	1,273,500	195,574,869
^d National Bank of Canada into Broadcom, Inc., 144A, 10%, 5/02/22	United States	578,000	284,265,325
			2,089,080,691
Software 0.7%			
^d Merrill Lynch International & Co. CV into Oracle Corp., 144A, 8%, 11/08/21	United States	4,500,000	298,255,491
^d Mizuho Markets Cayman LP into Workday, Inc., 144A, 9.5%, 6/07/22	United States	921,000	223,348,968
			521,604,459
Technology Hardware, Storage & Peripherals 0.3%			
^d BNP Paribas Issuance BV into Apple, Inc., 144A, 10%, 12/22/21	United States	1,630,000	220,271,151
Total Equity-Linked Securities (Cost \$12,513,595,758)			12,897,953,865
Convertible Preferred Stocks 2.8%			
Capital Markets 0.1%			
^e KKR & Co., Inc., 6%, C	United States	1,350,000	106,663,500

Franklin Income Fund (continued)

	Country	Shares	Value
Convertible Preferred Stocks (continued)			
Electric Utilities 1.8%			
American Electric Power Co., Inc., 6.125%	United States	1,600,000	\$76,272,000
American Electric Power Co., Inc., 6.125%	United States	3,600,000	178,992,000
NextEra Energy, Inc., 5.279%	United States	5,250,000	267,540,000
NextEra Energy, Inc., 6.219%	United States	7,250,000	370,547,500
PG&E Corp., 5.5%	United States	500,000	47,800,000
Southern Co. (The), 6.75%, 2019	United States	6,300,000	321,363,000
			1,262,514,500
Machinery 0.0%[†]			
^a RBC Bearings, Inc., 5%, A.	United States	200,000	22,294,000
Multi-Utilities 0.8%			
^e Dominion Energy, Inc., 7.25%, A	United States	3,050,000	296,246,500
DTE Energy Co., 6.25%	United States	3,250,000	163,345,000
NiSource, Inc., 7.75%	United States	1,167,000	120,726,150
			580,317,650
Thriffs & Mortgage Finance 0.1%			
^a FNMA, 5.375%	United States	4,250	34,637,500
Total Convertible Preferred Stocks (Cost \$2,187,699,371)			2,006,427,150
Preferred Stocks 0.0%			
Thriffs & Mortgage Finance 0.0%[†]			
^{a,e} FHLMC, 8.375%, Z	United States	6,000,000	14,340,000
^a FNMA, 8.25%, S	United States	4,000,000	10,400,000
			24,740,000
Total Preferred Stocks (Cost \$238,139,001)			24,740,000
Warrants			
Warrants 0.5%			
Oil, Gas & Consumable Fuels 0.5%			
^{a,b} Chesapeake Energy Corp., 2/09/26	United States	12,050,000	391,333,500
			391,333,500
Total Warrants (Cost \$655,163,737)			391,333,500
Principal Amount[†]			
Convertible Bonds 0.1%			
Media 0.1%			
DISH Network Corp., Senior Note, 2.375%, 3/15/24	United States	85,000,000	83,140,625
Total Convertible Bonds (Cost \$79,830,938)			83,140,625
Corporate Bonds 23.1%			
Aerospace & Defense 0.1%			
Raytheon Technologies Corp., Senior Note, 3.125%, 5/04/27	United States	40,000,000	43,493,734
Airlines 0.2%			
^d American Airlines Group, Inc., Senior Note, 144A, 5%, 6/01/22	United States	49,471,000	49,594,678
^d American Airlines Inc/AAAdvantage Loyalty IP Ltd.,			
Senior Secured Note, 144A, 5.5%, 4/20/26	United States	50,000,000	52,625,000
Senior Secured Note, 144A, 5.75%, 4/20/29	United States	50,000,000	53,937,500
			156,157,178

Franklin Income Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Auto Components 0.1%			
^{d,f} Dornoch Debt Merger Sub, Inc., Senior Note, 144A, 6.625%, 10/15/29	United States	35,000,000	\$35,043,750
^d Goodyear Tire & Rubber Co. (The), Senior Bond, 144A, 5.25%, 7/15/31	United States	30,000,000	31,987,500
Senior Note, 144A, 5%, 7/15/29	United States	30,000,000	31,875,000
			98,906,250
Automobiles 0.5%			
Ford Motor Co., Senior Note, 9%, 4/22/25	United States	50,000,000	60,189,000
Senior Note, 4.346%, 12/08/26	United States	120,000,000	127,950,000
General Motors Co., Senior Bond, 5.15%, 4/01/38	United States	140,000,000	167,261,840
			355,400,840
Banks 2.3%			
Bank of America Corp., ^g AA, Junior Sub. Bond, 6.1% to 3/17/25, FRN thereafter, Perpetual	United States	70,000,000	78,107,750
^g X, Junior Sub. Bond, 6.25% to 9/05/24, FRN thereafter, Perpetual	United States	55,000,000	60,534,375
Senior Bond, 3.419% to 12/20/27, FRN thereafter, 12/20/28	United States	135,000,000	146,414,747
Senior Note, 3.004% to 12/20/22, FRN thereafter, 12/20/23	United States	40,000,000	41,232,026
Barclays plc, Senior Note, 4.61% to 2/15/22, FRN thereafter, 2/15/23	United Kingdom	40,000,000	40,613,592
Senior Note, 3.932% to 5/07/24, FRN thereafter, 5/07/25	United Kingdom	50,000,000	53,671,950
Senior Note, 3.65%, 3/16/25	United Kingdom	50,000,000	53,792,361
Senior Note, 4.375%, 1/12/26	United Kingdom	125,000,000	139,568,278
Citigroup, Inc., ^g Junior Sub. Bond, 5.95% to 1/30/23, FRN thereafter, Perpetual	United States	135,000,000	140,821,875
^g D, Junior Sub. Bond, 5.35% to 5/15/23, FRN thereafter, Perpetual	United States	100,000,000	103,250,000
^g M, Junior Sub. Bond, 6.3% to 5/15/24, FRN thereafter, Perpetual	United States	115,000,000	124,430,000
Sub. Bond, 4.125%, 7/25/28	United States	130,000,000	145,221,510
^g JPMorgan Chase & Co., ^h I, Junior Sub. Bond, FRN, 3.598%, (3-month USD LIBOR + 3.47%), Perpetual	United States	115,959,000	116,594,420
Q, Junior Sub. Bond, 5.15% to 5/01/23, FRN thereafter, Perpetual	United States	60,700,000	62,521,030
R, Junior Sub. Bond, 6% to 8/01/23, FRN thereafter, Perpetual	United States	55,000,000	58,100,625
S, Junior Sub. Bond, 6.75% to 2/01/24, FRN thereafter, Perpetual	United States	65,000,000	71,378,125
^h V, Junior Sub. Bond, FRN, 3.465%, (3-month USD LIBOR + 3.32%), Perpetual	United States	108,100,000	108,508,047
X, Junior Sub. Bond, 6.1% to 10/01/24, FRN thereafter, Perpetual	United States	70,000,000	76,119,750
^g Wells Fargo & Co., S, Junior Sub. Bond, 5.9% to 6/15/24, FRN thereafter, Perpetual	United States	70,000,000	75,381,250
			1,696,261,711
Beverages 0.0%[†]			
Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 4%, 4/13/28	Belgium	25,000,000	28,233,191
Biotechnology 0.2%			
AbbVie, Inc., Senior Note, 3.8%, 3/15/25	United States	100,000,000	108,621,648
Senior Note, 3.2%, 5/14/26	United States	25,000,000	26,987,116
			135,608,764
Chemicals 0.2%			
^d Olin Corp., Senior Note, 144A, 9.5%, 6/01/25	United States	40,000,000	49,900,000

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Chemicals (continued)			
^d SCIH Salt Holdings, Inc.,			
Senior Note, 144A, 6.625%, 5/01/29	United States	83,000,000	\$79,785,410
Senior Secured Note, 144A, 4.875%, 5/01/28	United States	30,000,000	30,187,500
			159,872,910
Commercial Services & Supplies 0.0%[†]			
^d APX Group, Inc., Senior Note, 144A, 5.75%, 7/15/29	United States	35,000,000	34,595,750
Communications Equipment 0.1%			
^d CommScope Technologies LLC,			
Senior Bond, 144A, 6%, 6/15/25	United States	25,000,000	25,343,750
Senior Note, 144A, 5%, 3/15/27	United States	25,000,000	23,817,000
^d CommScope, Inc., Senior Note, 144A, 7.125%, 7/01/28	United States	40,000,000	40,875,200
			90,035,950
Consumer Finance 0.9%			
Capital One Financial Corp.,			
Sub. Note, 4.2%, 10/29/25	United States	113,000,000	125,300,258
Sub. Note, 3.75%, 7/28/26	United States	100,200,000	110,057,926
Ford Motor Credit Co. LLC,			
Senior Note, 5.125%, 6/16/25	United States	60,000,000	65,250,000
Senior Note, 4.134%, 8/04/25	United States	149,650,000	158,441,938
Senior Note, 5.113%, 5/03/29	United States	100,000,000	111,875,000
General Motors Financial Co., Inc., Senior Note, 4.15%, 6/19/23 ..	United States	75,000,000	79,287,212
			650,212,334
Containers & Packaging 0.5%			
^d Mauser Packaging Solutions Holding Co.,			
Senior Note, 144A, 7.25%, 4/15/25	United States	212,495,000	211,475,024
Senior Secured Note, 144A, 5.5%, 4/15/24	United States	115,000,000	116,150,000
			327,625,024
Diversified Telecommunication Services 0.3%			
^d Altice France SA,			
Senior Secured Note, 144A, 5.125%, 7/15/29	France	50,000,000	49,092,250
^f Senior Secured Note, 144A, 5.5%, 10/15/29	France	25,000,000	24,779,188
AT&T, Inc., Senior Bond, 4.125%, 2/17/26	United States	75,000,000	83,751,819
^d CCO Holdings LLC / CCO Holdings Capital Corp.,			
Senior Bond, 144A, 5.5%, 5/01/26	United States	20,002,000	20,652,665
Senior Bond, 144A, 5.125%, 5/01/27	United States	30,000,000	31,276,800
			209,552,722
Electric Utilities 0.1%			
^d Vistra Operations Co. LLC, Senior Note, 144A, 4.375%, 5/01/29 ..	United States	50,000,000	50,369,000
Energy Equipment & Services 1.0%			
^d Nabors Industries Ltd., Senior Note, 144A, 7.25%, 1/15/26	United States	16,000,000	15,587,120
^d Nabors Industries, Inc., Senior Note, 144A, 6.5%, 2/01/25	United States	28,000,000	27,304,340
^d Weatherford International Ltd.,			
Senior Note, 144A, 11%, 12/01/24	United States	584,000,000	615,936,040
Senior Secured Note, 144A, 6.5%, 9/15/28	United States	80,000,000	82,500,000
			741,327,500

Franklin Income Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Entertainment 0.3%			
Netflix, Inc.,			
Senior Bond, 4.375%, 11/15/26	United States	100,000,000	\$111,875,000
Senior Bond, 4.875%, 4/15/28	United States	69,300,000	79,954,875
Senior Bond, 5.875%, 11/15/28	United States	50,000,000	61,332,500
			253,162,375
Equity Real Estate Investment Trusts (REITs) 0.1%			
American Tower Corp., Senior Bond, 3.375%, 10/15/26	United States	30,000,000	32,483,136
^d Iron Mountain, Inc., Senior Note, 144A, 4.875%, 9/15/27	United States	73,250,000	76,138,248
			108,621,384
Food Products 0.1%			
^d Post Holdings, Inc., Senior Bond, 144A, 5.625%, 1/15/28	United States	40,000,000	42,074,000
Health Care Equipment & Supplies 0.1%			
^d Mozart Debt Merger Sub, Inc., Senior Note, 144A, 5.25%, 10/01/29	United States	65,000,000	65,000,000
Health Care Providers & Services 6.8%			
^d CHS/Community Health Systems, Inc.,			
Secured Note, 144A, 6.875%, 4/15/29	United States	775,000,000	777,894,625
Secured Note, 144A, 6.125%, 4/01/30	United States	500,000,000	486,520,000
Senior Note, 144A, 6.875%, 4/01/28	United States	550,000,000	529,611,500
Senior Secured Note, 144A, 6.625%, 2/15/25	United States	150,900,000	158,067,750
Senior Secured Note, 144A, 8%, 3/15/26	United States	335,000,000	355,677,875
Senior Secured Note, 144A, 5.625%, 3/15/27	United States	250,000,000	262,095,000
Senior Secured Note, 144A, 8%, 12/15/27	United States	380,000,000	414,675,000
Senior Secured Note, 144A, 6%, 1/15/29	United States	250,000,000	265,312,500
CVS Health Corp.,			
Senior Bond, 4.3%, 3/25/28	United States	125,000,000	142,701,740
Senior Bond, 5.05%, 3/25/48	United States	40,000,000	51,578,417
HCA, Inc.,			
Senior Bond, 5.875%, 5/01/23	United States	90,000,000	96,864,300
Senior Bond, 5.625%, 9/01/28	United States	80,000,000	95,276,000
Senior Secured Note, 5%, 3/15/24	United States	114,800,000	126,033,707
^d MPH Acquisition Holdings LLC,			
Senior Note, 144A, 5.75%, 11/01/28	United States	157,000,000	148,127,930
Senior Secured Note, 144A, 5.5%, 9/01/28	United States	50,000,000	49,931,250
Tenet Healthcare Corp.,			
Senior Bond, 6.875%, 11/15/31	United States	55,258,000	63,503,323
Senior Note, 6.75%, 6/15/23	United States	599,200,000	646,686,600
^d Senior Note, 144A, 6.125%, 10/01/28	United States	205,000,000	215,610,800
			4,886,168,317
Health Care Technology 0.2%			
^d Multiplan Corp., 144A, 6%, 10/15/27	United States	185,000,000	157,897,500
Hotels, Restaurants & Leisure 0.7%			
^d Caesars Entertainment, Inc.,			
Senior Note, 144A, 8.125%, 7/01/27	United States	35,000,000	39,391,625
Senior Secured Note, 144A, 6.25%, 7/01/25	United States	30,000,000	31,620,225
^d Golden Nugget, Inc., Senior Note, 144A, 6.75%, 10/15/24	United States	100,000,000	100,255,000
^d Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp.,			
Senior Bond, 144A, 5.5%, 3/01/25	United States	164,500,000	167,995,625
Senior Note, 144A, 4.25%, 5/30/23	United States	84,000,000	84,761,880
Senior Note, 144A, 5.25%, 5/15/27	United States	96,827,000	97,934,701
			521,959,056

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Insurance 0.1%			
Prudential Financial, Inc., Junior Sub. Bond, 5.7% to 9/15/28, FRN thereafter, 9/15/48	United States	65,000,000	\$76,125,982
Machinery 0.1%			
^{d,f} Roller Bearing Co. of America, Inc., Senior Secured Note, 144A, 4.375%, 10/15/29	United States	17,000,000	17,446,250
^d TK Elevator U.S. Newco, Inc., Senior Secured Note, 144A, 5.25%, 7/15/27	Germany	43,000,000	45,116,675
			62,562,925
Media 2.0%			
^d Clear Channel Outdoor Holdings, Inc., Senior Note, 144A, 7.75%, 4/15/28	United States	20,000,000	21,076,800
Senior Note, 144A, 7.5%, 6/01/29	United States	35,000,000	36,443,750
^d Diamond Sports Group LLC / Diamond Sports Finance Co., Senior Secured Note, 144A, 5.375%, 8/15/26	United States	152,000,000	100,510,000
^d DIRECTV Holdings LLC / DIRECTV Financing Co., Inc., Senior Secured Note, 144A, 5.875%, 8/15/27	United States	35,000,000	36,575,000
DISH DBS Corp., Senior Note, 5.875%, 7/15/22	United States	383,500,000	395,724,062
Senior Note, 5%, 3/15/23	United States	300,000,000	311,250,000
Senior Note, 5.875%, 11/15/24	United States	128,200,000	138,011,146
Senior Note, 7.375%, 7/01/28	United States	35,000,000	37,164,400
^d Midas OpCo Holdings LLC, Senior Note, 144A, 5.625%, 8/15/29 ..	United States	35,000,000	36,260,000
^d Univision Communications, Inc., Senior Secured Note, 144A, 5.125%, 2/15/25	United States	217,220,000	220,662,937
Senior Secured Note, 144A, 9.5%, 5/01/25	United States	55,000,000	59,764,650
Senior Secured Note, 144A, 6.625%, 6/01/27	United States	30,000,000	32,625,000
			1,426,067,745
Metals & Mining 0.3%			
^d Cleveland-Cliffs, Inc., Senior Secured Note, 144A, 6.75%, 3/15/26 ..	United States	50,000,000	53,375,000
^d FMG Resources August 2006 Pty. Ltd., Senior Bond, 144A, 4.375%, 4/01/31	Australia	35,000,000	36,211,000
Senior Note, 144A, 5.125%, 5/15/24	Australia	60,540,000	64,720,287
Freeport-McMoRan, Inc., Senior Bond, 5.25%, 9/01/29	United States	25,000,000	27,187,500
Senior Note, 3.875%, 3/15/23	United States	62,636,000	64,699,856
			246,193,643
Oil, Gas & Consumable Fuels 1.3%			
^b Bonanza Creek Energy, Inc., Senior Note, 7.5%, 4/30/26	United States	32,713,617	33,003,296
Calumet Specialty Products Partners LP / Calumet Finance Corp., Senior Note, 7.625%, 1/15/22	United States	33,215,000	33,261,999
Senior Note, 7.75%, 4/15/23	United States	132,585,000	131,590,613
^d Senior Note, 144A, 11%, 4/15/25	United States	270,000,000	292,612,500
^d Senior Secured Note, 144A, 9.25%, 7/15/24	United States	111,402,000	121,339,615
Occidental Petroleum Corp., Senior Bond, 6.125%, 1/01/31	United States	30,000,000	36,051,750
Senior Note, 8%, 7/15/25	United States	50,000,000	59,796,000
Senior Note, 5.5%, 12/01/25	United States	30,000,000	33,262,500
Senior Note, 6.375%, 9/01/28	United States	60,000,000	70,275,000
Senior Note, 6.625%, 9/01/30	United States	40,000,000	49,350,000

Franklin Income Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Oil, Gas & Consumable Fuels (continued)			
PBF Holding Co. LLC / PBF Finance Corp.,			
Senior Note, 6%, 2/15/28	United States	37,000,000	\$23,680,000
^d Senior Secured Note, 144A, 9.25%, 5/15/25	United States	43,430,000	41,209,207
			925,432,480
Pharmaceuticals 2.0%			
^d Bausch Health Americas, Inc., Senior Note, 144A, 9.25%, 4/01/26 .	United States	137,000,000	146,483,825
^d Bausch Health Cos., Inc.,			
Senior Bond, 144A, 6.125%, 4/15/25	United States	123,454,000	126,157,643
Senior Note, 144A, 9%, 12/15/25	United States	105,000,000	110,956,125
Senior Note, 144A, 5%, 1/30/28	United States	93,000,000	88,369,995
Senior Note, 144A, 5%, 2/15/29	United States	63,000,000	58,764,510
Senior Note, 144A, 6.25%, 2/15/29	United States	81,000,000	80,266,140
Senior Secured Note, 144A, 5.5%, 11/01/25	United States	87,220,000	88,637,325
Senior Secured Note, 144A, 4.875%, 6/01/28	United States	35,000,000	36,312,500
^d Bayer US Finance II LLC, Senior Note, 144A, 4.25%, 12/15/25 . . .	Germany	65,000,000	71,883,366
^d Endo Dac / Endo Finance LLC / Endo Finco, Inc.,			
Secured Note, 144A, 9.5%, 7/31/27	United States	135,712,000	136,201,920
Senior Note, 144A, 6%, 6/30/28	United States	160,739,000	115,214,500
Senior Secured Note, 144A, 5.875%, 10/15/24	United States	47,500,000	46,688,938
^d Endo Finance LLC, Senior Note, 144A, 5.75%, 1/15/22	United States	53,224,000	46,837,120
^d Endo Luxembourg Finance Co. I SARL / Endo US, Inc., Senior			
Secured Note, 144A, 6.125%, 4/01/29	United States	55,000,000	55,074,525
^d Par Pharmaceutical, Inc., Senior Secured Note, 144A, 7.5%, 4/01/27	United States	99,744,000	101,745,862
Utah Acquisition Sub, Inc., Senior Note, 3.95%, 6/15/26.	United States	110,000,000	121,238,590
			1,430,832,884
Road & Rail 0.1%			
^d Ashtead Capital, Inc.,			
Senior Note, 144A, 4%, 5/01/28	United Kingdom	15,000,000	15,946,221
Senior Note, 144A, 4.375%, 8/15/27	United Kingdom	34,500,000	36,196,365
			52,142,586
Semiconductors & Semiconductor Equipment 0.1%			
Microchip Technology, Inc., Senior Secured Note, 4.333%, 6/01/23	United States	69,000,000	72,945,265
Tobacco 0.4%			
BAT Capital Corp.,			
Senior Note, 3.222%, 8/15/24	United Kingdom	78,500,000	83,247,899
Senior Note, 3.557%, 8/15/27	United Kingdom	170,000,000	183,263,898
			266,511,797
Trading Companies & Distributors 0.2%			
United Rentals North America, Inc., Senior Bond, 4.875%, 1/15/28	United States	93,000,000	98,442,360
^d WESCO Distribution, Inc., Senior Note, 144A, 7.125%, 6/15/25 . . .	United States	30,000,000	32,051,400
			130,493,760
Wireless Telecommunication Services 1.7%			
Sprint Communications, Inc.,			
Senior Note, 11.5%, 11/15/21	United States	215,000,000	217,687,500
Senior Note, 6%, 11/15/22	United States	347,700,000	366,030,744
Sprint Corp.,			
Senior Note, 7.875%, 9/15/23	United States	187,350,000	209,569,710
Senior Note, 7.125%, 6/15/24	United States	190,650,000	217,236,142
Senior Note, 7.625%, 3/01/26	United States	86,300,000	104,679,743

Franklin Income Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Wireless Telecommunication Services (continued)			
^d Sprint Spectrum Co. LLC / Sprint Spectrum Co. II LLC / Sprint Spectrum Co. III LLC, Senior Secured Note, 144A, 5.152%, 3/20/28	United States	90,000,000	\$102,964,500
			1,218,168,339
Total Corporate Bonds (Cost \$15,617,655,323)			16,720,012,896
^{h,i} Senior Floating Rate Interests 0.2%			
Commercial Services & Supplies 0.0%[†]			
APX Group, Inc., Initial Term Loan, 4%, (1-month USD LIBOR + 3.5%), 7/10/28	United States	20,000,000	19,965,600
Health Care Equipment & Supplies 0.0%[†]			
Jazz Pharmaceuticals plc, Initial Dollar Term Loan, 4%, (1-month USD LIBOR + 3.5%), 5/05/28	United States	19,950,000	19,999,975
Health Care Providers & Services 0.1%			
MPH Acquisition Holdings LLC, Initial Term Loan, 4.75%, (3-month USD LIBOR + 4.25%), 9/01/28	United States	25,000,000	24,750,125
Media 0.0%[†]			
DIRECTV Financing LLC, Closing Date Term Loan, 5.75%, (3-month USD LIBOR + 5%), 8/02/27	United States	20,000,000	20,035,400
Specialty Retail 0.1%			
Belk, Inc., First Lien, First-Out Term Loan, 8.5%, (3-month USD LIBOR + 7.5%), 7/31/25	United States	4,913,316	4,940,339
First Lien, Second-Out Term Loan, 13%, (3-month USD LIBOR + 5%), 7/31/25	United States	29,833,102	23,158,095
			28,098,434
Total Senior Floating Rate Interests (Cost \$104,119,192)			112,849,534
U.S. Government and Agency Securities 6.5%			
U.S. Treasury Notes, 0.125%, 8/31/23	United States	500,000,000	498,710,940
0.25%, 3/15/24	United States	750,000,000	747,539,062
0.25%, 6/15/24	United States	750,000,000	745,898,438
0.375%, 9/15/24	United States	750,000,000	746,835,938
0.5%, 3/31/25	United States	750,000,000	746,015,625
0.75%, 5/31/26	United States	750,000,000	743,759,767
0.875%, 6/30/26	United States	500,000,000	498,281,250
Total U.S. Government and Agency Securities (Cost \$4,735,742,509)			4,727,041,020
Asset-Backed Securities 0.1%			
Airlines 0.1%			
United Airlines Pass-Through Trust, 2020-1, A, 5.875%, 10/15/27	United States	51,011,125	57,187,578
Total Asset-Backed Securities (Cost \$51,011,125)			57,187,578
Mortgage-Backed Securities 0.1%			
Federal National Mortgage Association (FNMA) Fixed Rate 0.1%			
FNMA, 30 Year, 4%, 8/01/49	United States	40,070,219	43,686,728
Total Mortgage-Backed Securities (Cost \$42,449,389)			43,686,728

Franklin Income Fund (continued)

	Country	Shares	Value
Escrows and Litigation Trusts 0.0%[†]			
^{b,d} Chesapeake Energy Corp., Escrow Account, 144A	United States	25,000,000	\$26,742,500
Total Escrows and Litigation Trusts (Cost \$25,000,000)			26,742,500
Total Long Term Investments (Cost \$65,709,005,911)			68,418,666,797
Short Term Investments 4.7%			
Money Market Funds 4.7%			
^{j,k} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	3,428,988,776	3,428,988,776
Total Money Market Funds (Cost \$3,428,988,776)			3,428,988,776
Investments from Cash Collateral Received for Loaned Securities 0.0%			
Money Market Funds 0.0%[†]			
^{j,k} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	1,876,000	1,876,000
		Principal Amount[†]	
Repurchase Agreements 0.0%[†]			
^m Joint Repurchase Agreement, BNP Paribas SA, 0.05%, 10/01/21 (Maturity Value \$469,690) Collateralized by U.S. Treasury Notes, 0.125% - 3%, 9/30/22 - 8/31/26; and U.S. Treasury Notes, Index Linked, 0.125%, 10/15/24 - 4/15/25 (valued at \$479,083)			
		469,689	469,689
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$2,345,689)			2,345,689
Total Short Term Investments (Cost \$3,431,334,465)			3,431,334,465
Total Investments (Cost \$69,140,340,376) 99.4%			\$71,850,001,262
Options Written (0.1)%			(48,500,500)
Other Assets, less Liabilities 0.7%			430,420,968
Net Assets 100.0%			\$72,231,921,730
	Number of Contracts	Notional Amount[#]	
ⁿOptions Written (0.1)%[†]			
Calls - Exchange-Traded			
Equity Options			
AbbVie, Inc., November Strike Price \$125.00, Expires 11/19/21 . . .	10,000	107,870,000	(240,000)
AstraZeneca plc, October Strike Price \$60.00, Expires 10/15/21 . .	10,000	60,060,000	(1,170,000)
AT&T, Inc., December Strike Price \$30.00, Expires 12/17/21	25,000	67,525,000	(325,000)
Bank of America Corp., December Strike Price \$45.00, Expires 12/17/21	20,000	84,900,000	(2,240,000)
Bristol-Myers Squibb Co., December Strike Price \$70.00, Expires 12/17/21	10,000	59,170,000	(280,000)
Intel Corp., November Strike Price \$60.00, Expires 11/19/21	25,000	133,200,000	(1,175,000)
International Business Machines Corp., November Strike Price \$145.00, Expires 11/19/21	10,000	138,930,000	(2,620,000)
JPMorgan Chase & Co., November Strike Price \$170.00, Expires 11/19/21	10,000	163,690,000	(3,290,000)

Franklin Income Fund (continued)

	Number of Contracts	Notional Amount [#]	Value
ⁿOptions Written (continued)			
Calls - Exchange-Traded (continued)			
Equity Options (continued)			
Merck & Co., Inc., December Strike Price \$82.50, Expires 12/17/21	25,000	187,775,000	\$(2,000,000)
Pfizer, Inc., December Strike Price \$55.00, Expires 12/17/21	20,000	86,020,000	(200,000)
Texas Instruments, Inc., November Strike Price \$200.00, Expires 11/19/21	7,200	138,391,200	(2,844,000)
			<u>(16,384,000)</u>
Puts - Exchange-Traded			
Equity Options			
3M Co., October Strike Price \$175.00, Expires 10/15/21	5,000	87,710,000	(1,575,000)
Amazon.com, Inc., December Strike Price \$3,150.00, Expires 12/17/21	1,000	328,504,000	(10,359,000)
Analog Devices, Inc., October Strike Price \$150.00, Expires 10/15/21	10,000	167,480,000	(360,000)
Apple, Inc., November Strike Price \$130.00, Expires 11/19/21	10,000	141,500,000	(2,520,000)
Bank of America Corp., November Strike Price \$38.00, Expires 11/19/21	25,000	106,125,000	(1,550,000)
Broadcom, Inc., November Strike Price \$430.00, Expires 11/19/21.	2,500	121,232,500	(1,160,000)
Caterpillar, Inc., December Strike Price \$180.00, Expires 12/17/21.	10,000	191,970,000	(5,470,000)
Microsoft Corp., November Strike Price \$255.00, Expires 11/19/21	5,000	281,920,000	(2,070,000)
Morgan Stanley, October Strike Price \$90.00, Expires 10/15/21 . . .	20,000	194,620,000	(1,660,000)
Texas Instruments, Inc., November Strike Price \$165.00, Expires 11/19/21	10,000	192,210,000	(1,380,000)
Workday, Inc., December Strike Price \$230.00, Expires 12/17/21 . .	5,000	124,945,000	(4,012,500)
			<u>(32,116,500)</u>
Total Options Written (Premiums received \$46,429,658)			<u>\$(48,500,500)</u>

See Abbreviations on page 143.

[#]Notional amount is the number of units specified in the contract, and can include currency units, bushels, shares, pounds, barrels or other units. Currency units are stated in U.S. dollars unless otherwise indicated.

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

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

^aNon-income producing.

^bSee Note 11 regarding holdings of 5% voting securities.

^cSee Note 1(f) regarding equity-linked securities.

^dSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At September 30, 2021, the aggregate value of these securities was \$21,948,681,315, representing 30.4% of net assets.

^eA portion or all of the security is on loan at September 30, 2021. See Note 1(g).

^fA portion or all of the security purchased on a delayed delivery basis. See Note 1(d).

^gPerpetual security with no stated maturity date.

^hThe coupon rate shown represents the rate at period end.

ⁱSee Note 1(h) regarding senior floating rate interests.

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

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

^lSee Note 1(g) regarding securities on loan.

^mSee Note 1(c) regarding joint repurchase agreement.

ⁿSee Note 1(e) regarding written options.

Financial Highlights

Franklin U.S. Government Securities Fund

	Year Ended September 30,			Year Ended September 30, 2018 ^a
	2021	2020	2019	
Class A				
Per share operating performance				
(for a share outstanding throughout the year)				
Net asset value, beginning of year	\$6.09	\$6.07	\$5.86	\$5.89
Income from investment operations ^b :				
Net investment income ^c	0.05	0.10	0.14	0.01
Net realized and unrealized gains (losses)	(0.12)	0.08	0.25	(0.02)
Total from investment operations	(0.07)	0.18	0.39	(0.01)
Less distributions from:				
Net investment income	(0.13)	(0.16)	(0.18)	(0.02)
Net asset value, end of year	\$5.89	\$6.09	\$6.07	\$5.86
Total return ^d	(1.15)%	3.01%	6.70%	(0.23)%
Ratios to average net assets^e				
Expenses before waiver and payments by affiliates	0.87%	0.89%	0.89%	0.86%
Expenses net of waiver and payments by affiliates ^f	0.87% ^g	0.88%	0.88%	0.86% ^g
Net investment income	0.79%	1.58%	2.36%	2.40%
Supplemental data				
Net assets, end of year (000's)	\$1,020,574	\$1,097,545	\$336,646	\$4,472
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%

^aFor the period September 10, 2018 (effective date) to September 30, 2018.

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

^cBased on average daily shares outstanding.

^dTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

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

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.09	\$6.07	\$5.85	\$6.13	\$6.35
Income from investment operations ^a :					
Net investment income ^b	0.05	0.10	0.15	0.15	0.13
Net realized and unrealized gains (losses)	(0.10)	0.09	0.25	(0.25)	(0.16)
Total from investment operations	(0.05)	0.19	0.40	(0.10)	(0.03)
Less distributions from:					
Net investment income	(0.14)	(0.17)	(0.18)	(0.18)	(0.19)
Net asset value, end of year	\$5.90	\$6.09	\$6.07	\$5.85	\$6.13
Total return ^c	(0.89)%	3.09%	6.94%	(1.60)%	(0.45)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.77%	0.78%	0.79%	0.76%	0.79%
Expenses net of waiver and payments by affiliates ^d	0.76%	0.77%	0.78%	0.76% ^e	0.79% ^e
Net investment income	0.90%	1.69%	2.46%	2.50%	2.17%
Supplemental data					
Net assets, end of year (000's)	\$2,104,978	\$2,661,888	\$2,885,194	\$3,099,373	\$3,581,769
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%	86.72%

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

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable.

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

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.04	\$6.03	\$5.81	\$6.08	\$6.30
Income from investment operations ^a :					
Net investment income ^b	0.02	0.07	0.12	0.12	0.10
Net realized and unrealized gains (losses)	(0.10)	0.08	0.25	(0.24)	(0.16)
Total from investment operations	(0.08)	0.15	0.37	(0.12)	(0.06)
Less distributions from:					
Net investment income	(0.11)	(0.14)	(0.15)	(0.15)	(0.16)
Net asset value, end of year	\$5.85	\$6.04	\$6.03	\$5.81	\$6.08
Total return ^c	(1.41)%	2.43%	6.45%	(1.94)%	(0.96)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.27%	1.29%	1.29%	1.26%	1.29%
Expenses net of waiver and payments by affiliates ^d	1.27% ^e	1.28%	1.28%	1.26% ^e	1.29% ^e
Net investment income	0.39%	1.18%	1.96%	2.00%	1.67%
Supplemental data					
Net assets, end of year (000's)	\$196,643	\$354,483	\$389,021	\$571,525	\$797,394
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%	86.72%

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

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable.

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

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.09	\$6.07	\$5.85	\$6.12	\$6.34
Income from investment operations ^a :					
Net investment income ^b	0.03	0.08	0.13	0.13	0.11
Net realized and unrealized gains (losses)	(0.11)	0.08	0.25	(0.24)	(0.16)
Total from investment operations	(0.08)	0.16	0.38	(0.11)	(0.05)
Less distributions from:					
Net investment income	(0.12)	(0.14)	(0.16)	(0.16)	(0.17)
Net asset value, end of year	\$5.89	\$6.09	\$6.07	\$5.85	\$6.12
Total return	(1.41)%	2.73%	6.58%	(1.78)%	(0.81)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.11%	1.13%	1.14%	1.11%	1.13%
Expenses net of waiver and payments by affiliates ^c	1.11% ^d	1.12%	1.13%	1.11% ^d	1.13% ^d
Net investment income	0.55%	1.34%	2.11%	2.15%	1.83%
Supplemental data					
Net assets, end of year (000's)	\$19,513	\$27,746	\$32,906	\$31,144	\$38,363
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%	86.72%

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

^bBased on average daily shares outstanding.

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

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.12	\$6.10	\$5.87	\$6.15	\$6.37
Income from investment operations ^a :					
Net investment income ^b	0.07	0.12	0.16	0.17	0.15
Net realized and unrealized gains (losses)	(0.12)	0.08	0.27	(0.25)	(0.16)
Total from investment operations	(0.05)	0.20	0.43	(0.08)	(0.01)
Less distributions from:					
Net investment income	(0.15)	(0.18)	(0.20)	(0.20)	(0.21)
Net asset value, end of year	\$5.92	\$6.12	\$6.10	\$5.87	\$6.15
Total return	(0.80)%	3.34%	7.39%	(1.33)%	(0.16)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.53%	0.54%	0.51%	0.49%	0.48%
Expenses net of waiver and payments by affiliates ^c	0.51%	0.52%	0.50%	0.48%	0.48% ^d
Net investment income	1.15%	1.96%	2.74%	2.78%	2.48%
Supplemental data					
Net assets, end of year (000's)	\$304,650	\$361,791	\$573,957	\$694,813	\$446,174
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%	86.72%

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

^bBased on average daily shares outstanding.

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

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

Franklin U.S. Government Securities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.11	\$6.10	\$5.87	\$6.15	\$6.37
Income from investment operations ^a :					
Net investment income ^b	0.06	0.11	0.16	0.16	0.15
Net realized and unrealized gains (losses)	(0.10)	0.07	0.26	(0.25)	(0.17)
Total from investment operations	(0.04)	0.18	0.42	(0.09)	(0.02)
Less distributions from:					
Net investment income	(0.15)	(0.17)	(0.19)	(0.19)	(0.20)
Net asset value, end of year	\$5.92	\$6.11	\$6.10	\$5.87	\$6.15
Total return	(0.74)%	3.23%	7.08%	(1.45)%	(0.30)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.62%	0.64%	0.64%	0.61%	0.64%
Expenses net of waiver and payments by affiliates ^c	0.62% ^d	0.63%	0.63%	0.61% ^d	0.64% ^d
Net investment income	1.04%	1.84%	2.61%	2.65%	2.32%
Supplemental data					
Net assets, end of year (000's)	\$692,010	\$743,012	\$946,318	\$720,281	\$854,640
Portfolio turnover rate	89.16%	65.54%	41.34%	44.67%	86.72%

^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%.

Statement of Investments, September 30, 2021

Franklin U.S. Government Securities Fund

	Principal Amount	Value
U.S. Government and Agency Securities 0.5%		
U.S. Treasury Bonds, 4.75%, 2/15/37	\$14,500,000	\$20,471,055
Total U.S. Government and Agency Securities (Cost \$18,778,551)		20,471,055
Mortgage-Backed Securities 98.1%		
Government National Mortgage Association (GNMA) Fixed Rate 98.1%		
GNMA I, 30 Year, 4.5%, 4/15/40	4,688,976	5,299,954
GNMA I, 30 Year, 5%, 9/15/40	173,273,041	199,607,259
GNMA I, 30 Year, 5.5%, 2/15/40	78,361,522	91,852,778
GNMA I, 30 Year, 6%, 12/15/39	70,489,576	83,303,586
GNMA I, 30 Year, 6.5%, 8/15/37	19,851,111	22,633,280
GNMA I, 30 Year, 7%, 9/15/32	12,931,469	15,122,599
GNMA I, 30 Year, 7.5%, 7/15/26 - 8/15/33	1,262,382	1,438,857
GNMA I, 30 Year, 8%, 10/15/29	2,717	3,200
GNMA I, 30 Year, 8.5%, 11/15/24	633	678
GNMA I, Single-family, 30 Year, 3.5%, 4/15/43 - 5/15/43	15,322,631	16,588,002
GNMA I, Single-family, 30 Year, 4%, 10/15/40 - 8/15/46	46,669,964	51,577,794
GNMA I, Single-family, 30 Year, 4.5%, 2/15/39 - 6/15/41	90,325,991	102,832,085
GNMA I, Single-family, 30 Year, 5%, 2/15/35	26,343	29,798
GNMA I, Single-family, 30 Year, 5.5%, 5/15/33 - 4/15/49	938,708	1,046,816
GNMA I, Single-family, 30 Year, 7.25%, 12/15/25 - 1/15/26	44,781	45,493
GNMA I, Single-family, 30 Year, 7.5%, 1/15/22 - 7/15/31	1,585,047	1,659,779
GNMA I, Single-family, 30 Year, 8%, 11/15/21 - 9/15/30	614,845	630,318
GNMA I, Single-family, 30 Year, 8.5%, 12/15/21 - 5/15/25	43,235	43,571
GNMA I, Single-family, 30 Year, 9%, 3/15/22 - 1/15/23	5,072	5,092
GNMA I, Single-family, 30 Year, 9.5%, 1/15/22 - 8/15/22	3,297	3,304
GNMA I, Single-family, 30 Year, 10%, 2/15/25	3,878	3,889
GNMA II, 30 Year, 4.5%, 5/20/34 - 6/20/41	4,023,640	4,490,670
GNMA II, 30 Year, 6%, 7/20/39	31,297,744	36,871,337
GNMA II, 30 Year, 6%, 3/20/34 - 9/20/34	1,340,175	1,457,458
GNMA II, 30 Year, 6.5%, 9/20/31 - 9/20/32	1,316,630	1,544,436
GNMA II, 30 Year, 7%, 7/20/32	378,379	448,013
GNMA II, 30 Year, 7.5%, 10/20/24	19,145	19,223
GNMA II, 30 Year, 8%, 12/20/28	65,833	72,685
GNMA II, Single-family, 30 Year, 2%, 8/20/51	283,821,821	288,229,072
GNMA II, Single-family, 30 Year, 2.5%, 11/20/50	18,439,443	19,054,291
GNMA II, Single-family, 30 Year, 2.5%, 3/20/51	99,915,173	103,257,099
GNMA II, Single-family, 30 Year, 2.5%, 4/20/51	102,504,369	105,906,369
GNMA II, Single-family, 30 Year, 2.5%, 5/20/51	251,550,148	259,673,620
GNMA II, Single-family, 30 Year, 2.5%, 7/20/51	87,885,206	90,744,532
GNMA II, Single-family, 30 Year, 2.5%, 8/20/51	257,261,502	265,673,506
GNMA II, Single-family, 30 Year, 2.5%, 9/20/51	102,500,000	105,999,227
GNMA II, Single-family, 30 Year, 3%, 10/20/44	25,726,550	27,243,957
GNMA II, Single-family, 30 Year, 3%, 12/20/44	13,891,067	14,670,695
GNMA II, Single-family, 30 Year, 3%, 5/20/45	20,856,380	21,986,089
GNMA II, Single-family, 30 Year, 3%, 4/20/46	28,422,904	29,942,669
GNMA II, Single-family, 30 Year, 3%, 9/20/47	23,100,316	24,265,740
GNMA II, Single-family, 30 Year, 3%, 10/20/47	37,280,861	39,228,698
GNMA II, Single-family, 30 Year, 3%, 5/20/50	12,251,782	13,059,110
GNMA II, Single-family, 30 Year, 3%, 6/20/50	18,930,217	20,177,980
GNMA II, Single-family, 30 Year, 3%, 9/20/50	12,095,187	12,822,351
GNMA II, Single-family, 30 Year, 3%, 3/20/51	150,506,503	157,482,547
GNMA II, Single-family, 30 Year, 3%, 4/20/51	94,683,441	99,072,061
GNMA II, Single-family, 30 Year, 3%, 5/20/51	133,708,694	139,906,152
GNMA II, Single-family, 30 Year, 3%, 7/20/51	196,565,213	205,676,099
GNMA II, Single-family, 30 Year, 3%, 8/20/51	213,826,816	224,179,460
^a GNMA II, Single-family, 30 Year, 3%, 9/20/51	35,000,000	36,735,271
GNMA II, Single-family, 30 Year, 3%, 2/20/45 - 10/20/50	80,530,696	85,258,230
GNMA II, Single-family, 30 Year, 3.5%, 7/20/42	40,895,027	44,238,414

Franklin U.S. Government Securities Fund (continued)

	Principal Amount	Value
Mortgage-Backed Securities (continued)		
Government National Mortgage Association (GNMA) Fixed Rate (continued)		
GNMA II, Single-family, 30 Year, 3.5%, 9/20/42	\$51,627,160	\$55,838,676
GNMA II, Single-family, 30 Year, 3.5%, 5/20/43	15,329,252	16,576,164
GNMA II, Single-family, 30 Year, 3.5%, 6/20/43	17,819,254	19,273,761
GNMA II, Single-family, 30 Year, 3.5%, 9/20/47	219,562,522	232,837,865
GNMA II, Single-family, 30 Year, 3.5%, 11/20/47	206,815,961	219,139,826
GNMA II, Single-family, 30 Year, 3.5%, 4/20/51	26,350,387	27,823,391
GNMA II, Single-family, 30 Year, 3.5%, 10/20/40 - 1/20/49	67,298,275	72,800,524
GNMA II, Single-family, 30 Year, 4%, 11/20/40	13,903,728	15,249,664
GNMA II, Single-family, 30 Year, 4%, 9/20/41	13,565,949	14,882,117
GNMA II, Single-family, 30 Year, 4%, 10/20/41	16,850,224	18,485,032
GNMA II, Single-family, 30 Year, 4%, 11/20/41	15,731,268	17,257,495
GNMA II, Single-family, 30 Year, 4%, 5/20/47	53,104,877	56,925,777
GNMA II, Single-family, 30 Year, 4%, 6/20/47	40,663,431	43,628,316
GNMA II, Single-family, 30 Year, 4%, 7/20/47	26,986,456	28,926,492
GNMA II, Single-family, 30 Year, 4%, 5/20/40 - 12/20/49	69,010,323	75,393,556
GNMA II, Single-family, 30 Year, 4.5%, 5/20/41	12,429,482	13,864,017
GNMA II, Single-family, 30 Year, 4.5%, 6/20/41	15,218,431	17,002,846
GNMA II, Single-family, 30 Year, 4.5%, 7/20/41	17,015,231	19,025,969
GNMA II, Single-family, 30 Year, 4.5%, 9/20/41	24,143,925	26,997,111
GNMA II, Single-family, 30 Year, 4.5%, 10/20/41	17,379,956	19,433,863
GNMA II, Single-family, 30 Year, 4.5%, 5/20/33 - 2/20/44	39,375,938	43,692,366
GNMA II, Single-family, 30 Year, 5%, 7/20/33 - 9/20/41	46,690,355	52,898,646
GNMA II, Single-family, 30 Year, 5.5%, 6/20/34 - 2/20/50	50,399,744	58,531,199
GNMA II, Single-family, 30 Year, 6%, 6/20/34	632,705	715,630
GNMA II, Single-family, 30 Year, 6.5%, 6/20/24 - 1/20/39	9,959,882	11,722,711
GNMA II, Single-family, 30 Year, 7%, 2/20/28 - 7/20/33	2,701,004	3,174,177
GNMA II, Single-family, 30 Year, 7.5%, 10/20/22 - 4/20/32	444,742	500,783
GNMA II, Single-family, 30 Year, 8%, 12/20/24 - 6/20/30	186,747	210,915
GNMA II, Single-family, 30 Year, 8.5%, 1/20/22 - 6/20/25	2,773	2,786
GNMA II, Single-family, 30 Year, 9.5%, 12/20/24 - 1/20/25	3,177	3,186
		4,255,930,054
Total Mortgage-Backed Securities (Cost \$4,167,436,560)		4,255,930,054
Total Long Term Investments (Cost \$4,186,215,111)		4,276,401,109
Short Term Investments 2.0%		
	Shares	
Money Market Funds 2.0%		
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	85,708,046	85,708,046
Total Money Market Funds (Cost \$85,708,046)		85,708,046
Total Short Term Investments (Cost \$85,708,046)		85,708,046
Total Investments (Cost \$4,271,923,157) 100.6%		\$4,362,109,155
Other Assets, less Liabilities (0.6%)		(23,740,200)
Net Assets 100.0%		\$4,338,368,955

See Abbreviations on page 143.

^aA portion or all of the security purchased on a delayed delivery basis. See Note 1(d).

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

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

Financial Highlights

Franklin Utilities Fund

	Year Ended September 30,			Year Ended
	2021	2020	2019	September 30, 2018 ^a
Class A				
Per share operating performance				
(for a share outstanding throughout the year)				
Net asset value, beginning of year	\$19.76	\$22.53	\$18.66	\$19.16
Income from investment operations ^b :				
Net investment income ^c	0.43	0.51	0.53	0.02
Net realized and unrealized gains (losses)	1.94	(2.43)	4.41	(0.52)
Total from investment operations	2.37	(1.92)	4.94	(0.50)
Less distributions from:				
Net investment income	(0.52)	(0.50)	(0.49)	—
Net realized gains	(1.41)	(0.35)	(0.58)	—
Total distributions	(1.93)	(0.85)	(1.07)	—
Net asset value, end of year	\$20.20	\$19.76	\$22.53	\$18.66
Total return ^d	12.29%	(8.68)%	27.43%	(2.61)%
Ratios to average net assets^e				
Expenses ^{f,g}	0.82%	0.83%	0.83%	0.84%
Net investment income	2.10%	2.46%	2.51%	2.62%
Supplemental data				
Net assets, end of year (000's)	\$982,201	\$742,188	\$521,782	\$3,536
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%

^aFor the period September 10, 2018 (effective date) to September 30, 2018.

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

^cBased on average daily shares outstanding.

^dTotal return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

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

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

Franklin Utilities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class A1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.77	\$22.54	\$18.66	\$19.18	\$17.85
Income from investment operations ^a :					
Net investment income ^b	0.45	0.52	0.53	0.50	0.53
Net realized and unrealized gains (losses)	1.94	(2.41)	4.44	(0.17)	1.30
Total from investment operations	2.39	(1.89)	4.97	0.33	1.83
Less distributions from:					
Net investment income	(0.54)	(0.53)	(0.51)	(0.54)	(0.49)
Net realized gains	(1.41)	(0.35)	(0.58)	(0.31)	(0.01)
Total distributions	(1.95)	(0.88)	(1.09)	(0.85)	(0.50)
Net asset value, end of year	\$20.21	\$19.77	\$22.54	\$18.66	\$19.18
Total return ^c	12.40%	(8.59)%	27.61%	1.68%	10.38%
Ratios to average net assets					
Expenses ^{d,e}	0.72%	0.73%	0.73%	0.74%	0.75%
Net investment income	2.20%	2.50%	2.61%	2.72%	2.86%
Supplemental data					
Net assets, end of year (000's)	\$3,321,370	\$3,388,126	\$4,176,487	\$3,654,795	\$4,182,780
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%	0.89%

^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 Utilities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class C					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.65	\$22.42	\$18.57	\$19.09	\$17.76
Income from investment operations ^a :					
Net investment income ^b	0.34	0.41	0.42	0.41	0.43
Net realized and unrealized gains (losses)	1.95	(2.41)	4.43	(0.18)	1.30
Total from investment operations	2.29	(2.00)	4.85	0.23	1.73
Less distributions from:					
Net investment income	(0.44)	(0.42)	(0.42)	(0.44)	(0.39)
Net realized gains	(1.41)	(0.35)	(0.58)	(0.31)	(0.01)
Total distributions	(1.85)	(0.77)	(1.00)	(0.75)	(0.40)
Net asset value, end of year	\$20.09	\$19.65	\$22.42	\$18.57	\$19.09
Total return ^c	11.91%	(9.10)%	26.96%	1.18%	9.88%
Ratios to average net assets					
Expenses ^{d,e}	1.22%	1.23%	1.23%	1.24%	1.25%
Net investment income	1.69%	1.98%	2.11%	2.22%	2.36%
Supplemental data					
Net assets, end of year (000's)	\$350,553	\$537,808	\$767,363	\$834,070	\$981,515
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%	0.89%

^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 Utilities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.68	\$22.45	\$18.59	\$19.11	\$17.78
Income from investment operations ^a :					
Net investment income ^b	0.38	0.44	0.45	0.44	0.46
Net realized and unrealized gains (losses)	1.94	(2.41)	4.44	(0.18)	1.30
Total from investment operations	2.32	(1.97)	4.89	0.26	1.76
Less distributions from:					
Net investment income	(0.47)	(0.45)	(0.45)	(0.47)	(0.42)
Net realized gains	(1.41)	(0.35)	(0.58)	(0.31)	(0.01)
Total distributions	(1.88)	(0.80)	(1.03)	(0.78)	(0.43)
Net asset value, end of year	\$20.12	\$19.68	\$22.45	\$18.59	\$19.11
Total return	12.06%	(8.95)%	27.17%	1.33%	10.04%
Ratios to average net assets					
Expenses ^{c,d}	1.07%	1.08%	1.08%	1.09%	1.10%
Net investment income	1.85%	2.15%	2.26%	2.37%	2.51%
Supplemental data					
Net assets, end of year (000's)	\$83,441	\$84,488	\$103,376	\$72,927	\$94,465
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%	0.89%

^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 Utilities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Class R6					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.93	\$22.73	\$18.81	\$19.32	\$17.97
Income from investment operations ^a :					
Net investment income ^b	0.50	0.58	0.56	0.55	0.58
Net realized and unrealized gains (losses)	1.96	(2.46)	4.50	(0.17)	1.31
Total from investment operations	2.46	(1.88)	5.06	0.38	1.89
Less distributions from:					
Net investment income	(0.58)	(0.57)	(0.56)	(0.58)	(0.53)
Net realized gains	(1.41)	(0.35)	(0.58)	(0.31)	(0.01)
Total distributions	(1.99)	(0.92)	(1.14)	(0.89)	(0.54)
Net asset value, end of year	\$20.40	\$19.93	\$22.73	\$18.81	\$19.32
Total return	12.71%	(8.44)%	27.89%	1.97%	10.70%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.58%	0.56%	0.53%	0.52%	0.48%
Expenses net of waiver and payments by affiliates ^c	0.50%	0.50%	0.50%	0.48%	0.48% ^d
Net investment income	2.42%	2.75%	2.84%	2.98%	3.13%
Supplemental data					
Net assets, end of year (000's)	\$153,969	\$144,079	\$150,244	\$230,393	\$241,455
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%	0.89%

^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 Utilities Fund (continued)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Advisor Class					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$19.93	\$22.73	\$18.81	\$19.32	\$17.97
Income from investment operations ^a :					
Net investment income ^b	0.48	0.56	0.56	0.54	0.57
Net realized and unrealized gains (losses)	1.97	(2.46)	4.48	(0.18)	1.30
Total from investment operations	2.45	(1.90)	5.04	0.36	1.87
Less distributions from:					
Net investment income	(0.57)	(0.55)	(0.54)	(0.56)	(0.51)
Net realized gains	(1.41)	(0.35)	(0.58)	(0.31)	(0.01)
Total distributions	(1.98)	(0.90)	(1.12)	(0.87)	(0.52)
Net asset value, end of year	\$20.40	\$19.93	\$22.73	\$18.81	\$19.32
Total return	12.62%	(8.51)%	27.78%	1.82%	10.64%
Ratios to average net assets					
Expenses ^{c,d}	0.57%	0.58%	0.58%	0.59%	0.60%
Net investment income	2.35%	2.66%	2.76%	2.87%	3.01%
Supplemental data					
Net assets, end of year (000's)	\$1,200,859	\$1,179,002	\$1,262,883	\$927,845	\$963,228
Portfolio turnover rate	5.18%	12.19%	7.90%	4.58%	0.89%

^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%.

Statement of Investments, September 30, 2021

Franklin Utilities Fund

	Country	Shares	Value
Common Stocks 99.5%			
Diversified Telecommunication Services 1.1%			
TELUS Corp.	Canada	3,000,000	\$65,927,300
Electric Utilities 58.6%			
Alliant Energy Corp.	United States	3,800,000	212,724,000
American Electric Power Co., Inc.	United States	2,900,000	235,422,000
Avangrid, Inc.	United States	300,000	14,580,000
Duke Energy Corp.	United States	2,800,000	273,252,000
Edison International	United States	4,500,000	249,615,000
Emera, Inc.	Canada	1,800,000	81,499,783
Entergy Corp.	United States	2,300,000	228,413,000
Eversource Energy	United States	3,200,000	199,040,000
Exelon Corp.	United States	2,200,000	179,872,000
FirstEnergy Corp.	United States	6,200,000	299,708,000
NextEra Energy, Inc.	United States	2,000,000	71,240,000
OGE Energy Corp.	United States	9,686,286	760,567,177
Origin Energy Ltd.	United States	1,400,000	46,144,000
^a PG&E Corp.	Australia	7,000,000	23,475,270
Pinnacle West Capital Corp.	United States	7,000,000	67,200,000
PNM Resources, Inc.	United States	1,600,000	115,776,000
PPL Corp.	United States	300,070	14,847,463
Southern Co. (The)	United States	3,700,000	103,156,000
Xcel Energy, Inc.	United States	4,100,000	254,077,000
		2,200,000	137,500,000
			3,568,108,693
Gas Utilities 2.3%			
Atmos Energy Corp.	United States	250,000	22,050,000
Southwest Gas Holdings, Inc.	United States	900,000	60,192,000
Spire, Inc.	United States	1,000,000	61,180,000
			143,422,000
Independent Power and Renewable Electricity Producers 1.1%			
Clearway Energy, Inc., C.	United States	200,000	6,054,000
Vistra Corp.	United States	3,500,000	59,850,000
			65,904,000
Multi-Utilities 32.5%			
Ameren Corp.	United States	1,668,250	135,128,250
Black Hills Corp.	United States	784,393	49,228,505
CenterPoint Energy, Inc.	United States	6,200,000	152,520,000
CMS Energy Corp.	United States	5,000,000	298,650,000
Consolidated Edison, Inc.	United States	1,200,000	87,108,000
Dominion Energy, Inc.	United States	1,200,000	87,108,000
DTE Energy Co.	United States	4,100,000	299,382,000
E.ON SE.	United States	1,500,000	167,565,000
National Grid plc.	Germany	9,000,000	109,846,579
NiSource, Inc.	United Kingdom	5,500,000	65,529,158
NorthWestern Corp.	United States	5,500,000	133,265,000
Public Service Enterprise Group, Inc.	United States	1,000,000	57,300,000
Sempra Energy.	United States	1,900,000	115,710,000
WECC Energy Group, Inc.	United States	1,900,000	240,350,000
	United States	800,000	70,560,000
			1,982,142,492
Oil, Gas & Consumable Fuels 2.2%			
^a Cheniere Energy, Inc.	United States	900,000	87,903,000
DT Midstream, Inc.	United States	750,000	34,680,000
Williams Cos., Inc. (The)	United States	400,000	10,376,000
			132,959,000

Franklin Utilities Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Water Utilities 1.7%			
Essential Utilities, Inc.	United States	1,700,000	\$78,336,000
United Utilities Group plc.	United Kingdom	2,000,000	26,027,806
			104,363,806
Total Common Stocks (Cost \$3,109,294,726)			6,062,827,291
		Principal Amount[*]	
Corporate Bonds 0.1%			
Electric Utilities 0.1%			
Evergy Missouri West, Inc., Senior Bond, 8.27%, 11/15/21	United States	6,100,000	6,152,363
Total Corporate Bonds (Cost \$6,099,167)			6,152,363
Total Long Term Investments (Cost \$3,115,393,893)			6,068,979,654
Short Term Investments 0.2%			
	Country	Shares	Value
Money Market Funds 0.2%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0.01%	United States	12,629,462	12,629,462
Total Money Market Funds (Cost \$12,629,462)			12,629,462
Total Short Term Investments (Cost \$12,629,462)			12,629,462
Total Investments (Cost \$3,128,023,355) 99.8%			\$6,081,609,116
Other Assets, less Liabilities 0.2%			10,784,272
Net Assets 100.0%			\$6,092,393,388

See Abbreviations on page 143.

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

^aNon-income producing.

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

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

Statements of Assets and Liabilities

September 30, 2021

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Assets:			
Investments in securities:			
Cost - Unaffiliated issuers	\$13,074,609,824	\$83,256,018	\$5,879,604,375
Cost - Non-controlled affiliates (Note 3f and 11)	440,807,154	3,205,079	218,772,542
Cost - Unaffiliated repurchase agreements	69,750,985	—	19,174,763
Value - Unaffiliated issuers (Includes securities loaned of \$86,193,087, \$— and \$100,680,593, respectively)	\$27,488,073,184	\$108,812,115	\$21,197,612,426
Value - Non-controlled affiliates (Note 3f and 11)	440,807,154	3,205,079	218,772,542
Value - Unaffiliated repurchase agreements	69,750,985	—	19,174,763
Cash	—	19	—
Foreign currency, at value (cost \$—, \$— and \$14, respectively)	—	—	14
Receivables:			
Investment securities sold	384,843,141	—	—
Capital shares sold	77,674,813	728,205	31,277,964
Dividends and interest	2,786,652	6,907	6,945,549
Affiliates	—	17,638	—
Total assets	28,463,935,929	112,769,963	21,473,783,258
Liabilities:			
Payables:			
Investment securities purchased	367,938,353	—	7,599,900
Capital shares redeemed	41,779,886	31,591	21,752,559
Management fees	9,947,552	36,296	7,911,176
Distribution fees	3,931,989	22,644	3,597,092
Transfer agent fees	2,721,498	1,787	3,105,810
Professional fees	64,670	28,280	77,268
Payable upon return of securities loaned (Note 1g)	83,964,779	—	95,948,763
Accrued expenses and other liabilities	727,056	12,371	940,328
Total liabilities	511,075,783	132,969	140,932,896
Net assets, at value	\$27,952,860,146	\$112,636,994	\$21,332,850,362
Net assets consist of:			
Paid-in capital	\$13,300,613,593	\$87,328,592	\$4,192,757,721
Total distributable earnings (losses)	14,652,246,553	25,308,402	17,140,092,641
Net assets, at value	\$27,952,860,146	\$112,636,994	\$21,332,850,362

Statements of Assets and Liabilities (continued)

September 30, 2021

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Class A:			
Net assets, at value	\$12,129,482,858	\$80,508,606	\$12,927,576,783
Shares outstanding	77,145,971	2,546,885	85,202,805
Net asset value per share ^a	\$157.23	\$31.61	\$151.73
Maximum offering price per share (net asset value per share + 94.50%, 94.50% and 94.50%, respectively)	\$166.38	\$33.45	\$160.56
Class C:			
Net assets, at value	\$1,339,015,952	\$6,028,343	\$666,347,728
Shares outstanding	10,456,233	193,027	4,938,356
Net asset value and maximum offering price per share ^a	\$128.06	\$31.23	\$134.93
Class R:			
Net assets, at value	\$311,646,232	\$983,567	\$395,300,964
Shares outstanding	2,056,847	31,190	2,621,927
Net asset value and maximum offering price per share	\$151.52	\$31.53	\$150.77
Class R6:			
Net assets, at value	\$9,820,183,953	\$75,051	\$3,113,945,958
Shares outstanding	59,421,868	2,361	20,432,955
Net asset value and maximum offering price per share	\$165.26	\$31.78	\$152.40
Advisor Class:			
Net assets, at value	\$4,352,531,151	\$25,041,427	\$4,229,678,929
Shares outstanding	26,658,099	788,647	27,741,359
Net asset value and maximum offering price per share	\$163.27	\$31.75	\$152.47

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

Statements of Assets and Liabilities (continued)

September 30, 2021

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Assets:			
Investments in securities:			
Cost - Unaffiliated issuers	\$63,926,845,354	\$4,186,215,111	\$3,115,393,893
Cost - Non-controlled affiliates (Note 3f and 11)	5,213,025,333	85,708,046	12,629,462
Cost - Unaffiliated repurchase agreements	469,689	—	—
Value - Unaffiliated issuers (Includes securities loaned of \$2,280,893, \$— and \$—, respectively)	\$67,147,278,101	\$4,276,401,109	\$6,068,979,654
Value - Non-controlled affiliates (Note 3f and 11)	4,702,253,472	85,708,046	12,629,462
Value - Unaffiliated repurchase agreements	469,689	—	—
Cash	10,951,385	—	49
Foreign currency, at value (cost \$9,083,814, \$— and \$—, respectively)	8,960,427	—	—
Receivables:			
Investment securities sold	142,604,653	36,557,626	9,834,681
Capital shares sold	54,139,090	2,891,136	5,738,422
Dividends and interest	433,713,663	11,298,825	11,039,987
European Union tax reclaims (Note 1j)	64,845,933	—	1,601,498
Total assets	72,565,216,413	4,412,856,742	6,109,823,753
Liabilities:			
Payables:			
Investment securities purchased	168,397,776	36,728,125	5,670,629
Capital shares redeemed	65,469,789	32,139,914	6,967,483
Management fees	22,350,042	1,711,513	2,423,758
Distribution fees	11,948,899	596,700	875,308
Transfer agent fees	8,237,302	806,677	879,821
Professional fees	1,599,759	59,184	73,883
Distributions to shareholders	2,205	621,772	254
Options written, at value (premiums received \$46,429,658, \$— and \$—, respectively)	48,500,500	—	—
Payable upon return of securities loaned (Note 1g)	2,345,689	—	—
Accrued expenses and other liabilities	4,442,722	1,823,902	539,229
Total liabilities	333,294,683	74,487,787	17,430,365
Net assets, at value	\$72,231,921,730	\$4,338,368,955	\$6,092,393,388
Net assets consist of:			
Paid-in capital	\$68,121,901,525	\$4,940,379,623	\$2,969,871,613
Total distributable earnings (losses)	4,110,020,205	(602,010,668)	3,122,521,775
Net assets, at value	\$72,231,921,730	\$4,338,368,955	\$6,092,393,388

Statements of Assets and Liabilities (continued)

September 30, 2021

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Class A:			
Net assets, at value	\$16,044,378,705	\$1,020,574,443	\$982,200,642
Shares outstanding	6,491,461,386	173,160,155	48,622,292
Net asset value per share ^a	\$2.47	\$5.89	\$20.20
Maximum offering price per share (net asset value per share ÷ 96.25%, 96.25% and 96.25%, respectively)	\$2.57	\$6.12	\$20.99
Class A1:			
Net assets, at value	\$35,704,730,209	\$2,104,978,107	\$3,321,370,378
Shares outstanding	14,409,590,580	356,985,847	164,357,341
Net asset value per share ^a	\$2.48	\$5.90	\$20.21
Maximum offering price per share (net asset value per share ÷ 96.25%, 96.25% and 96.25%, respectively)	\$2.58	\$6.13	\$21.00
Class C:			
Net assets, at value	\$7,507,657,901	\$196,643,436	\$350,552,902
Shares outstanding	2,981,885,106	33,606,465	17,453,007
Net asset value and maximum offering price per share ^a	\$2.52	\$5.85	\$20.09
Class R:			
Net assets, at value	\$257,108,802	\$19,513,237	\$83,441,233
Shares outstanding	106,017,103	3,310,239	4,147,875
Net asset value and maximum offering price per share	\$2.43	\$5.89	\$20.12
Class R6:			
Net assets, at value	\$748,355,213	\$304,650,057	\$153,969,295
Shares outstanding	303,324,087	51,438,115	7,548,780
Net asset value and maximum offering price per share	\$2.47	\$5.92	\$20.40
Advisor Class:			
Net assets, at value	\$11,969,690,900	\$692,009,675	\$1,200,858,938
Shares outstanding	4,873,423,802	116,953,960	58,873,749
Net asset value and maximum offering price per share	\$2.46	\$5.92	\$20.40

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

Statements of Operations

for the year ended September 30, 2021

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Investment income:			
Dividends: (net of foreign taxes of \$806,432, \$4,514 and \$896,470, respectively)			
Unaffiliated issuers	\$53,217,105	\$266,750	\$156,632,277
Non-controlled affiliates (Note 3f and 11)	14,869	157	9,537
Interest:			
Unaffiliated issuers	861	—	—
Income from securities loaned:			
Unaffiliated entities (net of fees and rebates)	1,488,251	—	469,908
Non-controlled affiliates (Note 3f)	3,303	—	1,943
Total investment income	54,724,389	266,907	157,113,665
Expenses:			
Management fees (Note 3a)	102,341,656	581,860	89,349,613
Distribution fees: (Note 3c)			
Class A	26,566,591	137,794	31,573,422
Class C	13,121,409	59,716	7,631,099
Class R	1,399,287	4,030	2,101,577
Transfer agent fees: (Note 3e)			
Class A	11,295,453	85,998	13,444,332
Class C	1,393,451	9,953	815,331
Class R	297,707	1,261	449,539
Class R6	1,931,181	63	914,947
Advisor Class	4,038,836	35,342	4,200,501
Custodian fees (Note 4)	405,549	1,172	157,624
Reports to shareholders fees	1,332,310	8,935	1,001,001
Registration and filing fees	1,159,228	92,168	367,184
Professional fees	109,623	56,272	135,087
Trustees' fees and expenses	164,016	1,645	150,152
Amortization of offering costs (Note 1k)	—	44,051	—
Other	342,951	7,450	339,222
Total expenses	165,899,248	1,127,710	152,630,631
Expense reductions (Note 4)	(28)	(3)	(51)
Expenses waived/paid by affiliates (Note 3f and 3g)	(293,643)	(216,761)	(160,006)
Net expenses	165,605,577	910,946	152,470,574
Net investment income (loss)	(110,881,188)	(644,039)	4,643,091
Realized and unrealized gains (losses):			
Net realized gain (loss) from:			
Investments:			
Unaffiliated issuers	374,439,822	421,837	2,255,989,584
Foreign currency transactions	(650,537)	(32)	(45,052)
Net realized gain (loss)	373,789,285	421,805	2,255,944,532
Net change in unrealized appreciation (depreciation) on:			
Investments:			
Unaffiliated issuers	5,610,019,094	16,905,656	2,537,598,120
Translation of other assets and liabilities denominated in foreign currencies	(22,083)	—	(1,343)
Net change in unrealized appreciation (depreciation)	5,609,997,011	16,905,656	2,537,596,777
Net realized and unrealized gain (loss)	5,983,786,296	17,327,461	4,793,541,309
Net increase (decrease) in net assets resulting from operations	\$5,872,905,108	\$16,683,422	\$4,798,184,400

Statements of Operations (continued)

for the year ended September 30, 2021

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Investment income:			
Dividends: (net of foreign taxes of \$30,854,940, \$— and \$1,890,348, respectively)			
Unaffiliated issuers	\$1,532,628,685	\$—	\$182,490,086
Non-controlled affiliates (Note 3f and 11)	10,646,236	9,922	661
Interest:			
Unaffiliated issuers:			
Paydown gain (loss)	(11,158,523)	(68,302,798)	—
Paid in cash ^a	1,160,777,812	152,311,544	511,066
Non-controlled affiliates (Note 3f and 11)	1,830,781	—	—
Income from securities loaned:			
Unaffiliated entities (net of fees and rebates)	165,616	—	58
Non-controlled affiliates (Note 3f)	1,014	—	—
Other income (Note 1i)	76,206,377	—	1,064,361
Total investment income	2,771,097,998	84,018,668	184,066,232
Expenses:			
Management fees (Note 3a)	263,854,990	22,884,123	28,445,027
Distribution fees: (Note 3c)			
Class A	32,193,412	2,745,809	2,117,546
Class A1	53,392,881	3,632,258	5,219,528
Class C	60,871,606	1,992,708	3,254,463
Class R	1,226,252	115,554	419,264
Transfer agent fees: (Note 3e)			
Class A	10,954,569	1,474,675	893,541
Class A1	30,443,811	3,371,122	3,654,241
Class C	8,033,304	411,111	523,388
Class R	210,301	31,427	88,680
Class R6	444,076	129,136	167,911
Advisor Class	9,532,471	1,058,961	1,300,749
Custodian fees (Note 4)	540,734	31,959	62,532
Reports to shareholders fees	4,002,476	440,703	424,040
Registration and filing fees	1,016,837	320,256	246,032
Professional fees	1,242,301	96,833	116,387
Trustees' fees and expenses	513,424	39,073	46,837
Other	2,763,364	865,566	195,465
Total expenses	481,236,809	39,641,274	47,175,631
Expense reductions (Note 4)	(365,146)	(17,782)	(14)
Expenses waived/paid by affiliates (Note 3f and 3g)	(1,433,790)	(191,512)	(130,776)
Net expenses	479,437,873	39,431,980	47,044,841
Net investment income	2,291,660,125	44,586,688	137,021,391

Statements of Operations (continued)

for the year ended September 30, 2021

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Realized and unrealized gains (losses):			
Net realized gain (loss) from:			
Investments:			
Unaffiliated issuers	7,897,887,029	(37,616,745)	264,092,197
Non-controlled affiliates (Note 3f and 11)	136,369,389	—	—
Written options	244,136,155	—	—
Foreign currency transactions	(606,553)	—	31,213
Net realized gain (loss)	8,277,786,020	(37,616,745)	264,123,410
Net change in unrealized appreciation (depreciation) on:			
Investments:			
Unaffiliated issuers	4,347,245,080	(55,832,649)	331,119,932
Non-controlled affiliates (Note 3f and 11)	121,873,996	—	—
Translation of other assets and liabilities denominated in foreign currencies	(2,838,246)	—	(51,116)
Written options	(12,542,094)	—	—
Net change in unrealized appreciation (depreciation).	4,453,738,736	(55,832,649)	331,068,816
Net realized and unrealized gain (loss)	12,731,524,756	(93,449,394)	595,192,226
Net increase (decrease) in net assets resulting from operations	\$15,023,184,881	\$(48,862,706)	\$732,213,617

*Includes gains from a redemption in-kind (Note 13).

*Includes amortization of premium and accretion of discount.

Statements of Changes in Net Assets

	Franklin DynaTech Fund		Franklin Focused Growth Fund	
	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2021	Year Ended September 30, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$(110,881,188)	\$(37,307,263)	\$(644,039)	\$(96,095)
Net realized gain (loss)	373,789,285	(11,782,615)	421,805	616,957
Net change in unrealized appreciation (depreciation)	5,609,997,011	5,214,814,999	16,905,656	6,946,877
Net increase (decrease) in net assets resulting from operations.	5,872,905,108	5,165,725,121	16,683,422	7,467,739
Distributions to shareholders:				
Class A.	—	(36,593,390)	(319,730)	—
Class C.	—	(5,870,103)	(38,815)	—
Class R.	—	(1,018,472)	(5,388)	—
Class R6.	—	(18,942,625)	(542)	—
Advisor Class	—	(9,227,766)	(143,074)	(271,450)
Total distributions to shareholders	—	(71,652,356)	(507,549)	(271,450)
Capital share transactions: (Note 2)				
Class A.	1,166,707,331	1,454,891,535	43,462,387	23,681,349
Class C.	(76,438,621)	180,005,579	883,316	3,472,386
Class R.	22,853,993	31,793,316	179,679	636,164
Class R6.	2,023,008,052	1,809,661,791	(6,601)	54,504
Advisor Class	546,990,073	971,781,641	3,763,971	8,733,501
Total capital share transactions	3,683,120,828	4,448,133,862	48,282,752	36,577,904
Net increase (decrease) in net assets	9,556,025,936	9,542,206,627	64,458,625	43,774,193
Net assets:				
Beginning of year	18,396,834,210	8,854,627,583	48,178,369	4,404,176
End of year	\$27,952,860,146	\$18,396,834,210	\$112,636,994	\$48,178,369

Statements of Changes in Net Assets (continued)

	Franklin Growth Fund		Franklin Income Fund	
	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2021	Year Ended September 30, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$4,643,091	\$60,448,577	\$2,291,660,125	\$2,517,733,786
Net realized gain (loss)	2,255,944,532	1,577,883,876	8,277,786,020	(1,745,655,238)
Net change in unrealized appreciation (depreciation)	2,537,596,777	2,276,524,662	4,453,738,736	(4,183,159,000)
Net increase (decrease) in net assets resulting from operations.	4,798,184,400	3,914,857,115	15,023,184,881	(3,411,080,452)
Distributions to shareholders:				
Class A	(914,505,600)	(533,975,512)	(592,401,375)	(456,846,261)
Class A1	—	—	(1,711,720,100)	(1,983,784,425)
Class C	(64,091,884)	(41,241,305)	(403,199,100)	(576,464,046)
Class R	(32,805,859)	(23,492,106)	(11,176,955)	(12,776,908)
Class R6	(241,399,632)	(159,258,755)	(54,960,003)	(102,305,422)
Advisor Class	(294,899,901)	(191,436,704)	(551,809,902)	(614,533,098)
Total distributions to shareholders	(1,547,702,876)	(949,404,382)	(3,325,267,435)	(3,746,710,160)
Capital share transactions: (Note 2)				
Class A	(27,036,183)	97,946,521	4,037,666,517	3,477,926,943
Class A1	—	—	(2,988,069,908)	(3,211,657,147)
Class C	(175,973,220)	(92,577,459)	(3,537,489,972)	(2,917,320,022)
Class R	(90,877,145)	(82,247,248)	(4,876,292)	(18,625,701)
Class R6	(384,267,389)	(26,354,084)	(1,087,687,048)	(89,580,554)
Advisor Class	74,268,334	(172,809,996)	449,167,160	(943,560,671)
Total capital share transactions	(603,885,603)	(276,042,266)	(3,131,289,543)	(3,702,817,152)
Net increase (decrease) in net assets	2,646,595,921	2,689,410,467	8,566,627,903	(10,860,607,764)
Net assets:				
Beginning of year	18,686,254,441	15,996,843,974	63,665,293,827	74,525,901,591
End of year	\$21,332,850,362	\$18,686,254,441	\$72,231,921,730	\$63,665,293,827

Statements of Changes in Net Assets (continued)

	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	Year Ended September 30, 2021	Year Ended September 30, 2020	Year Ended September 30, 2021	Year Ended September 30, 2020
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$44,586,688	\$83,651,109	\$137,021,391	\$160,749,555
Net realized gain (loss)	(37,616,745)	28,608,372	264,123,410	408,249,244
Net change in unrealized appreciation (depreciation)	(55,832,649)	36,591,677	331,068,816	(1,191,749,346)
Net increase (decrease) in net assets resulting from operations.	(48,862,706)	148,851,158	732,213,617	(622,750,547)
Distributions to shareholders:				
Class A	(23,887,218)	(18,115,363)	(73,915,473)	(25,093,089)
Class A1	(56,617,836)	(74,781,123)	(326,246,620)	(156,995,208)
Class C	(5,344,917)	(8,281,370)	(47,366,175)	(25,054,946)
Class R	(439,687)	(763,817)	(7,457,012)	(3,626,631)
Class R6	(8,320,373)	(9,736,779)	(14,174,816)	(7,024,821)
Advisor Class	(18,999,076)	(23,389,929)	(115,894,567)	(51,729,682)
Total distributions to shareholders	(113,609,107)	(135,068,381)	(585,054,663)	(269,524,377)
Capital share transactions: (Note 2)				
Class A	(41,286,508)	763,086,030	231,006,447	305,811,426
Class A1	(476,854,975)	(231,496,873)	(149,939,578)	(279,454,687)
Class C	(148,136,268)	(35,370,433)	(208,206,881)	(137,173,801)
Class R	(7,497,229)	(5,296,773)	(3,125,939)	(5,101,327)
Class R6	(46,647,889)	(213,464,773)	6,307,964	16,015,666
Advisor Class	(25,201,526)	(208,817,347)	(6,498,496)	85,734,447
Total capital share transactions	(745,624,395)	68,639,831	(130,456,483)	(14,168,276)
Net increase (decrease) in net assets	(908,096,208)	82,422,608	16,702,471	(906,443,200)
Net assets:				
Beginning of year	5,246,465,163	5,164,042,555	6,075,690,917	6,982,134,117
End of year	\$4,338,368,955	\$5,246,465,163	\$6,092,393,388	\$6,075,690,917

Notes to Financial Statements

1. Organization and Significant Accounting Policies

Franklin Custodian Funds (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of six separate funds (Funds) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). The classes of shares offered within each of the Funds are indicated below. Effective August 2, 2021, Class C shares automatically convert to Class A shares on a monthly basis, after they have been held for 8 years. Prior to August 2, 2021, Class C shares converted to Class A shares after a 10-year holding period. Each class of shares may differ by its initial sales load, contingent deferred sales charges, voting rights on matters affecting a single class, its exchange privilege and fees due to differing arrangements for distribution and transfer agent fees.

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

Franklin DynaTech Fund
Franklin Focused Growth Fund
Franklin Growth Fund

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

Franklin Income Fund
Franklin U.S. Government Securities Fund
Franklin Utilities Fund

The following summarizes the Funds' significant accounting policies.

a. Financial Instrument Valuation

The Funds' investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Funds calculate the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Funds' administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Funds may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities and derivative financial instruments listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Debt securities generally trade in the OTC market rather than on a securities exchange. The Funds' pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the date that the values of the foreign debt securities are determined.

Investments in open-end mutual funds are valued at the closing NAV. 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, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation

1. Organization and Significant Accounting Policies

(continued)

a. Financial Instrument Valuation (continued)

approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Funds' business day. Events can occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Funds' portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Funds' portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At September 30, 2021, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 inputs within the fair value hierarchy (referred to as "market level fair value"). See the Fair Value Measurements note for more information.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Funds' NAV is not calculated, which could result in differences between the value of the Funds' portfolio securities on the last business day and the last calendar day of the reporting period. Any security valuation changes due to an open foreign market are adjusted and reflected by the Funds for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Funds may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases

and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Funds do not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statements of Operations.

Realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Joint Repurchase Agreement

Certain or all Funds enter into a joint repurchase agreement whereby their uninvested cash balance is deposited into a joint cash account with other funds managed by the investment manager or an affiliate of the investment manager and is used to invest in one or more repurchase agreements. The value and face amount of the joint repurchase agreement are allocated to the funds based on their pro-rata interest. A repurchase agreement is accounted for as a loan by the Fund to the seller, collateralized by securities which are delivered to the Funds' custodian. The fair value, including accrued interest, of the initial collateralization is required to be at least 102% of the dollar amount invested by the funds, with the value of the underlying securities marked to market daily to maintain coverage of at least 100%. Repurchase agreements are subject to the terms of Master Repurchase Agreements (MRAs) with approved counterparties (sellers). The MRAs contain various provisions, including but not limited to events

1. Organization and Significant Accounting Policies

(continued)

c. Joint Repurchase Agreement (continued)

of default and maintenance of collateral for repurchase agreements. In the event of default by either the seller or the Funds, certain MRAs may permit the non-defaulting party to net and close-out all transactions, if any, traded under such agreements. The Funds may sell securities it holds as collateral and apply the proceeds towards the repurchase price and any other amounts owed by the seller to the Funds in the event of default by the seller. This could involve costs or delays in addition to a loss on the securities if their value falls below the repurchase price owed by the seller. The joint repurchase agreement held by the Funds at year end, as indicated in the Statements of Investments, had been entered into on September 30, 2021.

d. Securities Purchased on a Delayed Delivery Basis

Certain or all Funds purchase securities on a delayed delivery basis, with payment and delivery scheduled for a future date. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Funds will generally purchase these securities with the intention of holding the securities, they may sell the securities before the settlement date.

e. Derivative Financial Instruments

Certain or all Funds invested in derivative financial instruments in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and/or the potential for market movements which expose the Fund to gains or losses in excess of the amounts shown in the Statements of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statements of Operations.

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

Certain or all Funds purchased or wrote exchange traded option contracts primarily to manage exposure to equity price risk. An option is a contract entitling the holder to purchase or sell a specific amount of shares or units of an asset or notional amount of a swap (swaption), at a specified price. When an option is purchased or written, an amount equal to the premium paid or received is recorded as an asset or liability, respectively. Upon exercise of an option, the acquisition cost or sales proceeds of the underlying investment is adjusted by any premium received or paid. Upon expiration of an option, any premium received or paid is recorded as a realized gain or loss. Upon closing an option other than through expiration or exercise, the difference between the premium received or paid and the cost to close the position is recorded as a realized gain or loss.

See Note 10 regarding other derivative information.

f. Equity-Linked Securities

Certain or all Funds invest in equity-linked securities. Equity-linked securities are hybrid financial instruments that generally combine both debt and equity characteristics into a single note form. Income received from equity-linked securities is recorded as realized gains in the Statements of Operations and may be based on the performance of an underlying equity security, an equity index, or an option position. The risks of investing in equity-linked securities include unfavorable price movements in the underlying security and the credit risk of the issuing financial institution. There may be no guarantee of a return of principal with equity-linked securities and the appreciation potential may be limited. Equity-linked securities may be more volatile and less liquid than other investments held by the Funds.

g. 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

1. Organization and Significant Accounting Policies

(continued)

g. Securities Lending (continued)

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, and/or a joint repurchase agreement as included in the Statements of Assets and Liabilities. Additionally, at September 30, 2021 the Franklin DynaTech Fund and Franklin Growth Fund held \$16,218,048 and \$8,780,892, respectively, in U.S. Government and Agency securities as collateral. These securities are held as collateral in segregated accounts with the Fund's custodian. The Fund cannot repledge or resell these securities held as collateral. As such, the non-cash collateral is excluded from the Statements of Assets and Liabilities. 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.

h. 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 London InterBank Offered Rate (LIBOR). Senior secured corporate loans often require prepayment of principal from excess cash flows or at the discretion of the borrower. As a result, actual maturity may be substantially less than the stated maturity. Senior secured corporate loans in which the Funds invest are generally readily marketable, but may be subject to certain restrictions on resale.

i. Income and Deferred Taxes

It is each Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. Each Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Funds may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which the Funds invest. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Funds invest. When a capital gain tax is determined to apply, certain or all Funds record an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

As a result of several court cases, in certain countries across the European Union, certain or all Funds filed additional tax reclaims for previously withheld taxes on dividends earned in those countries (EU reclaims). Income recognized, if any, for EU reclaims is reflected as other income in the Statements of Operations and any related receivable, if any, is reflected as European Union tax reclaims in the Statements of Assets and Liabilities. When uncertainty exists as to the ultimate resolution of these proceedings, the likelihood of receipt of these EU reclaims, and the potential timing of payment, no amounts are reflected in the financial statements. For U.S. income tax purposes, EU reclaims received by the Funds, if any, reduce the amount of foreign taxes Fund shareholders can use as tax deductions or credits on their income tax returns.

Each Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of September 30, 2021, 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.

1. Organization and Significant Accounting Policies
(continued)**j. 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 and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Paydown gains and losses are recorded separately on the Statements of Operations. 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.

2. Shares of Beneficial Interest

At September 30, 2021, there were an unlimited number of shares authorized (without par value). Transactions in the Funds' shares were as follows:

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.

k. Offering Costs

Offering costs are amortized on a straight line basis over the first twelve months of operations.

l. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

m. 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 (continued)

	Franklin DynaTech Fund		Franklin Focused Growth Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended September 30, 2021				
Shares sold ^a	22,450,304	\$3,225,590,483	2,298,548	\$66,948,165
Shares issued in reinvestment of distributions	—	—	11,547	311,678
Shares redeemed	(14,413,505)	(2,058,883,152)	(832,827)	(23,797,456)
Net increase (decrease)	8,036,799	\$1,166,707,331	1,477,268	\$43,462,387
Year ended September 30, 2020 ^b				
Shares sold ^a	28,364,638	\$2,769,255,113	1,189,714	\$26,508,969
Shares issued in reinvestment of distributions	402,761	34,512,576	—	—
Shares redeemed	(14,031,050)	(1,348,876,154)	(120,097)	(2,827,620)
Net increase (decrease)	14,736,349	\$1,454,891,535	1,069,617	\$23,681,349
Class C Shares:				
Year ended September 30, 2021				
Shares sold	2,828,390	\$329,663,898	181,084	\$5,135,059
Shares issued in reinvestment of distributions	—	—	1,441	38,661
Shares redeemed ^a	(3,385,379)	(406,102,519)	(147,086)	(4,290,404)
Net increase (decrease)	(556,989)	\$(76,438,621)	35,439	\$883,316
Year ended September 30, 2020 ^b				
Shares sold	5,052,306	\$403,013,647	166,260	\$3,673,808
Shares issued in reinvestment of distributions	80,045	5,663,940	—	—
Shares redeemed ^a	(2,834,712)	(228,672,008)	(8,672)	(201,422)
Net increase (decrease)	2,297,639	\$180,005,579	157,588	\$3,472,386
Class R Shares:				
Year ended September 30, 2021				
Shares sold	616,643	\$85,062,126	8,048	\$254,410
Shares issued in reinvestment of distributions	—	—	198	5,336
Shares redeemed	(446,989)	(62,208,133)	(2,717)	(80,067)
Net increase (decrease)	169,654	\$22,853,993	5,529	\$179,679
Year ended September 30, 2020 ^b				
Shares sold	796,616	\$73,704,539	26,436	\$655,110
Shares issued in reinvestment of distributions	12,155	1,008,426	—	—
Shares redeemed	(463,145)	(42,919,649)	(775)	(18,946)
Net increase (decrease)	345,626	\$31,793,316	25,661	\$636,164

2. Shares of Beneficial Interest (continued)

	Franklin DynaTech Fund		Franklin Focused Growth Fund	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Year ended September 30, 2021				
Shares sold	25,514,587	\$3,822,032,801	—	\$—
Shares issued in reinvestment of distributions	—	—	18	490
Shares redeemed	(11,892,075)	(1,799,024,749)	(248)	(7,091)
Net increase (decrease)	13,622,512	\$2,023,008,052	(230)	\$(6,601)
Year ended September 30, 2020 ^b				
Shares sold	26,515,105	\$2,733,712,541	2,591	\$54,504
Shares issued in reinvestment of distributions	210,608	18,853,620	—	—
Shares redeemed	(9,539,958)	(942,904,370)	—	—
Net increase (decrease)	17,185,755	\$1,809,661,791	2,591	\$54,504
Advisor Class Shares:				
Year ended September 30, 2021				
Shares sold	11,005,673	\$1,635,552,794	914,232	\$27,927,761
Shares issued in reinvestment of distributions	—	—	1,206	32,617
Shares redeemed	(7,316,134)	(1,088,562,721)	(794,013)	(24,196,407)
Net increase (decrease)	3,689,539	\$546,990,073	121,425	\$3,763,971
Year ended September 30, 2020				
Shares sold	16,461,840	\$1,663,036,037	422,071	\$8,849,438
Shares issued in reinvestment of distributions	95,164	8,429,619	—	—
Shares redeemed	(7,080,222)	(699,684,015)	(4,849)	(115,937)
Net increase (decrease)	9,476,782	\$971,781,641	417,222	\$8,733,501
	Franklin Growth Fund		Franklin Income Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended September 30, 2021				
Shares sold ^a	10,761,385	\$1,530,421,261	2,486,746,513	\$6,012,096,557
Shares issued in reinvestment of distributions	6,500,918	849,149,921	227,899,336	535,039,091
Shares redeemed	(16,660,446)	(2,406,607,365)	(1,066,730,651)	(2,509,469,131)
Net increase (decrease)	601,857	\$(27,036,183)	1,647,915,198	\$4,037,666,517
Year ended September 30, 2020				
Shares sold ^a	13,572,097	\$1,499,164,158	2,231,805,325	\$4,788,946,529
Shares issued in reinvestment of distributions	4,607,922	498,807,566	200,674,952	428,721,746
Shares issued on reorganization	681,606	54,922,873	—	—
Shares redeemed	(17,479,810)	(1,954,948,076)	(820,875,107)	(1,739,741,332)
Net increase (decrease)	1,381,815	\$97,946,521	1,611,605,170	\$3,477,926,943

2. Shares of Beneficial Interest (continued)

	Franklin Growth Fund		Franklin Income Fund	
	Shares	Amount	Shares	Amount
Class A1 Shares:				
Year ended September 30, 2021				
Shares sold	—	\$—	479,110,753	\$1,144,654,736
Shares issued in reinvestment of distributions	—	—	670,125,547	1,566,412,599
Shares redeemed	—	—	(2,421,276,941)	(5,699,137,243)
Net increase (decrease)	—	\$—	(1,272,040,641)	\$(2,988,069,908)
Year ended September 30, 2020				
Shares sold	—	\$—	605,114,189	\$1,309,458,300
Shares issued in reinvestment of distributions	—	—	841,814,378	1,814,735,049
Shares redeemed	—	—	(2,964,479,957)	(6,335,850,496)
Net increase (decrease)	—	\$—	(1,517,551,390)	\$(3,211,657,147)
Class C Shares:				
Year ended September 30, 2021				
Shares sold	878,018	\$110,767,406	369,536,736	\$901,731,340
Shares issued in reinvestment of distributions	540,219	63,146,424	163,270,374	386,364,385
Shares redeemed ^a	(2,680,063)	(349,887,050)	(1,962,492,383)	(4,825,585,697)
Net increase (decrease)	(1,261,826)	\$(175,973,220)	(1,429,685,273)	\$(3,537,489,972)
Year ended September 30, 2020				
Shares sold	1,134,871	\$114,930,143	480,482,839	\$1,065,708,701
Shares issued in reinvestment of distributions	395,742	38,913,324	240,566,813	526,881,379
Shares issued on reorganization	131,927	9,642,973	—	—
Shares redeemed ^a	(2,489,823)	(256,063,899)	(2,081,765,774)	(4,509,910,102)
Net increase (decrease)	(827,283)	\$(92,577,459)	(1,360,716,122)	\$(2,917,320,022)
Class R Shares:				
Year ended September 30, 2021				
Shares sold	250,280	\$35,061,835	21,710,983	\$51,205,964
Shares issued in reinvestment of distributions	250,543	32,588,126	4,834,655	11,084,861
Shares redeemed	(1,128,351)	(158,527,106)	(29,013,897)	(67,167,117)
Net increase (decrease)	(627,528)	\$(90,877,145)	(2,468,259)	\$(4,876,292)
Year ended September 30, 2020				
Shares sold	438,763	\$49,058,513	25,335,822	\$53,679,732
Shares issued in reinvestment of distributions	215,326	23,244,460	5,933,815	12,525,310
Shares issued on reorganization	1,379	110,728	—	—
Shares redeemed	(1,382,098)	(154,660,949)	(40,320,807)	(84,830,743)
Net increase (decrease)	(726,630)	\$(82,247,248)	(9,051,170)	\$(18,625,701)

2. Shares of Beneficial Interest (continued)

	Franklin Growth Fund		Franklin Income Fund	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Year ended September 30, 2021				
Shares sold	3,272,102	\$463,210,889	89,459,562	\$211,443,897
Shares issued in reinvestment of distributions	1,693,859	221,624,576	21,206,893	47,792,309
Shares redeemed in-kind (Note 13)	(859,936)	(116,617,086)	—	—
Shares redeemed	(6,691,054)	(952,485,768)	(593,615,276)	(1,346,923,254)
Net increase (decrease)	(2,585,029)	\$(384,267,389)	(482,948,821)	\$(1,087,687,048)
Year ended September 30, 2020				
Shares sold	5,630,222	\$626,797,874	105,804,359	\$227,268,477
Shares issued in reinvestment of distributions	1,355,970	146,824,455	44,557,746	95,237,499
Shares issued on reorganization	8,606	694,117	—	—
Shares redeemed	(7,043,737)	(800,670,530)	(195,996,222)	(412,086,530)
Net increase (decrease)	(48,939)	\$(26,354,084)	(45,634,117)	\$(89,580,554)
Advisor Class Shares:				
Year ended September 30, 2021				
Shares sold	6,084,784	\$911,711,800	1,011,404,240	\$2,393,159,824
Shares issued in reinvestment of distributions	1,944,250	254,677,320	215,574,797	501,000,847
Shares redeemed	(7,510,655)	(1,092,120,786)	(1,052,411,881)	(2,444,993,511)
Net increase (decrease)	518,379	\$74,268,334	174,567,156	\$449,167,160
Year ended September 30, 2020				
Shares sold	5,569,885	\$622,207,744	1,042,609,514	\$2,237,381,151
Shares issued in reinvestment of distributions	1,537,666	166,713,686	258,698,629	552,732,715
Shares issued on reorganization	110,569	8,927,640	—	—
Shares redeemed	(8,564,088)	(970,659,066)	(1,775,265,615)	(3,733,674,537)
Net increase (decrease)	(1,345,968)	\$(172,809,996)	(473,957,472)	\$(943,560,671)
	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	Shares	Amount	Shares	Amount
Class A Shares:				
Year ended September 30, 2021				
Shares sold ^a	89,048,888	\$536,625,922	22,811,120	\$471,624,865
Shares issued in reinvestment of distributions	3,796,157	22,766,715	3,159,167	62,740,214
Shares redeemed	(99,939,196)	(600,679,145)	(14,909,843)	(303,358,632)
Net increase (decrease)	(7,094,151)	\$(41,286,508)	11,060,444	\$231,006,447
Year ended September 30, 2020				
Shares sold ^a	165,446,175	\$1,011,564,347	26,610,660	\$556,423,424
Shares issued in reinvestment of distributions	2,856,704	17,452,362	1,023,288	21,318,732
Shares redeemed	(43,482,356)	(265,930,679)	(13,227,827)	(271,930,730)
Net increase (decrease)	124,820,523	\$763,086,030	14,406,121	\$305,811,426

2. Shares of Beneficial Interest (continued)

	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	Shares	Amount	Shares	Amount
Class A1 Shares:				
Year ended September 30, 2021				
Shares sold	32,558,459	\$196,137,703	6,411,233	\$130,366,150
Shares issued in reinvestment of distributions	7,736,135	46,404,671	15,028,911	298,136,413
Shares redeemed	(120,294,904)	(719,397,349)	(28,494,750)	(578,442,141)
Net increase (decrease)	(80,000,310)	\$(476,854,975)	(7,054,606)	\$(149,939,578)
Year ended September 30, 2020				
Shares sold	52,130,054	\$317,814,590	8,112,628	\$168,512,761
Shares issued in reinvestment of distributions	10,091,453	61,577,188	6,824,409	142,669,167
Shares redeemed	(100,228,230)	(610,888,651)	(28,792,932)	(590,636,615)
Net increase (decrease)	(38,006,723)	\$(231,496,873)	(13,855,895)	\$(279,454,687)
Class C Shares:				
Year ended September 30, 2021				
Shares sold	12,752,895	\$76,470,649	2,249,049	\$45,668,999
Shares issued in reinvestment of distributions	876,685	5,224,662	2,345,268	46,172,729
Shares redeemed ^a	(38,672,490)	(229,831,579)	(14,504,035)	(300,048,609)
Net increase (decrease)	(25,042,910)	\$(148,136,268)	(9,909,718)	\$(208,206,881)
Year ended September 30, 2020				
Shares sold	29,895,894	\$181,312,974	4,039,119	\$84,267,016
Shares issued in reinvestment of distributions	1,257,443	7,616,309	1,125,133	23,428,018
Shares redeemed ^a	(37,031,228)	(224,299,716)	(12,031,826)	(244,868,835)
Net increase (decrease)	(5,877,891)	\$(35,370,433)	(6,867,574)	\$(137,173,801)
Class R Shares:				
Year ended September 30, 2021				
Shares sold	908,077	\$5,471,084	938,885	\$19,039,802
Shares issued in reinvestment of distributions	71,959	431,680	376,330	7,434,213
Shares redeemed	(2,226,889)	(13,399,993)	(1,459,736)	(29,599,954)
Net increase (decrease)	(1,246,853)	\$(7,497,229)	(144,521)	\$(3,125,939)
Year ended September 30, 2020				
Shares sold	2,655,852	\$16,194,708	1,826,488	\$38,608,635
Shares issued in reinvestment of distributions	122,169	745,216	172,297	3,588,892
Shares redeemed	(3,641,431)	(22,236,697)	(2,311,257)	(47,298,854)
Net increase (decrease)	(863,410)	\$(5,296,773)	(312,472)	\$(5,101,327)

2. Shares of Beneficial Interest (continued)

	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Year ended September 30, 2021				
Shares sold	14,680,034	\$88,831,810	2,602,530	\$53,255,623
Shares issued in reinvestment of distributions	1,368,088	8,243,208	705,440	14,135,443
Shares redeemed	(23,746,448)	(143,722,907)	(2,987,204)	(61,083,102)
Net increase (decrease)	(7,698,326)	\$(46,647,889)	320,766	\$6,307,964
Year ended September 30, 2020				
Shares sold	25,475,895	\$156,361,081	4,191,939	\$89,390,985
Shares issued in reinvestment of distributions	1,576,631	9,666,706	332,307	7,001,051
Shares redeemed	(62,059,954)	(379,492,560)	(3,907,293)	(80,376,370)
Net increase (decrease)	(35,007,428)	\$(213,464,773)	616,953	\$16,015,666
Advisor Class Shares:				
Year ended September 30, 2021				
Shares sold	100,843,441	\$605,662,748	15,271,199	\$312,500,667
Shares issued in reinvestment of distributions	2,890,966	17,388,910	5,397,482	108,098,490
Shares redeemed	(108,356,509)	(648,253,184)	(20,941,268)	(427,097,653)
Net increase (decrease)	(4,622,102)	\$(25,201,526)	(272,587)	\$(6,498,496)
Year ended September 30, 2020				
Shares sold	88,283,587	\$542,055,380	20,381,545	\$427,808,668
Shares issued in reinvestment of distributions	3,609,760	22,075,398	2,288,051	48,162,900
Shares redeemed	(125,578,345)	(772,948,125)	(19,091,448)	(390,237,121)
Net increase (decrease)	(33,684,998)	\$(208,817,347)	3,578,148	\$85,734,447

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

^bFor the period February 14, 2020 (effective date) to September 30, 2020 for Classes A, C, R and R6 of Franklin Focused Growth Fund.

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) (formerly Franklin Templeton Distributors, Inc.)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

3. Transactions with Affiliates (continued)

a. Management Fees

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

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

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

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

Franklin Focused Growth Fund pays an investment management fee 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 \$3 billion
0.500%	Over \$3 billion, up to and including \$5 billion
0.450%	In excess of \$5 billion

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

For the year ended September 30, 2021, each Fund's gross effective investment management fee rate based on average daily net assets was as follows:

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Gross effective investment management fee rate	0.421%	0.700%	0.427%
	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Gross effective investment management fee rate	0.375%	0.453%	0.451%

b. Administrative Fees

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

c. Distribution Fees

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

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

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Reimbursement Plans:			
Class A	0.25%	0.25%	0.25%
Compensation Plans:			
Class C	1.00%	1.00%	1.00%
Class R	0.50%	0.50%	0.50%

3. Transactions with Affiliates (continued)

c. Distribution Fees (continued)

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Reimbursement Plans:			
Class A	0.25%	0.25%	0.25%
Class A1	0.15%	0.15%	0.15%
Compensation Plans:			
Class C	0.65%	0.65%	0.65%
Class R	0.50%	0.50%	0.50%

d. Sales Charges/Underwriting Agreements

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

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Sales charges retained net of commissions paid to unaffiliated brokers/dealers	\$4,722,568	\$58,908	\$1,652,974
CDSC retained	\$273,276	\$4,914	\$85,278

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Sales charges retained net of commissions paid to unaffiliated brokers/dealers	\$2,346,316	\$103,306	\$121,724
CDSC retained	\$1,055,223	\$329,207	\$66,636

e. Transfer Agent Fees

Each class of shares pays transfer agent fees to Investor Services for its performance of shareholder servicing obligations. The fees are based on an annualized asset based fee of 0.02% plus a transaction based fee. In addition, each class reimburses Investor Services for out of pocket expenses incurred and, except for Class R6, reimburses shareholder servicing fees paid to third parties. These fees are allocated daily based upon their relative proportion of such classes' aggregate net assets. Class R6 pays Investor Services transfer agent fees specific to that class.

For the year ended September 30, 2021, the Funds paid transfer agent fees as noted in the Statements of Operations of which the following amounts were retained by Investor Services:

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Transfer agent fees	\$7,827,603	\$108,896	\$8,316,215

3. Transactions with Affiliates (continued)**e. Transfer Agent Fees** (continued)

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Transfer agent fees	\$25,121,285	\$3,084,677	\$2,926,919

f. Investments in Affiliated Management Investment Companies

Certain or all Funds invest in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund's outstanding shares or has the power to exercise control over management or policies of such fund. The Funds do not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Funds are waived on assets invested in the affiliated management investment companies, as noted in the Statements of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the year ended September 30, 2021, 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 DynaTech Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$323,931,348	\$3,339,598,035	\$(3,267,399,229)	\$—	\$—	\$396,130,154	396,130,154	\$14,869
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	72,237,000	1,209,008,000	(1,236,568,000)	—	—	44,677,000	44,677,000	3,303
Total Affiliated Securities . . .	\$396,168,348	\$4,548,606,035	\$(4,503,967,229)	\$—	\$—	\$440,807,154		\$18,172
Franklin Focused Growth Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$2,346,648	\$68,213,021	\$(67,354,590)	\$—	\$—	\$3,205,079	3,205,079	\$157
Total Affiliated Securities . . .	\$2,346,648	\$68,213,021	\$(67,354,590)	\$—	\$—	\$3,205,079		\$157
Franklin Growth Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$94,207,855	\$2,254,437,241	\$(2,206,646,554)	\$—	\$—	\$141,998,542	141,998,542	\$9,537

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 Growth Fund (continued)								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$46,871,000	\$660,075,000	\$(630,172,000)	\$—	\$—	\$76,774,000	76,774,000	\$1,943
Total Affiliated Securities . . .	\$141,078,855	\$2,914,512,241	\$(2,836,818,554)	\$—	\$—	\$218,772,542		\$11,480
Franklin Income Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$639,000,040	\$26,961,973,466	\$(24,171,984,730)	\$—	\$—	\$3,428,988,776	3,428,988,776	\$95,328
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	23,122,000	445,429,000	(466,675,000)	—	—	1,876,000	1,876,000	1,014
Total Affiliated Securities . . .	\$662,122,040	\$27,407,402,466	\$(24,638,659,730)	\$—	\$—	\$3,430,864,776		\$96,342
Franklin U.S. Government Securities Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$231,583,058	\$1,056,430,107	\$(1,202,305,119)	\$—	\$—	\$85,708,046	85,708,046	\$9,922
Total Affiliated Securities . . .	\$231,583,058	\$1,056,430,107	\$(1,202,305,119)	\$—	\$—	\$85,708,046		\$9,922
Franklin Utilities Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0.01%.	\$5,118,759	\$529,546,650	\$(522,035,947)	\$—	\$—	\$12,629,462	12,629,462	\$661
Total Affiliated Securities . . .	\$5,118,759	\$529,546,650	\$(522,035,947)	\$—	\$—	\$12,629,462		\$661

3. Transactions with Affiliates (continued)**g. Waiver and Expense Reimbursements**

Advisers has contractually agreed in advance to waive or limit its respective fees and to assume as its own expense certain expenses otherwise payable by Franklin Focused Growth Fund so that the operating expenses (excluding distribution fees, acquired fund fees and expenses and certain non-routine expenses or costs, including those relating to litigation, indemnification, reorganizations, and liquidations) for each class of the Fund does not exceed 0.85% based on the average net assets of each class until January 31, 2022. Total expenses waived or paid are not subject to recapture subsequent to the Fund's fiscal year end.

Investor Services has contractually agreed in advance to waive or limit its fees so that the Class R6 transfer agent fees do not exceed 0.03% based on the average net assets of the class until January 31, 2022. Prior to January 31, 2021, for Franklin Income Fund the Class R6 transfer agent fees were limited to 0.02% based on the average net assets of the class.

h. Interfund Transactions

Certain or all Funds 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. These purchases and sales for the year ended September 30, 2021, were as follows:

	Franklin Income Fund
Purchases	\$199,582,086
Sales	—

4. Expense Offset Arrangement

The Funds have 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 September 30, 2021, the custodian fees were reduced as noted in the Statements of Operations.

5. Income Taxes

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

At September 30, 2021, the capital loss carryforwards were as follows:

	Franklin U.S. Government Securities Fund
Capital loss carryforwards not subject to expiration:	
Short term	\$280,349,613
Long term	410,781,366
Total capital loss carryforwards	<u>\$691,130,979</u>

During the year ended September 30, 2021, the following Funds utilized capital loss carryforwards as follows:

	Franklin DynaTech Fund	Franklin Income Fund
Capital loss utilized carryforwards	\$10,904,697	\$5,417,294,034

5. Income Taxes (continued)

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 September 30, 2021 the deferred losses were as follows:

	Franklin DynaTech Fund	Franklin Focused Growth Fund
Late-year ordinary loss	\$88,558,636	\$559,818
Post-October capital loss	—	18,568
	<u>\$88,558,636</u>	<u>\$578,386</u>

The tax character of distributions paid during the years ended September 30, 2021 and 2020, was as follows:

	Franklin DynaTech Fund		Franklin Focused Growth Fund	
	2021	2020	2021	2020
Distributions paid from:				
Ordinary income	\$—	\$—	\$169,579	\$5,450
Long term capital gain	—	71,650,551	337,970	266,000
	<u>\$—</u>	<u>\$71,650,551</u>	<u>\$507,549</u>	<u>\$271,450</u>

	Franklin Growth Fund		Franklin Income Fund	
	2021	2020	2021	2020
Distributions paid from:				
Ordinary income	\$36,384,494	\$78,550,080	\$3,325,267,435	\$3,746,710,160
Long term capital gain	1,511,318,382	870,854,302	—	—
	<u>\$1,547,702,876</u>	<u>\$949,404,382</u>	<u>\$3,325,267,435</u>	<u>\$3,746,710,160</u>

	Franklin U.S. Government Securities Fund		Franklin Utilities Fund	
	2021	2020	2021	2020
Distributions paid from:				
Ordinary income	\$113,609,107	\$135,068,381	\$162,038,791	\$171,087,874
Long term capital gain	—	—	423,015,872	98,436,503
	<u>\$113,609,107</u>	<u>\$135,068,381</u>	<u>\$585,054,663</u>	<u>\$269,524,377</u>

At September 30, 2021, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income and undistributed long term capital gains for income tax purposes were as follows:

5. Income Taxes (continued)

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Cost of investments	\$13,587,989,617	\$86,643,358	\$6,113,868,433
Unrealized appreciation.	\$14,450,392,955	\$26,563,554	\$15,431,870,276
Unrealized depreciation.	(39,751,249)	(1,189,718)	(110,178,978)
Net unrealized appreciation (depreciation).	\$14,410,641,706	\$25,373,836	\$15,321,691,298
Distributable earnings:			
Undistributed ordinary income.	\$—	\$—	\$9,276,364
Undistributed long term capital gains	330,182,220	512,951	1,809,125,540
Total distributable earnings	\$330,182,220	\$512,951	\$1,818,401,904

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Cost of investments	\$69,310,225,751	\$4,272,860,261	\$3,128,766,904
Unrealized appreciation.	\$4,908,452,305	\$104,729,929	\$2,992,117,132
Unrealized depreciation.	(2,417,177,293)	(15,481,035)	(39,274,920)
Net unrealized appreciation (depreciation).	\$2,491,275,012	\$89,248,894	\$2,952,842,212
Distributable earnings:			
Undistributed ordinary income.	\$517,308,778	\$493,188	\$19,611,266
Undistributed long term capital gains	1,062,281,571	—	149,160,504
Total distributable earnings	\$1,579,590,349	\$493,188	\$168,771,770

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of defaulted securities, EU reclaims, passive foreign investment company shares, paydown losses, bond discounts and premiums, corporate actions, equity-linked securities, wash sales and gains realized on in-kind shareholder redemptions.

The Funds, except for Franklin Income Fund and Franklin U.S. Government Securities Fund utilized a tax accounting practice to treat a portion of the proceeds from capital shares redeemed as a distribution from net investment income and realized capital gains.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities and in-kind transactions) for the year ended September 30, 2021, were as follows:

	Franklin DynaTech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
Purchases	\$7,794,637,709	\$64,199,785	\$1,242,186,336
Sales	\$4,447,389,136	\$18,092,454	\$3,272,078,838 ^a

6. Investment Transactions (continued)

	Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
Purchases	\$46,783,532,916	\$4,296,318,465	\$320,925,645
Sales	\$52,433,015,994	\$4,927,022,926	\$869,027,587

^aSales of investments excludes in-kind transactions of \$115,808,692.

At September 30, 2021, in connection with securities lending transactions, certain or all Funds loaned investments and received cash collateral as follows:

	Franklin DynaTech Fund	Franklin Growth Fund	Franklin Income Fund
Securities lending transactions^a:			
Equity investments ^b	\$83,964,779	\$95,948,763	\$2,345,689

^aThe agreements can be terminated at any time..

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

7. Credit Risk

At September 30, 2021, Franklin Income Fund had 18.7% of its portfolio invested in high yield securities, senior secured floating rate loans, or other securities rated below investment grade and unrated securities. These securities may be more sensitive to economic conditions causing greater price volatility and are potentially subject to a greater risk of loss due to default than higher rated securities.

8. Novel Coronavirus Pandemic

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Funds, their ability to buy and sell fund investments at appropriate valuations and their ability to achieve their investment objectives.

9. 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 September 30, 2021, investments in restricted securities, excluding securities exempt from registration under the 1933 Act, were as follows:

Shares	Issuer	Acquisition Date	Cost	Value
Franklin Growth Fund				
822,494	Gusto, Inc., E	7/13/21	\$24,999,977	\$28,554,628
849,894	OneTrust LLC, C	4/01/21	16,666,676	20,099,993

6. Investment Transactions (continued)

Shares	Issuer	Acquisition Date	Cost	Value
Franklin Growth Fund (continued)				
540,043	Stripe, Inc., B	5/18/21	\$21,671,052	\$23,032,834
756,137	Stripe, Inc., H	3/15/21	30,339,997	32,249,243
Total Restricted Securities (Value is 0.5% of Net Assets)			\$93,677,702	\$103,936,698

10. Other Derivative Information

At September 30, 2021, investments in derivative contracts are reflected in the Statements of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Franklin Income Fund				
Equity contracts	Investments in securities, at value	\$—	Options written, at value	\$48,500,500
Total		\$—		\$48,500,500

For the year ended September 30, 2021, the effect of derivative contracts in the Statements of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Location	Net Realized Gain (Loss) for the Year	Statement of Operations Location	Net Change in Unrealized Appreciation (Depreciation) for the Year
Franklin Income Fund				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Equity Contracts				
	Written options	\$244,136,155	Written options	\$(12,542,094)
Total		\$244,136,155		\$(12,542,094)

For the year ended September 30, 2021, the average month end notional amount of options represented 28,966,062 shares.

See Note 1(e) regarding derivative financial instruments.

11. Holdings of 5% Voting Securities of Portfolio Companies

The 1940 Act defines "affiliated companies" to include investments in portfolio companies in which a fund owns 5% or more of the outstanding voting securities. Additionally, as defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated companies' outstanding shares or has the power to exercise control over management or policies of such company. During the year ended September 30, 2021, investments in "affiliated companies" were as follows:

11. 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/Principal Amount Held at End of Year	Investment Income
Franklin Income Fund								
Non-Controlled Affiliates								
								Dividends
Bonanza Creek Energy, Inc.	\$—	\$172,109,284	\$(46,984,534)	\$3,055,250	\$34,680,000	\$162,860,000	3,400,000	\$2,678,690
Chesapeake Energy Corp.	—	498,432,872 ^a	(442,140,279)	182,255,608	69,401,799	307,950,000	5,000,000	6,008,537
Chesapeake Energy Corp., 2/09/26	—	730,829,175 ^a	(57,703,882)	(17,961,556)	(263,830,237)	391,333,500	12,050,000	—
Chesapeake Energy Corp., Escrow Account, 144A	—	50,000,000 ^a	(26,731,250)	1,731,250	1,742,500	26,742,500	25,000,000	1,863,681
CHS/Community Health Systems, Inc.	—	104,604,374 ^a	—	—	12,395,626	117,000,000	10,000,000	—
Weatherford International plc	28,665,000	—	(30,456,816)	(32,903,179)	267,194,395	232,499,400	11,820,000	—
	<u>\$28,665,000</u>	<u>\$1,555,975,705</u>	<u>\$(604,016,761)</u>	<u>\$136,177,373</u>	<u>\$121,584,083</u>	<u>\$1,238,385,400</u>	<u>—</u>	<u>\$10,550,908</u>
								Interest
Bonanza Creek Energy, Inc., Senior Note, 7.5%, 4/30/26	—	50,171,367	(17,650,000)	192,016	289,913	33,003,296	32,713,617	1,830,781
Total Affiliated Securities (Value is 1.8% of Net Assets)	<u>\$28,665,000</u>	<u>\$1,606,147,072</u>	<u>\$(621,666,761)</u>	<u>\$136,369,389</u>	<u>\$121,873,996</u>	<u>\$1,271,388,696</u>		<u>\$12,381,689</u>

^a May include accretion, amortization, partnership adjustments, and/or corporate actions.

12. 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 February 4, 2022. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Funds shall, in addition to interest charged on any borrowings made by the Funds and other costs incurred by the Funds, pay their share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon their relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statements of Operations. During the year ended September 30, 2021, the Funds did not use the Global Credit Facility.

13. Redemption In-Kind

During the year ended September 30, 2021, the Franklin Growth Fund realized \$80,827,002 of net gains resulting from redemptions in-kind in which a shareholder redeemed fund shares for cash and securities held by the Fund. Because 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.

14. Fair Value Measurements

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

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

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of September 30, 2021, in valuing the Funds' assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin DynaTech Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$135,622,950	\$—	\$—	\$135,622,950
Automobiles	465,288,000	—	—	465,288,000
Banks	97,032,000	—	—	97,032,000
Biotechnology	469,172,814	90,650,969	—	559,823,783
Capital Markets	612,653,000	—	—	612,653,000
Chemicals	—	56,868,604	—	56,868,604
Diversified Consumer Services	64,880,044	—	—	64,880,044
Electric Utilities	176,670,000	—	—	176,670,000
Electronic Equipment, Instruments & Components	223,818,000	104,452,446	—	328,270,446
Entertainment	1,094,088,000	—	—	1,094,088,000
Equity Real Estate Investment Trusts (REITs)	218,888,000	—	—	218,888,000
Health Care Equipment & Supplies	1,843,374,550	—	—	1,843,374,550
Health Care Providers & Services	166,515,500	—	—	166,515,500
Health Care Technology	493,960,500	—	—	493,960,500
Hotels, Restaurants & Leisure	202,568,500	—	—	202,568,500
Industrial Conglomerates	89,226,000	—	—	89,226,000
Interactive Media & Services	2,158,688,472	315,629,566	—	2,474,318,038
Internet & Direct Marketing Retail	2,506,573,432	103,026,257	—	2,609,599,689
IT Services	3,444,990,214	611,152,078	—	4,056,142,292
Life Sciences Tools & Services	1,404,222,000	456,938,729	—	1,861,160,729
Media	235,396,500	—	—	235,396,500
Pharmaceuticals	296,675,000	—	—	296,675,000
Professional Services	129,090,000	—	—	129,090,000
Semiconductors & Semiconductor Equipment	2,469,693,150	—	—	2,469,693,150
Software	6,323,736,059	—	—	6,323,736,059

14. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin DynaTech Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Specialty Retail	\$200,131,850	\$—	\$—	\$200,131,850
Technology Hardware, Storage & Peripherals	226,400,000	—	—	226,400,000
Short Term Investments	440,807,154	69,750,985	—	510,558,139
Total Investments in Securities	\$26,190,161,689	\$1,808,469,634 ^a	\$—	\$27,998,631,323
Franklin Focused Growth Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	1,118,203	—	—	1,118,203
Automobiles	3,312,851	—	—	3,312,851
Capital Markets	1,952,771	—	—	1,952,771
Electric Utilities	2,198,717	—	—	2,198,717
Entertainment	4,698,706	—	—	4,698,706
Equity Real Estate Investment Trusts (REITs)	1,045,923	—	—	1,045,923
Food & Staples Retailing	2,167,215	—	—	2,167,215
Health Care Equipment & Supplies	11,129,483	—	—	11,129,483
Health Care Technology	2,311,123	—	—	2,311,123
Interactive Media & Services	7,272,092	1,193,609	—	8,465,701
Internet & Direct Marketing Retail	12,480,539	—	—	12,480,539
IT Services	14,738,038	3,812,712	—	18,550,750
Life Sciences Tools & Services	1,246,703	1,845,063	—	3,091,766
Media	2,302,000	—	—	2,302,000
Personal Products	1,101,043	—	—	1,101,043
Semiconductors & Semiconductor Equipment	11,936,741	—	—	11,936,741
Software	20,948,583	—	—	20,948,583
Short Term Investments	3,205,079	—	—	3,205,079
Total Investments in Securities	\$105,165,810	\$6,851,384 ^b	\$—	\$112,017,194
Franklin Growth Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	746,657,395	—	—	746,657,395
Auto Components	90,465,161	—	—	90,465,161
Automobiles	102,545,479	—	—	102,545,479
Beverages	557,066,842	—	—	557,066,842
Biotechnology	406,125,973	—	—	406,125,973
Building Products	277,905,475	—	—	277,905,475
Capital Markets	725,851,801	—	—	725,851,801
Chemicals	467,257,000	—	—	467,257,000
Commercial Services & Supplies	76,901,792	—	—	76,901,792
Construction Materials	106,733,315	—	—	106,733,315
Electric Utilities	158,611,028	—	—	158,611,028
Electrical Equipment	85,413,004	—	—	85,413,004
Electronic Equipment, Instruments & Components	626,825,834	—	—	626,825,834
Entertainment	271,206,915	—	—	271,206,915
Equity Real Estate Investment Trusts (REITs)	195,105,457	—	—	195,105,457
Food Products	33,110,281	—	—	33,110,281
Health Care Equipment & Supplies	1,335,324,371	—	—	1,335,324,371
Health Care Providers & Services	187,345,901	—	—	187,345,901
Health Care Technology	81,088,955	—	—	81,088,955
Hotels, Restaurants & Leisure	182,112,676	—	—	182,112,676

14. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Growth Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Interactive Media & Services	\$1,203,024,256	\$—	\$—	\$1,203,024,256
Internet & Direct Marketing Retail	1,012,576,248	—	—	1,012,576,248
IT Services	1,324,542,141	166,582,516	—	1,491,124,657
Life Sciences Tools & Services	970,634,869	151,938,900	—	1,122,573,769
Machinery	827,682,622	—	—	827,682,622
Media	130,896,616	—	—	130,896,616
Personal Products	55,537,438	—	—	55,537,438
Pharmaceuticals	977,653,875	—	—	977,653,875
Professional Services	452,634,818	—	—	452,634,818
Road & Rail	609,706,473	—	—	609,706,473
Semiconductors & Semiconductor Equipment	1,353,870,390	—	—	1,353,870,390
Software	3,624,191,604	—	23,032,834	3,647,224,438
Specialty Retail	8,866,550	—	—	8,866,550
Technology Hardware, Storage & Peripherals	981,338,441	—	—	981,338,441
Textiles, Apparel & Luxury Goods	272,302,910	—	—	272,302,910
Trading Companies & Distributors	139,612,585	—	—	139,612,585
Water Utilities	116,427,821	—	—	116,427,821
Convertible Preferred Stocks	—	—	80,903,864	80,903,864
Short Term Investments	218,772,542	19,174,763	—	237,947,305
Total Investments in Securities	\$20,993,926,854	\$337,696,179 ^c	\$103,936,698	\$21,435,559,731

Franklin Income Fund**Assets:**

Investments in Securities:

Common Stocks:

Aerospace & Defense	1,117,152,918	—	—	1,117,152,918
Banks	2,500,630,500	406,511,444	—	2,907,141,944
Beverages	1,539,115,041	—	—	1,539,115,041
Biotechnology	1,396,130,000	—	—	1,396,130,000
Capital Markets	78,821,100	—	—	78,821,100
Chemicals	294,526,500	454,842,023	—	749,368,523
Communications Equipment	707,590,000	—	—	707,590,000
Diversified Telecommunication Services	2,421,514,488	—	—	2,421,514,488
Electric Utilities	3,880,340,000	—	—	3,880,340,000
Energy Equipment & Services	318,979,400	—	—	318,979,400
Food & Staples Retailing	278,829,690	—	—	278,829,690
Health Care Providers & Services	354,608,000	—	—	354,608,000
Health Care Technology	24,772,000	—	—	24,772,000
Household Products	838,800,000	—	—	838,800,000
Independent Power and Renewable Electricity Producers	171,000,000	—	—	171,000,000
Industrial Conglomerates	263,130,000	—	—	263,130,000
Insurance	216,055,000	—	—	216,055,000
IT Services	660,150,000	—	—	660,150,000
Metals & Mining	113,855,000	—	—	113,855,000
Multi-Utilities	2,177,840,541	—	—	2,177,840,541
Oil, Gas & Consumable Fuels	3,470,235,338	—	—	3,470,235,338
Personal Products	—	541,323,408	—	541,323,408
Pharmaceuticals	4,446,768,898	271,365,801	—	4,718,134,699
Road & Rail	196,010,000	—	—	196,010,000
Semiconductors & Semiconductor Equipment	473,138,784	—	—	473,138,784
Specialty Retail	328,260,000	—	—	328,260,000
Tobacco	1,014,137,141	104,851,925	—	1,118,989,066

14. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Income Fund (continued)				
Assets: (continued)				
Investments in Securities:				
Common Stocks:				
Wireless Telecommunication Services	\$—	\$266,266,461	\$—	\$266,266,461
Equity-Linked Securities	—	12,897,953,865	—	12,897,953,865
Convertible Preferred Stocks:				
Capital Markets	106,663,500	—	—	106,663,500
Electric Utilities	1,262,514,500	—	—	1,262,514,500
Machinery	22,294,000	—	—	22,294,000
Multi-Utilities	580,317,650	—	—	580,317,650
Thriffs & Mortgage Finance	—	34,637,500	—	34,637,500
Preferred Stocks	24,740,000	—	—	24,740,000
Warrants	391,333,500	—	—	391,333,500
Convertible Bonds	—	83,140,625	—	83,140,625
Corporate Bonds	—	16,720,012,896	—	16,720,012,896
Senior Floating Rate Interests	—	112,849,534	—	112,849,534
U.S. Government and Agency Securities	—	4,727,041,020	—	4,727,041,020
Asset-Backed Securities	—	57,187,578	—	57,187,578
Mortgage-Backed Securities	—	43,686,728	—	43,686,728
Escrows and Litigation Trusts	—	26,742,500	—	26,742,500
Short Term Investments	3,430,864,776	469,689	—	3,431,334,465
Total Investments in Securities	\$35,101,118,265	\$36,748,882,997 ^d	\$—	\$71,850,001,262
Liabilities:				
Other Financial Instruments:				
Options written	\$48,500,500	\$—	\$—	\$48,500,500
Franklin U.S. Government Securities Fund				
Assets:				
Investments in Securities: ^e				
U.S. Government and Agency Securities	—	20,471,055	—	20,471,055
Mortgage-Backed Securities	—	4,255,930,054	—	4,255,930,054
Short Term Investments	85,708,046	—	—	85,708,046
Total Investments in Securities	\$85,708,046	\$4,276,401,109	\$—	\$4,362,109,155
Franklin Utilities Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Diversified Telecommunication Services	—	65,927,300	—	65,927,300
Electric Utilities	3,544,633,423	23,475,270	—	3,568,108,693
Gas Utilities	143,422,000	—	—	143,422,000
Independent Power and Renewable Electricity Producers	65,904,000	—	—	65,904,000
Multi-Utilities	1,806,766,755	175,375,737	—	1,982,142,492
Oil, Gas & Consumable Fuels	132,959,000	—	—	132,959,000
Water Utilities	78,336,000	26,027,806	—	104,363,806
Corporate Bonds	—	6,152,363	—	6,152,363
Short Term Investments	12,629,462	—	—	12,629,462
Total Investments in Securities	\$5,784,650,640	\$296,958,476 ^f	\$—	\$6,081,609,116

^a Includes foreign securities valued at \$1,738,718,649, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

^b Includes foreign securities valued at \$6,851,384, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

^c Includes foreign securities valued at \$318,521,416, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

14. Fair Value Measurements (continued)

^d Includes foreign securities valued at \$2,045,161,062, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

^e For detailed categories, see the accompanying Statement of Investments.

^f Includes foreign securities valued at \$224,878,813, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

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

15. New Accounting Pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting. In January 2021, the FASB issued ASU No. 2021-01, with further amendments to Topic 848. The amendments in the ASUs provide optional temporary accounting recognition and financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR) and other interbank-offered based reference rates as of the end of 2021 for certain LIBOR settings and 2023 for the remainder. The ASUs are effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. Management has reviewed the requirements and believes the adoption of these ASUs will not have a material impact on the financial statements.

16. 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
FHLMC	Federal Home Loan Mortgage Corp.
FNMA	Federal National Mortgage Association
FRN	Floating Rate Note
GNMA	Government National Mortgage Association
LIBOR	London Inter-Bank Offered Rate
NYRS	New York Registry Shares

Report of Independent Registered Public Accounting Firm

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

Opinions on the Financial Statements

We have audited the accompanying statements of assets and liabilities, including the statements of investments, of Franklin DynaTech Fund, Franklin Focused Growth Fund, Franklin Growth Fund, Franklin Income Fund, Franklin U.S. Government Securities Fund, and Franklin Utilities Fund (constituting Franklin Custodian Funds, hereafter collectively referred to as the "Funds") as of September 30, 2021, the related statements of operations for the year ended September 30, 2021, the statements of changes in net assets for each of the two years in the period ended September 30, 2021, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of September 30, 2021, the results of each of their operations for the year then ended, the changes in each of their net assets for each of the two years in the period ended September 30, 2021 and each of the financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of September 30, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP

San Francisco, California
November 16, 2021

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax Information (unaudited)

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Funds is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Funds hereby report the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended September 30, 2021:

		Franklin Dynatech Fund	Franklin Focused Growth Fund	Franklin Growth Fund
	Pursuant to:			
Long-Term Capital Gain Dividends	§852(b)(3)(C)	\$7,390,211	\$346,465	\$1,651,833,874
Dividends Received Deduction (DRD)	§854(b)(1)(A)	\$38,150,782	\$213,592	\$132,422,884
Qualified Dividend Income (QDI)	§854(b)(1)(B)	\$46,970,012	\$237,119	\$150,881,480
Short-Term Capital Gain Dividends	§871(k)(2)(C)	\$—	\$169,579	\$812,339

		Franklin Income Fund	Franklin U.S. Government Securities Fund	Franklin Utilities Fund
	Pursuant to:			
Long-Term Capital Gain Dividends	§852(b)(3)(C)	\$—	\$—	\$439,292,990
Dividends Received Deduction (DRD)	§854(b)(1)(A)	\$1,202,954,607	\$—	\$166,181,552
Qualified Dividend Income (QDI)	§854(b)(1)(B)	\$1,439,454,573	\$—	\$184,380,435
Interest-Related Dividends	§871(k)(1)(C)	\$1,839,135,153	\$113,821,660	\$—
Short-Term Capital Gain Dividends	§871(k)(2)(C)	\$—	\$—	\$13,080,933
Interest from Federal Obligations	Note (1)	\$29,839,899	\$688,750	\$—

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

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 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*	Other Directorships Held During at Least the Past 5 Years
Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 1976	122	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	104	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	123	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*	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	123	Hess Corporation (exploration of oil and gas) (1993-present), Santander Consumer USA Holdings, Inc. (consumer finance) (2016-present); Santander Holdings USA (holding company) (2019-present); and formerly , Canadian National Railway (railroad) (2001-April 2021), White Mountains Insurance Group, Ltd. (holding company) (2004-May 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	123	Boeing Capital Corporation (aircraft financing) (2006-2010).
---	---------	------------	-----	--

Principal Occupation During at Least the Past 5 Years:

Private investor; 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 (May 2019-January 1, 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	123	Formerly, Graham Holdings Company (education and media organization) (2011-May 2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012).
---	---------	------------	-----	---

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*	Other Directorships Held During at Least the Past 5 Years
Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since May 2021	104	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) (January 2021-present); and formerly , WPX Energy, Inc. (exploration and production of oil and gas) (2018-January 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), 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*	Other Directorships Held During at Least the Past 5 Years
**Gregory E. Johnson (1961) One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2013	134	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 39 of the investment companies in Franklin Templeton; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015), Franklin Resources, Inc.

**Rupert H. Johnson, Jr. (1940) One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board, Trustee and Vice President	Chairman of the Board since 2013, Trustee since 1983 and Vice President since 1982	123	None
--	---	--	-----	------

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 37 of the investment companies in Franklin Templeton.

Alison E. Baur (1964) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable
--	----------------	------------	----------------	----------------

Principal Occupation During at Least the Past 5 Years:

Deputy General Counsel, Franklin Templeton; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 44 of the investment companies in Franklin Templeton.

Breda M. Beckerle (1958) 280 Park Avenue New York, NY 10017	Chief Compliance Officer	Since 2020	Not Applicable	Not Applicable
--	--------------------------	------------	----------------	----------------

Principal Occupation During at Least the Past 5 Years:

Chief Compliance Officer, Fiduciary Investment Management International, Inc., Franklin Advisers, Inc., Franklin Mutual Advisers, LLC, Franklin Templeton Institutional, LLC; and officer of 39 of the investment companies in Franklin Templeton.

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*	Other Directorships Held During at Least the Past 5 Years
Steven J. Gray (1955) One Franklin Parkway San Mateo, CA 94403-1906	Vice President and Co-Secretary	Vice President since 2009 and Co-Secretary since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; Vice President, FASA, LLC; Assistant Secretary, Franklin Distributors, LLC; and officer of 44 of the investment companies in Franklin Templeton.				
Matthew T. Hinkle (1971) One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer – Finance and Administration	Since 2017	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; officer of 44 of the investment companies in Franklin Templeton; and formerly , Vice President, Global Tax (2012-April 2017) and Treasurer/Assistant Treasurer, Franklin Templeton (2009-2017).				
Susan Kerr (1949) 620 Eighth Avenue New York, NY 10018	Vice President – AML Compliance	Since July 2021	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Compliance Analyst, Global Compliance, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co. or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, LMIS; and officer of 41 of the investment companies in Franklin Templeton				
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 eight of the investment companies in Franklin Templeton (since December 2018).				
Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2015	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Associate General Counsel and officer of 44 of the investment companies in Franklin Templeton.				
Craig S. Tyle (1960) One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2005	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 44 of the investment companies in Franklin Templeton.				
Lori A. Weber (1964) 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President and Co-Secretary	Vice President since 2011 and Co-Secretary since 2019	Not Applicable	Not Applicable
Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; and officer of 44 of the investment companies in Franklin Templeton.				

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*	Other Directorships Held During at Least the Past 5 Years
Jeffrey W. White (1971) One Franklin Parkway San Mateo, CA 94403-1906	Interim Chief Financial Officer, Chief Accounting Officer and Treasurer	Since October 2021	Not Applicable	Not Applicable

Principal Occupation During at Least the Past 5 Years:

Director, Fund Administration & Reporting; officer of 24 of the investment companies in Franklin Templeton; and **formerly**, Manager, Fund Administration & Reporting (2009-2017).

*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.

**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. 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 major shareholder of Resources.

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.

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 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

Liquidity Risk Management Program-Funds no HLIM

Each Fund has adopted and implemented a written Liquidity Risk Management Program (the “LRMP”) as required by Rule 22e-4 under the Investment Company Act of 1940 (the “Liquidity Rule”). The LRMP is designed to assess and manage each Fund’s liquidity risk, which is defined as the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors’ interests in the Fund. In accordance with the Liquidity Rule, the LRMP includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund’s liquidity risk; (2) classification of each Fund’s portfolio holdings into one of four liquidity categories (Highly Liquid, Moderately Liquid, Less Liquid, and Illiquid); (3) for Funds that do not primarily hold assets that are Highly Liquid, establishing and maintaining a minimum percentage of the Fund’s net assets in Highly Liquid investments (called a “Highly Liquid Investment Minimum” or “HLIM”); and (4) prohibiting the Fund’s acquisition of Illiquid investments that would result in the Fund holding more than 15% of its net assets in Illiquid assets. The LRMP also requires reporting to the Securities and Exchange Commission (“SEC”) (on a non-public basis) and to the Board if the Fund’s holdings of Illiquid assets exceed 15% of the Fund’s net assets. Funds with HLIMs must have procedures for addressing HLIM shortfalls, including reporting to the Board and, with respect to HLIM shortfalls lasting more than seven consecutive calendar days, reporting to the SEC (on a non-public basis).

The Director of Liquidity Risk within the Investment Risk Management Group (the “IRMG”) is the appointed Administrator of the LRMP. The IRMG maintains the Investment Liquidity Committee (the “ILC”) to provide oversight and administration of policies and procedures governing liquidity risk management for FT products and portfolios. The ILC includes representatives from Franklin Templeton’s Risk, Trading, Global Compliance, Investment Compliance, Investment Operations, Valuation Committee, Product Management and Global Product Strategy.

In assessing and managing each Fund’s liquidity risk, the ILC considers, as relevant, a variety of factors, including the Fund’s investment strategy and the liquidity of its portfolio investments during both normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources including the Funds’ interfund lending

facility and line of credit. Classification of the Fund’s portfolio holdings in the four liquidity categories is based on the number of days it is reasonably expected to take to convert the investment to cash (for Highly Liquid and Moderately Liquid holdings) or sell or dispose of the investment (for Less Liquid and Illiquid investments), in current market conditions without significantly changing the investment’s market value.

Each Fund primarily holds liquid assets that are defined under the Liquidity Rule as “Highly Liquid Investments,” and therefore is not required to establish an HLIM. Highly Liquid Investments are defined as cash and any investment reasonably expected to be convertible to cash in current market conditions in three business days or less without the conversion to cash significantly changing the market value of the investment.

At meetings of the Funds’ Board of Trustees held in May 2021, the Program Administrator provided a written report to the Board addressing the adequacy and effectiveness of the program for the year ended December 31, 2020. The Program Administrator report concluded that (i.) the LRMP, as adopted and implemented, remains reasonably designed to assess and manage each Fund’s liquidity risk; (ii.) the LRMP, including the Highly Liquid Investment Minimum (“HLIM”) where applicable, was implemented and operated effectively to achieve the goal of assessing and managing each Fund’s liquidity risk; and (iii.) each Fund was able to meet requests for redemption without significant dilution of remaining investors’ interests in the Fund.

Proxy Voting Policies and Procedures

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

Quarterly Statement of Investments

The Trust files a complete statement 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 availability of, the 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.



Annual Report and Shareholder Letter
Franklin Custodian Funds

Investment Manager
Franklin Advisers, Inc.

Distributor
Franklin Distributors, LLC
(800) DIAL BEN® / 342-5236
franklintempleton.com

Shareholder Services
(800) 632-2301