

**富蘭克林坦伯頓成長基金**  
**Templeton Growth Fund, Inc.**  
**年度財務報告中文簡譯本**

2024 年 8 月 31 日

**本基金年報中文簡譯本僅供參考。**  
**中文簡譯本之內容與英文年報若有歧異，以英文年報之內容為準。**

# 富蘭克林坦伯頓成長基金

## 財務重點

	截至 8 月 31 日止之年度				
	2024	2023	2022	2021	2020
A 股					
<b>每單位股份操作績效</b>					
(針對持續全年流通在外之股份)					
期初淨資產價值	\$24.19	\$20.47	\$25.34	\$21.17	\$20.96
來自投資操作之收益 <sup>a</sup> ：					
淨投資收益 <sup>b</sup>	0.24	0.22	0.14	0.37 <sup>c</sup>	0.27
淨實現及未實現利得(損失)	3.95	3.69	(4.59)	4.03	1.16
來自投資操作之收益總額	4.19	3.91	(4.45)	4.40	1.43
扣除配息：					
來自淨投資收益	(0.29)	(0.19)	(0.42)	(0.23)	(0.47)
來自淨實現利得	—	—	—	—	(0.75)
配息總額	(0.29)	(0.19)	(0.42)	(0.23)	(1.22)
期末淨資產價值	\$28.09	\$24.19	\$20.47	\$25.34	\$21.17
總報酬 <sup>d</sup>	17.50%	19.23%	(17.76)%	20.80%	6.53%
<b>對應平均淨資產比率</b>					
費用	1.03%	1.03% <sup>e</sup>	1.05% <sup>e</sup>	1.04% <sup>e</sup>	1.06% <sup>e</sup>
淨投資收益	0.94%	0.96%	0.61%	1.53% <sup>c</sup>	1.29%
<b>補充資料</b>					
期末淨資產(000's)	\$8,279,320	\$7,654,074	\$6,913,896	\$9,010,906	\$8,191,333
投資組合資金週轉率	43.43%	33.07%	42.82%	44.14% <sup>f</sup>	52.90%

- a. 視與基金所獲取的收益以及/或是基金投資市值的變動相關的基金股份出售與購回的時間點，於此期間內流通在外股份所顯示的金額可能與此期間的經營業績表所實現的金額無關聯。
- b. 以每日平均流通在外股數為基礎。
- c. 每股淨投資收益包含約 0.26 美元的每股收益，該收益與調整歐盟對某些基金持股的回收額有關。若不計此金額，淨投資收益與平均淨資產的比率將為 0.42%。
- d. 總報酬並不反映銷售酬佣或是或有遞延銷售手續費（如適用）。
- e. 關係企業支付或減免款項的利益四捨五入到小於 0.01%。
- f. 不包括因實物贖回而交付的投資組合證券的價值。

# 富蘭克林坦伯頓成長基金

## 資產負債表

2024 年 8 月 31 日

資產：

證券投資：

成本 - 非關係企業上市公司

\$6,677,623,348

價值 - 非關係企業上市公司

\$8,897,094,616

現金

38,836

外幣價值(成本\$9,754,505)

9,754,505

應收款項：

證券投資銷售款

3,102,026

股本銷售款

1,301,814

股利及利息

22,319,330

歐盟稅款回收(附註 1d)

1,006,220

資產合計

8,934,617,347

負債：

應付款項：

證券投資買入款

9,288,469

股本贖回款

6,302,994

管理費用

5,049,525

配銷費用

1,751,081

股務代理費用

1,037,631

董事酬金與費用

4,251

歐盟稅款回收的美國國稅局結算協議費用(附註 1d)

53,811,738

遞延稅款

1,742,792

預提費用及其他負債

478,134

負債合計

79,466,615

淨資產價值

\$8,855,150,732

淨資產包含：

實收資本

\$6,699,078,648

可分配盈餘(損失)合計

2,156,072,084

淨資產價值

\$8,855,150,732

A 股：

淨資產價值

\$8,279,320,279

流通在外股份

294,764,317

每股淨資產價值<sup>a,b</sup>

\$28.09

每股最高售價 (每股淨資產價值除以 94.50%)<sup>b</sup>

\$29.72

a. 贖回價格等於淨資產價值減掉或有遞延銷售手續費(如適用)。

b. 由於四捨五入，每股淨值可能不會重新計算。

# 富蘭克林坦伯頓成長基金

## 經營業績表

截至 2024 年 8 月 31 日止之年度

投資收益：

股利：(扣除外國稅額\$5,908,984)

非關係企業上市公司

\$146,664,868

利息：

非關係企業上市公司

22,445,473

來自借出證券的收益：

非關係企業實體(扣除費用及回扣)

161

其他收益(附註 1d)

45,146

減：歐盟稅款回收的美國國稅局結算協議費用(附註 1d)

(2,209,931)

投資收益總額

166,945,717

費用：

管理費用(附註 3a)

58,594,312

配銷費用(附註 3c)

A 股

19,797,803

C 股

320,158

R 股

262,102

股務代理機構費用(附註 3e)

A 股

4,683,960

C 股

18,891

R 股

30,963

R6 股

50,861

Advisor 股

106,450

保管機構費用

305,655

股東報告書費用

349,612

註冊與申報費用

152,760

專業人士費用

119,863

董事酬金與費用

979,374

其他

316,835

總費用

86,089,599

淨投資收益

80,856,118

實現與未實現利得(損失)：

淨實現利得(損失)來自：

投資(扣除外國所得稅\$991,033)：

非關係企業上市公司

105,849,457

外幣交易

(324,285)

淨實現利得(損失)

105,525,172

淨未實現溢價(折價)變動在：

投資：

非關係企業上市公司

1,187,436,091

以外幣計價之其他資產與負債換算

444,195

未實現溢價之遞延稅款變動

(1,742,792)

淨未實現溢價(折價)變動

1,186,137,494

淨實現與未實現利得(損失)

1,291,662,666

淨資產在營運上的淨增加(減少)

\$1,372,518,784

# 富蘭克林坦伯頓成長基金

## 淨資產變動表

截至 8 月 31 日止之年度

2024

2023

淨資產增加(減少)：

操作：

淨投資收益	\$80,856,118	\$77,388,295
淨實現利得(損失)	105,525,172	138,235,907
淨未實現溢價(折價)變動	1,186,137,494	1,177,819,374
淨資產在操作上的淨增加(減少)	1,372,518,784	1,393,443,576

對股東的配息：

A 股	(90,690,115)	(64,548,857)
C 股	(241,681)	(578,484)
R 股	(570,050)	(395,576)
R6 股	(3,250,827)	(2,730,340)
Advisor 股	(2,127,888)	(1,571,073)

對股東的配息總額

(96,880,561)	(69,824,330)
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股本交易：(附註 2)

A 股	(571,018,396)	(485,852,353)
C 股	(68,037,260)	(5,779,179)
R 股	(4,776,824)	(2,613,035)
R6 股	(36,941,496)	(31,508,472)
Advisor 股	(1,048,496)	(17,996,416)

股本交易總額

(681,822,472)	(543,749,455)
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淨資產的增加(減少)

593,815,751	779,869,791
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淨資產

年度期初	8,261,334,981	7,481,465,190
年度期末	\$8,855,150,732	\$8,261,334,981

# 富蘭克林坦伯頓成長基金

## 財務報告附註

### 1. 組織結構與重要會計政策

富蘭克林坦伯頓成長基金（以下稱本基金）是依據美國 1940 年投資公司法案（簡稱為 1940 法案）註冊成立的開放式投資公司。本基金遵循美國財務會計準則委員會(FASB)所認定之 Accounting Standards Codification Topic 946（財務服務：投資公司（ASC946））且採用美國一般公認會計原則（U.S. GAAP）之專業會計和報導指南，包括但不限於 ASC946。本基金提供五種股份類別：A 股、C 股、R 股、R6 股與 Advisor 股。C 股在持有 8 年後每月將自動轉為 A 股。各股份類別的首次銷售手續費、或有遞延銷售手續費、對單一股份具影響之事件的投票權、轉換權益、不同約定之分銷費用及股務代理機構費用皆有所不同。

本基金重要會計政策摘要如下：

#### a. 財務工具評價

本基金為每日以公平價值(fair value)評價投資的財務工具。公平價值是市場參與者於秩序交易中，賣出資產或轉移負債於衡量日所被買賣參與者接受的價格。本基金在每個營業日的美東時間下午四點或紐約證券交易所(NYSE)正常排定的收盤時間計算每股淨資產價值(NAV)，以較早者為準。在基金董事會(董事會)所核准的政策及程序下，董事會已指定基金的投資經理為評價指定人，並負責監督評價。投資經理在基金管理人的協助下履行此職責，亦包括領導跨職能評價委員會(the Valuation Committee(VC))。本基金得以利用獨立定價服務、來自證券和財務工具的交易商所提供的報價及其他市場資訊來決定公平價值。

在證券交易所或那斯達克交易系統掛牌之股票是分別以最後公告售價或當日官方收盤價格計價。外國證券是以證券主要交易之外國證券交易所或是東部時間下午四點的收盤價估值，其價格將以外國證券依每個營業日當日東部時間下午 4 點的收盤匯率被轉換成美元後的價值而定。店頭市場交易證券其估值則不超過最近一次的買賣報價範圍。同時在多個市場或多個交易所進行交易的證券，其估值則以最具廣度和代表性之市場的報價為準。某些股權證券是以類似證券的基本特徵或關係為評價基礎。

投資於定期存款是以成本評價，其成本接近公平價值。

當財務工具缺乏可以信賴或是無法獲得市場價格時，本基金採用一些程序來決定其公平價值。在這些程序下，本基金主要使用市場基礎法（market-based approach），即使用相關或可比較之資產或負債、近期交易、市場乘數及其他相關資訊來決定投資之公平價值。收益基礎衡量法（income-based valuation approach）也可用於投資之預期未來現金流量折價以計算公平價值。由於處分投資的限制的本質或是存續期間，可能也使用折價來計算。由於此類投資評價固有的不確定性，其公平價值與交易市場的價格可能會有顯著的差異。

於外國證券交易所及店頭交易市場掛牌證券的交易，可能早於東部時間下午四點時間。此外，某些外國市場的交易並不會發生在每一個基金的營業日內。有時候，在外國證券交易完畢與東部時間下午四點之間的時間裡發生的事件可能對本基金所持有之投資組合證券價值的可信度造成影響。因此，由外國市場收盤後所決定之基金組合證券價格與東部時間下午四點最近的價格間，可能會產生差異。為了最小化這些潛在的差異，本基金得採用獨立定價服務將投資組合證券的價值調整至東部時間下午四點最新指標的公平價值。截至 2024 年 8 月 31 日，部分證券已使用公平價值程序來定價，在這種情況下，這些證券被分類為公平價值衡量層級中的等級 2，稱為「市場公平價值」，更多說明請參閱附註「公平價值衡量」。

# 富蘭克林坦伯頓成長基金

## 1. 組織結構與重要會計政策(承續前文)

### a. 財務工具評價(承續前文)

當申報期間的最後一日為非營業日時，某些外國市場是在基金的淨值未被計算時營業，此可能造成基金投資組合證券的價值在申報期間的最後營業日及最後日曆日間所有差異。任何因外國市場開市所造成之顯著證券價值變動將被基金為反映財務申報目的而進行調整和反映。

### b. 外幣轉換

投資組合中以外幣結算的證券以及其他資產與負債，是在估值日以這類外幣對美元的匯率轉換成美元來定價。本基金可能簽訂外匯契約協助以外幣計價的交易。以外幣結算之證券的申購與銷售，收益與費用項目是以在交易日生效的匯率轉換成美元來定價。以外幣計價之投資組合證券、資產及負債包含這些外幣相對於美元價值下跌的風險。有時候，事件的發生可能影響外幣對美元匯率的可獲得性或可信度。若有此類事件發生，將以本基金董事會所建立並核准之程序來確定該匯率的公平價值。

本基金不會單獨報告由於持有證券的市價變動而引起的外幣匯率變動的結果。這類的變動已包含在經營業績表的淨實現與未實現投資利益或損失中。

已實現的匯兌利得或損失來自於外幣銷售、在證券的交易日與交割日之間所實現的貨幣利得或損失及股利、利息、外國預扣稅的紀錄金額與其實際交付的等值美元金額之間的差異。淨未實現匯兌利得或損失來自於在報告期末除所持有的投資證券之外，以外幣結算之資產與負債的外幣匯率變動。

### c. 證券借貸

本基金參與一項代理機構基礎之證券借貸計劃以賺取額外的收益。本基金收取相當於所借出證券之公平價值至少 102% 的金額之現金及/或美國政府與機構證券擔保品。在此借貸的存續期間內擔保品的金額不低於該借出證券公平價值（在基金各營業日結束時評定）的 100%，任何因證券價值變動而須追加的擔保品必須於次一營業日交付給本基金。本基金收取來自現金擔保品的投資收益，以及從借貸者收取出借費用。來自借出證券的收益，扣除支付予證券借貸機構以及/或是第三方供應商的費用，已分別記錄於經營業績表中。本基金承擔有關現金擔保品投資與證券借出的市場風險，以及代理機構違反其對本基金義務的風險。如果借貸者違反其應返還借出證券的義務，本基金有權利運用所收取的擔保品於公開市場再買回這些證券。證券借貸機構已同意賠償本基金由第三方借入者產生的違約風險。截至 2024 年 8 月 31 日，本基金無借出證券。

### d. 所得稅及遞延稅

按照基金政策，本基金必須符合美國稅務法對於投資公司的規定，對股東分配幾乎所有的應稅收益與淨實現利益以免於繳納聯邦所得稅及特許權稅（如適用），因此無需預提美國聯邦所得稅。

本基金在外國管轄區域的投資所收取的收益、證券售出的資本利得以及一些外匯交易可能須繳納外國稅捐。如有外國稅捐，其金額將依據本基金所投資之外國市場實施的稅務法規與稅率申報。如外國對淨實現利得加以課稅，本基金將記錄預估的遞延稅賦義務，其金額相當於當證券在評價日交易須支付的稅額。

由於遍及歐盟一些國家的幾個訴訟案件結果，本基金已經為以前在這些國家所賺取股利的代扣稅款申報追加的回收稅款（歐盟回收）。已認可收益，若有的話，這些歐盟回收金額是以其他收益反映於經營業績表中，而任何相關應收款項，若有的話，是以歐盟稅款回收反映於資

# 富蘭克林坦伯頓成長基金

## 1. 組織結構與重要會計政策(承續前文)

### d. 所得稅及遞延稅(承續前文)

產負債表中。而與以上相關之費用也將反映在經營業績表的其他費用上。當這些訴訟的最終裁決、取得這些回收稅款的可能性以及付款的可能時間安排尚存有不確定性時，則無金額得以被反映於財務報表中。就美國所得稅目的，本基金所收取的歐盟回收稅款，若有的話，將減少外國稅捐金額而使本基金股東得在個人所得稅申報單中作為減稅或抵免。如果本基金在一個財政年度收到的歐盟回收款項超過本基金支付的外國預扣稅，並且本基金之前已將其轉嫁給其股東的外國稅款用於作為股東收入的抵免或扣除納稅申報表後，本基金將與美國國稅局 (IRS) 簽訂結算協議，以代表本基金的股東支付相關的納稅義務。在截至 2024 年 8 月 31 日的財政年度期間，基金收到了超過當年支付的外國稅款的歐盟回收退稅。本基金已決定與 IRS 達成一項結算協議，並在經營業績表中將估計費用計為收益的減項。

只有當稅務機關基於稅項的技術優勢進行依據美國一般公認會計原則(U.S.GAAP)審查時認為不明確稅項低於 50% 的可能性將持續的情況下，本基金才會承認不明確稅項的賦稅利益。於截至 2024 年 8 月 31 日止及所有開放稅賦年度，本基金認為沒有因被要求於納稅申報表所揭有關不明確稅項之納稅申報 (或預計在未來進行納稅申報) 之未承認賦稅利益而產生的負債。開放稅賦年度為基於稅賦管轄權之法定時效限制下仍須接受審查的年度。

### e. 證券交易、投資收益、費用及配息

證券交易是在交易日作入帳。證券交易之已實現利得或損失則決定於特定基礎。利息收入 (若有的話，包括實物支付證券的利息收入) 與預估費用則每日計提。利息收入包括債券折價及溢價攤銷。股利收入是在除息日入帳，除了某些來自外國證券的股利是在本基金接獲除息日通知才立即認定。對股東的配息是在除息日入帳並且依據所得稅法 (稅基) 確定。以稅基所決定的可分配盈餘可能不同於依照一般美國公認會計準則所紀錄的盈餘。這些差異可能是永久或是暫時的。在資本帳戶中，永久性差異將被重新分類以反映其稅賦特性。這些重新分類對淨資產或是經營業績並不會造成影響。暫時性差異則不用重新分類，因為差異在後續期間將會迴轉。

已實現與未實現利得與損失以及淨投資收益 (股份等級特定費用除外)，是依照個別股份等級的淨資產之相對比重而每日分配到個別股份等級。股份等級的費用差異可能導致各股份等級每股配息款項的差異。

### f. 會計估計

管理階層依照美國一般公認的會計準則編制財務報表時需要做出會計估計與假設。這些會計估計與假設會影響於財務報表日的資產與負債金額以及在財務報表期間的收入與費用金額。實際結果可能與估計值不同。

### g. 保證及賠償

在本基金的組織文件規定下，本基金同意免除其主管與董事在某些超越其職責範圍而發生的負債的責任。此外，在正常業務狀況下，本基金代表本基金與服務提供機構簽訂契約也包含責任免除條款。本基金在這些免責條款下的最大風險是未知的，因為涉及未來可能對本基金發生的被訴訟索賠。目前，本基金預期損失的風險是很小的。



# 富蘭克林坦伯頓成長基金

## 2. 實益權益股份

在截至 2024 年 8 月 31 日，本基金經授權發行的股份為 270 萬股(每股面值\$0.01)。本基金股份的交易如下表：

	截至 8 月 31 日止之年度		截至 8 月 31 日止之年度	
	2024		2023	
	股份	金額	股份	金額
<b>A 股：</b>				
股份銷售 <sup>a</sup>	12,502,110	\$315,652,680	14,057,965	\$317,803,676
配息轉入再投資之股份	2,986,998	72,882,789	2,405,692	52,179,509
股份贖回	(37,187,867)	(959,553,865)	(37,689,662)	(855,835,538)
淨增加(減少)	(21,698,759)	\$(571,018,396)	(21,226,005)	\$(485,852,353)

<sup>a</sup> 可能包含部分 C 股其被自動轉為 A 股。

## 3. 與關係企業的交易

富蘭克林公司作為控股公司，與其各附屬公司合稱為富蘭克林坦伯頓基金集團。本基金的部分主管與董事也是下列附屬公司的主管以及/或是董事：

附屬公司	與本基金的關係
Templeton Global Advisors Limited (Global Advisors)	投資經理公司
Templeton Asset Management Ltd (Asset Management)	投資經理公司
Franklin Templeton Services, LLC (FT Services)	行政經理公司
Franklin Distributors, LLC (Distributors)	主辦承銷商
Franklin Templeton Investor Services, LLC (Investor Services)	股務代理機構

### a. 管理費用

本基金按基金的平均每日淨資產，其每日及每月計算，支付 Global Advisors 的投資管理費用，詳如下表所示：

年化費率	淨資產
0.780%	不超過（含）二億美元
0.765%	超過二億美元，不超過（含）七億美元
0.730%	超過七億美元，不超過（含）十億美元
0.715%	超過十億美元，不超過（含）十二億美元
0.690%	超過十二億美元，不超過（含）五十億美元
0.675%	超過五十億美元，不超過（含）一百億美元
0.655%	超過一百億美元，不超過（含）一百五十億美元
0.635%	超過一百五十億美元，不超過（含）二百億美元
0.615%	超過二百億美元，不超過（含）二百五十億美元
0.605%	超過二百五十億美元，不超過（含）三百億美元
0.595%	超過三百億美元，不超過（含）三百五十億美元
0.585%	超過三百五十億美元，不超過（含）四百億美元
0.575%	超過四百億美元，不超過（含）四百五十億美元
0.565%	超過四百五十億美元

# 富蘭克林坦伯頓成長基金

## 3. 與關係企業的交易(承續前文)

### a. 管理費用(承續前文)

截至 2024 年 8 月 31 日，有效的年化投資管理費率為基金平均每日淨資產的 0.692%。

自 2024 年 3 月 31 日起生效，依據附屬經理公司合約，Asset Management（其為 Global Advisors 的關係企業）對本基金提供顧問諮詢服務。由 Global Advisors 按本基金的每日平均淨資產支付顧問諮詢費用，並不是本基金額外的費用。

### b. 行政費用

依據與 Global Advisors 的契約，FT Services 對本基金提供行政管理服務。按本基金的每日平均淨資產由 Global Advisors 支付行政管理服務費用，其並不是本基金額外的費用。

### c. 配銷費用

除了 R6 股及 Advisor 股以外，本基金董事會遵循美國 1940 年投資公司法案的規則 12b-1，對於各股皆採用配銷計劃。在本基金 A 股的償還配銷計劃下，本基金將向 Distributors 償付不超過最高年度計劃費率的配銷費用，用以彌補其服務、銷售與配銷本基金股份所帶來的費用。在 A 股的償還配銷計劃下，當期計劃年度的費用超出最高償還額度的部分不會在後續期間得到償還。此外，在本基金 C 股及 R 股的補償配銷計劃下，本基金將向 Distributors 支付不超過最高年度計劃費率的配銷費用，用以彌補其服務、銷售與配銷本基金股份所招致的費用。為監控最高年度計劃費率之遵循情形，該計劃年度為 2 月 1 日至 1 月 31 日的整個期間。

按本基金的平均每日淨資產的特定比例，各股的最高年度計劃費率列示如下：

A 股	0.25%
C 股	1.00%
R 股	0.50%

### d. 銷售手續費/承銷合約

前收型銷售手續費以及或有遞延銷售手續費（CDSC）不是本基金的費用。這些手續費在投資之前就從基金股份銷售款項中扣除，或是在贖回收益匯出之前被扣除（若適用）。承銷商（Distributors）已告知本基金下列有關本期間基金股份銷售與贖回的交易佣金：

扣除支付給非關係企業的交易商/經紀商佣金後的銷售手續費	\$158,472
保留的或有遞延銷售手續費	\$2,454

### e. 股務代理機構費用

每個基金股份為 Investor Services 對股東服務範圍的績效每月計算並按月支付股務代理機構費用。自 2023 年 10 月 1 日起，Investor Services 所獲取的費用為固定利潤基礎，並根據相對資產及相對交易配置於各基金。在 2023 年 10 月 1 日前，費用是根據 0.016% 的年化資產基礎費用加上交易基礎費用。此外，除了 R6 股，每個基金股份為 Investor Services 對股東服務範圍的績效支付股務代理機構費用並且償付 Investor Services 的墊付款項以及支付予第三方的股東服務費用。這些支付予第三方費用將以各個股份淨資產的相對比例為基礎每日提列與配置於各該股份。R6 股僅依據其具體分配之相關資產和相關交易對該股支付 Investor Services 股務代理機構費用。

在截至 2024 年 8 月 31 日止之年度，本基金支付股務代理機構的費用如經營業績表所述，其中 \$2,249,522 美元是用以支付 Investor Services。

# 富蘭克林坦伯頓成長基金

## 3. 與關係企業的交易(承續前文)

### f. 免除與費用償還

本基金 R6 股的股務代理機構費用已設定上限，所以 R6 股的股務代理機構費用直到 2024 年 12 月 31 日之前將不會超過級別平均淨資產的 0.03%。

### g. 基金間交易

本基金在基金或其他帳戶的投資所從事之買入與賣出交易，其有共同的投資經理人（或關聯的投資經理人）、董事、受託人或管理人員。截至 2024 年 8 月 31 日的年度內，這些買入與賣出交易總計分別為\$一美元和\$5,146,500 美元，而已實現淨收益為\$1,553,222 美元。

## 4. 所得稅

就稅務目的，資本虧損得用來抵銷未來的資本利得。

截至 2024 年 8 月 31 日，資本損失結餘如下：

資本虧損結餘不受到期日限制：

短期	\$ 98,065,189
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在截至 2024 年 8 月 31 日的年度中，本基金使用\$82,882,746 美元的資本虧損結餘。

截至 2024 年 8 月 31 日和 2023 年 8 月 31 日止年度配息的稅收如下：

	2024	2023
所支付之配息來自：		
一般收益	\$96,880,561	\$69,824,330

基於所得稅目的，於 2024 年 8 月 31 日，本基金之投資成本、淨未實現溢價(折價)以及未分配一般收益如下表所示：

投資成本	\$6,715,099,202
未實現溢價	
未實現折價	\$2,322,393,039
淨未實現溢價(折價)	(140,397,625)
	\$2,181,995,414
可分配盈餘：	
未分配一般收益	\$75,365,318

收益以及/或是資本利得在帳面基礎與稅賦基礎上有所不同，主要是因為對沖銷性交易及企業活動的處理不同而影響分配的特性所致。

本基金利用稅務會計慣例，將股本贖回收益的一部分視為來自淨投資收益的分配。

# 富蘭克林坦伯頓成長基金

## 5. 投資交易

截至 2024 年 8 月 31 日止之年度內買入與賣出(不包括短期證券)的交易額分別為\$3,512,218,871 美元及\$3,896,601,902 美元。

## 6. 集中風險

投資於外國證券可能含有特定風險，須考量的因素也與投資美國證券的一般相關事項不同，例如貨幣價值的波動及當地與地區經濟、政治及社會情況的變動等，該因素可能導致大幅度的市場波動。國外地區目前政治和金融的不確定性可能會增加市場的波動，以及在外國投資證券的經濟風險。此外，某些外國證券的流動性可能低於美國證券。

## 7. 信用工具

本基金與富蘭克林坦伯頓基金集團所管理的其他美國註冊以及外國投資基金（全體地，以下稱「全體借用人」）共同簽定一項於 2025 年 1 月 31 日到期之貸款總額為 26.75 億美元的優先無擔保聯合全球信用貸款（以下稱「全球信用工具」）。全球信用工具其為一項資金來源，以提供予全體借用人因應暫時與緊急目的，包括有能力去應付未來無預期或不尋常的大量贖回需求。

依據全球信用工具條款，本基金除了應負擔所動用任何貸款的利息，以及由本基金所產生的其他成本之外，尚須依據本基金佔全體借用人淨資產總額的相對持份比例，分攤履行及維持全球信用工具所產生的費用及支出，包括全球信用工具未使用部位的0.15%年度承諾費用。這些費用已反映於經營業績表的其他費用中。截至2024年8月31日止，本基金並未動用全球信用工具貸款。

## 8. 公平價值衡量

本基金採用公平價值的等級，其係用來區別從獨立來源所取得的市場資料(可觀察信息)與基金自行的市場假設(不可觀察信息)。這些信息被用於決定基金投資的價值，並得概述於以下之公平價值的等級：

- 等級 1—用同一證券的現行活躍市場報價
- 等級 2—其他重要的明顯信息(包括對於相類似證券的報價、利率、預付款項速度及信用風險等)
- 等級 3—重要的不可觀察信息(包括基金以自行假設決定投資的公平價值)

用以評價證券的信息或方法，並非暗示該等級上與投資該證券有關的風險或流動性。

# 富蘭克林坦伯頓成長基金

## 8. 公平價值衡量(承續前文)

以下為截至 2024 年 8 月 31 日止，評估本基金資產之公平價值所包含的輸入等級概要：

	等級 1	等級 2	等級 3	合計
<b>資產：</b>				
<b>證券投資：</b>				
<b>普通股：</b>				
加拿大	\$103,232,680	\$—	\$—	\$103,232,680
丹麥	—	90,311,151	—	90,311,151
法國	—	566,278,211	—	566,278,211
德國	—	289,324,656	—	289,324,656
印度	—	177,375,289	—	177,375,289
日本	—	384,366,341	—	384,366,341
南韓	—	233,333,552	—	233,333,552
瑞士	—	68,552,767	—	68,552,767
台灣	270,111,744	—	—	270,111,744
英國	—	1,347,227,261	—	1,347,227,261
美國	4,765,849,321	407,831,643	—	5,173,680,964
託管和訴訟信託	—	—	— <sup>a</sup>	—
短期投資	—	193,300,000	—	193,300,000
證券投資總額	\$5,139,193,745	\$3,757,900,871 <sup>b</sup>	\$—	\$8,897,094,616

<sup>a</sup> 包括於被確定為無價值的證券。

<sup>b</sup> 包括價值 \$3,564,600,871 美元的外國證券，由於應用了市場公平價值程序，這些證券被歸類為等級 2。有關更多資訊，請參閱金融工具估值說明。

當年初和/或年末存在重大的等級 3 資產和/或負債時，將列示使用等級 3 輸入值來確定公平價值的對帳。

## 9. 期後事項

本基金已評量截至本財報公告日期間的期後事項，確定沒有發生應行揭露的事項。

## 縮寫

### 選定的投資組合

ADR	American Depositary Receipt	美國存託憑證
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# 富蘭克林坦伯頓成長基金

## 翻譯自獨立註冊會計師事務所簽證英文報告原文

### 致富蘭克林坦伯頓成長基金的全體董事與股東

#### 財務報表之意見

我們已查核富蘭克林坦伯頓成長基金（以下簡稱「基金」）前附截至 2024 年 8 月 31 日之包括投資計畫在內的資產負債表、截至 2024 年 8 月 31 日之相關經營業績表、截至 2024 年 8 月 31 日之兩年的淨資產變動表（包括相關附註）以及截至 2024 年 8 月 31 日之五年的財務重點（以下簡稱「財務報表」）。我們認為，財務報表在所有重大方面，公允反映了基金於 2024 年 8 月 31 日的財務狀況、年度的經營成果、截至 2024 年 8 月 31 日之兩年的淨資產變動情況，以及截至 2024 年 8 月 31 日之五年各期末的財務重點，並符合美國公認會計準則的規定。

#### 意見之基礎

這些財務報表的編制是基金管理者的責任。我們的責任是在我們查核的基礎上對這些財務報表表示意見。我們是公開發行會計公司，在公開發行公司會計監督委員會（美國）（PCAOB）註冊，並且被要求必須獨立於基金，符合美國聯邦證券法、美國證券交易委員會和 PCAOB 的適用規則和條例。

我們依據 PCAOB 的標準對這些財務報表進行查核。這些準則要求我們計劃與執行查核工作，以合理確信這些財務報表是否不存在重大誤述，無論是由於錯誤還是欺詐。

我們的查核工作包括評估財務報表重大誤述風險的執程序，無論是由於錯誤或是欺詐，以及執行應對這些風險的程序。這些程序包括在抽查的基礎上檢查支持財務報表金額與相關財務公開的證據。我們的查核工作也包括在評價管理當局在編制財務報表時採用的會計政策和作出的重大會計估計，以及評價財務報表的整體表達。我們的查核工作包括於 2024 年 8 月 31 日與保管銀行及經紀商確認的證券餘額狀況；當沒有收到保管銀行及經紀商的答覆時，我們執行了其他審計程序。我們相信，我們執行的審計程序為所表示的意見提供了合理的基礎。

PricewaterhouseCoopers LLP 會計師事務所

舊金山・加州

2024 年 10 月 22 日

自 1948 年以來，我們一直擔任富蘭克林坦伯頓投資基金的一家或多家投資公司之會計師。

所附財務報表並非意圖顯現其財務立場和營運結果符合美國以外地區接受的一般會計原則之標準。

這些財務報表之查核的標準、程序和實務運作為美國當地接受和應用。

**This version of our report is a translation from the original report, which was prepared in English. In all matters of interpretation of information, views or opinions, the original English language version of our report takes precedence over this translation.**

中文簡譯本之內容與英文年報若有歧異，以英文年報之內容為準。

This annual shareholder report contains important information about Templeton Growth Fund Inc. for the period September 1, 2023, to August 31, 2024. You can find additional information about the Fund at <https://www.franklintempleton.com/regulatory-fund-documents>. You can also request this information by contacting us at (800) DIAL BEN/342-5236.

*This report describes changes to the Fund that occurred during the reporting period.*

**WHAT WERE THE FUND COSTS FOR THE LAST YEAR?** (based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class A	\$112	1.03%

**HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?**

For the twelve months ended August 31, 2024, Class A shares of Templeton Growth Fund Inc. returned 17.50%. The Fund compares its performance to the MSCI All Country World Index-NR, which returned 23.44% for the same period.

**PERFORMANCE HIGHLIGHTS**

**Top contributors to performance:**

- ↑ Strong stock selection in the industrials sector helped relative returns. Rolls-Royce, a U.K.-based aerospace and defense company, was the largest contributor to relative performance within the sector.
- ↑ Taiwan Semiconductor Manufacturing was one of the leading contributors to relative performance as select semiconductor stocks benefited from investors pricing in faster-than-expected growth in production due to expectations of rising demand from AI.
- ↑ AstraZeneca, in the health care sector, also contributed to relative returns. Shares benefited from improved 2024 company sales and profit growth forecasts. Earlier in the period, its shares had appreciated on solid first-quarter results and promising updates on two of its breast cancer drugs.

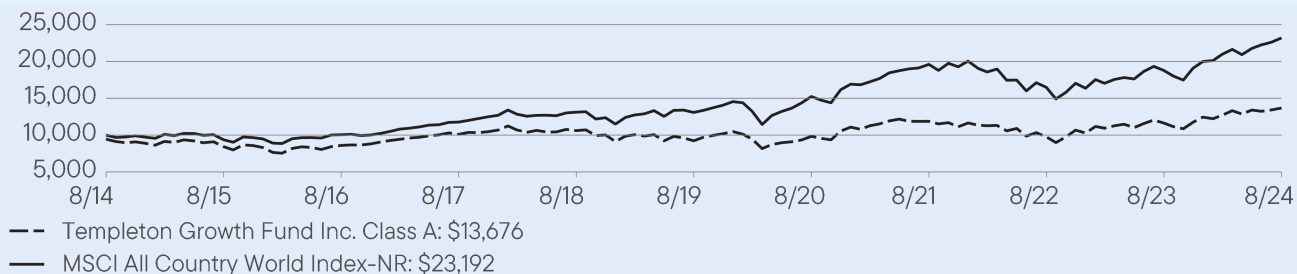
**Top detractors from performance:**

- ↓ Bayer, a Germany-based multinational pharmaceutical firm, was a significant relative detractor, underperforming following an announcement that it had halted a Phase 3 trial of a promising new drug after establishing that the drug did not work as well as it had hoped (not held at period-end).
- ↓ Albemarle, a U.S.-based lithium producer within the electric vehicle (EV) supply chain, also detracted from relative performance. Shares came under pressure as the lithium price reached multi-year lows. The Fund eliminated Albemarle during the period given the changing supply and demand dynamics for lithium and little free cash flow support in the near-term.
- ↓ Forvia, a global automotive supplier, detracted from relative returns as its share price weakened during the first quarter of 2024 against the backdrop of a slowdown in the auto industry including challenges relating to cost recovery negotiations with suppliers and incremental currency headwinds.

## HOW DID THE FUND PERFORM OVER THE LAST 10 YEARS?

The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

### VALUE OF A \$10,000 INVESTMENT (\$9,450 AFTER MAXIMUM APPLICABLE SALES CHARGE) – CLASS A 8/31/2014 – 8/31/2024



### AVERAGE ANNUAL TOTAL RETURNS (%) Period Ended August 31, 2024

	1 Year	5 Year	10 Year
<b>Class A</b>	17.50	8.19	3.77
<b>Class A (with sales charge)</b>	11.03	6.98	3.18
<b>MSCI All Country World Index-NR</b>	23.44	12.14	8.77

Fund performance figures may reflect fee waivers and/or expense reimbursements, without which the performance would have been lower.

Performance for periods prior to September 10, 2018, has been restated to reflect the current maximum sales charge, which is lower than the maximum sales charge prior to that date.

For current month-end performance, please call Franklin Templeton at (800) DIAL BEN/342-5236 or visit <https://www.franklintempleton.com/investments/options/mutual-funds>.

Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com).

### KEY FUND STATISTICS (as of August 31, 2024)

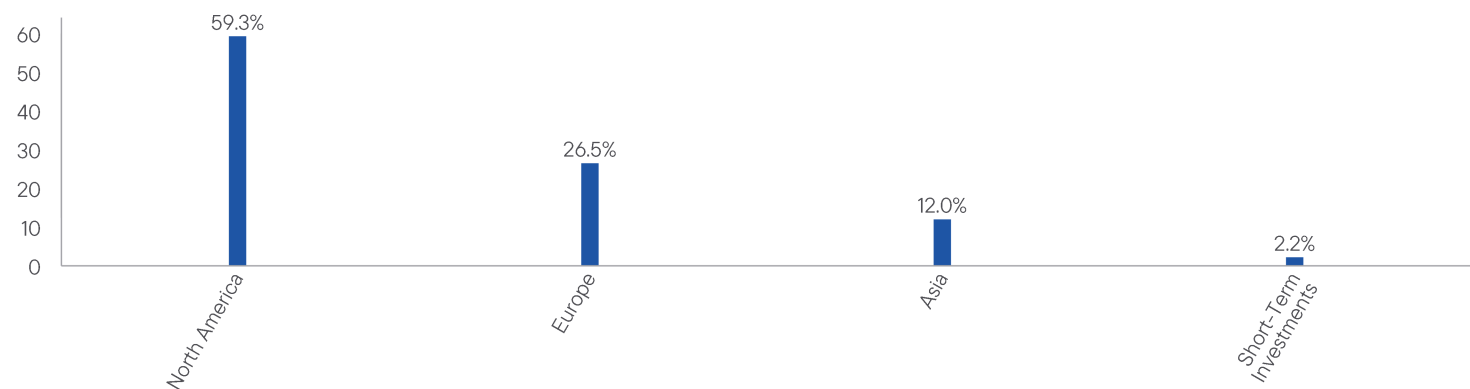
<b>Total Net Assets</b>	\$8,855,150,732
<b>Total Number of Portfolio Holdings*</b>	58
<b>Total Management Fee Paid</b>	\$58,594,312
<b>Portfolio Turnover Rate</b>	43.43%

\* Does not include derivatives, except purchased options, if any.



**WHAT DID THE FUND INVEST IN?** (as of August 31, 2024)

**Portfolio Composition\* (% of Total Investments)**



\* Does not include derivatives, except purchased options, if any.

**HOW HAS THE FUND CHANGED?**

Effective March 31, 2024, Templeton Asset Management Ltd. was appointed as a subadvisor of the Fund.

In addition, effective March 31, 2024, Peter D. Sartori was added as a portfolio manager of the Fund and effective December 31, 2023, Herbert J. Arnett, Jr. stepped down as a portfolio manager of the Fund.

This is a summary of certain changes to the Fund since September 1, 2023. For more complete information, you may review the Fund’s current prospectus and any applicable supplements and the Fund’s next prospectus, which we expect to be available by January 1, 2025, at <https://www.franklintempleton.com/regulatory-fund-documents> or upon request at (800) DIAL BEN/342-5236 or [prospectus@franklintempleton.com](mailto:prospectus@franklintempleton.com).



**WHERE CAN I FIND ADDITIONAL INFORMATION ABOUT THE FUND?**

Additional information is available on <https://www.franklintempleton.com/regulatory-fund-documents>, including its:

- prospectus • proxy voting information • financial information • holdings • tax information

**HOUSEHOLDING**

You will receive the Fund’s shareholder 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 shareholder reports 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) DIAL BEN/342-5236. At any time, you may view current prospectuses/summary prospectuses and shareholder reports on our website. If you choose, you may receive these documents through electronic delivery.

# Templeton Growth Fund, Inc.

**Financial Statements and Other Important Information**

**Annual** | August 31, 2024

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## Financial Highlights

	Year Ended August 31,				
	2024	2023	2022	2021	2020
<b>Class A</b>					
<b>Per share operating performance</b>					
(for a share outstanding throughout the year)					
Net asset value, beginning of year . . . . .	\$24.19	\$20.47	\$25.34	\$21.17	\$20.96
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup> . . . . .	0.24	0.22	0.14	0.37 <sup>c</sup>	0.27
Net realized and unrealized gains (losses) . . . . .	3.95	3.69	(4.59)	4.03	1.16
Total from investment operations . . . . .	4.19	3.91	(4.45)	4.40	1.43
Less distributions from:					
Net investment income . . . . .	(0.29)	(0.19)	(0.42)	(0.23)	(0.47)
Net realized gains . . . . .	—	—	—	—	(0.75)
Total distributions . . . . .	(0.29)	(0.19)	(0.42)	(0.23)	(1.22)
Net asset value, end of year . . . . .	\$28.09	\$24.19	\$20.47	\$25.34	\$21.17
Total return <sup>d</sup> . . . . .	17.50%	19.23%	(17.76)%	20.80%	6.53%
<b>Ratios to average net assets</b>					
Expenses . . . . .	1.03%	1.03% <sup>e</sup>	1.05% <sup>e</sup>	1.04% <sup>e</sup>	1.06% <sup>e</sup>
Net investment income . . . . .	0.94%	0.96%	0.61%	1.53% <sup>c</sup>	1.29%
<b>Supplemental data</b>					
Net assets, end of year (000's) . . . . .	\$8,279,320	\$7,654,074	\$6,913,896	\$9,010,906	\$8,191,333
Portfolio turnover rate . . . . .	43.43%	33.07%	42.82%	44.14% <sup>f</sup>	52.90%

<sup>a</sup>The 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.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Net investment income per share includes approximately \$0.26 per share related to income received in the form of special dividends and an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.42%.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Benefit of waiver and payments by affiliates rounds to less than 0.01%.

<sup>f</sup>Excludes the value of portfolio activity as a result of in-kind transactions.

	Year Ended August 31,				
	2024	2023	2022	2021	2020
<b>Class C</b>					
<b>Per share operating performance</b>					
(for a share outstanding throughout the year)					
Net asset value, beginning of year . . . . .	\$23.61	\$20.09	\$24.82	\$20.71	\$20.56
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b</sup> . . . . .	0.02	0.05	(0.03)	0.19 <sup>c</sup>	0.11
Net realized and unrealized gains (losses) . . . . .	3.86	3.61	(4.52)	3.95	1.12
Total from investment operations . . . . .	3.88	3.66	(4.55)	4.14	1.23
Less distributions from:					
Net investment income . . . . .	(0.20)	(0.14)	(0.18)	(0.03)	(0.33)
Net realized gains . . . . .	—	—	—	—	(0.75)
Total distributions . . . . .	(0.20)	(0.14)	(0.18)	(0.03)	(1.08)
Net asset value, end of year . . . . .	\$27.29	\$23.61	\$20.09	\$24.82	\$20.71
Total return <sup>d</sup> . . . . .	16.56%	18.31%	(18.38)%	19.93%	5.70%
<b>Ratios to average net assets</b>					
Expenses . . . . .	1.77%	1.78% <sup>e</sup>	1.80% <sup>e</sup>	1.79% <sup>e</sup>	1.82% <sup>e</sup>
Net investment income (loss) . . . . .	0.07%	0.21%	(0.13)%	0.80% <sup>c</sup>	0.54%
<b>Supplemental data</b>					
Net assets, end of year (000's) . . . . .	\$28,293	\$92,670	\$84,172	\$111,870	\$125,500
Portfolio turnover rate . . . . .	43.43%	33.07%	42.82%	44.14% <sup>f</sup>	52.90%

<sup>a</sup>The 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.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Net investment income per share includes approximately \$0.26 per share related to income received in the form of special dividends and an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been (0.31)%.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Benefit of waiver and payments by affiliates rounds to less than 0.01%.

<sup>f</sup>Excludes the value of portfolio activity as a result of in-kind transactions.

	Year Ended August 31,				
	2024	2023	2022	2021	2020
<b>Class R</b>					
<b>Per share operating performance</b>					
(for a share outstanding throughout the year)					
Net asset value, beginning of year . . . . .	\$23.86	\$20.24	\$25.05	\$20.93	\$20.75
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup> . . . . .	0.18	0.16	0.08	0.30 <sup>c</sup>	0.21
Net realized and unrealized gains (losses) . . . . .	3.89	3.64	(4.54)	3.99	1.14
Total from investment operations . . . . .	4.07	3.80	(4.46)	4.29	1.35
Less distributions from:					
Net investment income . . . . .	(0.27)	(0.18)	(0.35)	(0.17)	(0.42)
Net realized gains . . . . .	—	—	—	—	(0.75)
Total distributions . . . . .	(0.27)	(0.18)	(0.35)	(0.17)	(1.17)
Net asset value, end of year . . . . .	\$27.66	\$23.86	\$20.24	\$25.05	\$20.93
Total return . . . . .	17.23%	18.86%	(17.95)%	20.49%	6.24%
<b>Ratios to average net assets</b>					
Expenses . . . . .	1.28%	1.28% <sup>d</sup>	1.30% <sup>d</sup>	1.29% <sup>d</sup>	1.31% <sup>d</sup>
Net investment income . . . . .	0.69%	0.71%	0.36%	1.29% <sup>c</sup>	1.04%
<b>Supplemental data</b>					
Net assets, end of year (000's) . . . . .	\$53,873	\$50,808	\$45,502	\$60,867	\$56,912
Portfolio turnover rate . . . . .	43.43%	33.07%	42.82%	44.14% <sup>e</sup>	52.90%

<sup>a</sup>The 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.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Net investment income per share includes approximately \$0.26 per share related to income received in the form of special dividends and an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.18%.

<sup>d</sup>Benefit of waiver and payments by affiliates rounds to less than 0.01%.

<sup>e</sup>Excludes the value of portfolio activity as a result of in-kind transactions.

	Year Ended August 31,				
	2024	2023	2022	2021	2020
<b>Class R6</b>					
<b>Per share operating performance</b>					
(for a share outstanding throughout the year)					
Net asset value, beginning of year . . . . .	\$24.27	\$20.50	\$25.39	\$21.20	\$20.97
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup> . . . . .	0.32	0.29	0.21	0.59 <sup>c</sup>	0.34
Net realized and unrealized gains (losses) . . . . .	3.96	3.70	(4.61)	3.90	1.16
Total from investment operations . . . . .	4.28	3.99	(4.40)	4.49	1.50
Less distributions from:					
Net investment income . . . . .	(0.31)	(0.22)	(0.49)	(0.30)	(0.52)
Net realized gains . . . . .	—	—	—	—	(0.75)
Total distributions . . . . .	(0.31)	(0.22)	(0.49)	(0.30)	(1.27)
Net asset value, end of year . . . . .	\$28.24	\$24.27	\$20.50	\$25.39	\$21.20
Total return . . . . .	17.84%	19.56%	(17.50)%	21.15%	6.87%
<b>Ratios to average net assets</b>					
Expenses . . . . .	0.74%	0.73% <sup>d</sup>	0.75% <sup>d</sup>	0.74% <sup>d</sup>	0.74% <sup>d</sup>
Net investment income . . . . .	1.25%	1.27%	0.92%	2.56% <sup>c</sup>	1.63%
<b>Supplemental data</b>					
Net assets, end of year (000's) . . . . .	\$297,769	\$294,490	\$277,985	\$349,281	\$1,342,940
Portfolio turnover rate . . . . .	43.43%	33.07%	42.82%	44.14% <sup>e</sup>	52.90%

<sup>a</sup>The 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.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Net investment income per share includes approximately \$0.26 per share related to income received in the form of special dividends and an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 1.45%.

<sup>d</sup>Benefit of waiver and payments by affiliates rounds to less than 0.01%.

<sup>e</sup>Excludes the value of portfolio activity as a result of in-kind transactions.



	Year Ended August 31,				
	2024	2023	2022	2021	2020
<b>Advisor Class</b>					
<b>Per share operating performance</b>					
(for a share outstanding throughout the year)					
Net asset value, beginning of year . . . . .	\$24.31	\$20.54	\$25.42	\$21.24	\$21.01
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup> . . . . .	0.31	0.27	0.20	0.42 <sup>c</sup>	0.32
Net realized and unrealized gains (losses) . . . . .	3.97	3.71	(4.60)	4.05	1.17
Total from investment operations . . . . .	4.28	3.98	(4.40)	4.47	1.49
Less distributions from:					
Net investment income . . . . .	(0.31)	(0.21)	(0.48)	(0.29)	(0.51)
Net realized gains . . . . .	—	—	—	—	(0.75)
Total distributions . . . . .	(0.31)	(0.21)	(0.48)	(0.29)	(1.26)
Net asset value, end of year . . . . .	\$28.28	\$24.31	\$20.54	\$25.42	\$21.24
Total return . . . . .	17.80%	19.51%	(17.53)%	21.06%	6.79%
<b>Ratios to average net assets</b>					
Expenses . . . . .	0.78%	0.78% <sup>d</sup>	0.79% <sup>d</sup>	0.80% <sup>d</sup>	0.81% <sup>d</sup>
Net investment income . . . . .	1.20%	1.21%	0.85%	1.76% <sup>c</sup>	1.54%
<b>Supplemental data</b>					
Net assets, end of year (000's) . . . . .	\$195,896	\$169,293	\$159,910	\$429,251	\$377,028
Portfolio turnover rate . . . . .	43.43%	33.07%	42.82%	44.14% <sup>e</sup>	52.90%

<sup>a</sup>The 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.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Net investment income per share includes approximately \$0.26 per share related to income received in the form of special dividends and an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 0.66%.

<sup>d</sup>Benefit of waiver and payments by affiliates rounds to less than 0.01%.

<sup>e</sup>Excludes the value of portfolio activity as a result of in-kind transactions.

# Schedule of Investments, August 31, 2024

	Industry	Shares	Value
<b>Common Stocks 98.3%</b>			
<b>Canada 1.2%</b>			
Royal Bank of Canada . . . . .	Banks	853,611	\$103,232,680
<b>Denmark 1.0%</b>			
<sup>a,b</sup> Orsted A/S, 144A, Reg S. . . . .	Independent Power and Renewable Electricity Producers	1,562,827	90,311,151
<b>France 6.4%</b>			
Airbus SE . . . . .	Aerospace & Defense	1,111,155	170,681,801
Danone SA . . . . .	Food Products	1,346,010	93,525,935
Forvia SE . . . . .	Automobile Components	2,935,541	29,909,217
LVMH Moet Hennessy Louis Vuitton SE	Textiles, Apparel & Luxury Goods	116,428	86,655,390
Thales SA . . . . .	Aerospace & Defense	1,104,179	185,505,868
			566,278,211
<b>Germany 3.3%</b>			
Infineon Technologies AG . . . . .	Semiconductors & Semiconductor Equipment	4,174,829	153,205,936
SAP SE . . . . .	Software	620,319	136,118,720
			289,324,656
<b>India 2.0%</b>			
Reliance Industries Ltd. . . . .	Oil, Gas & Consumable Fuels	4,927,806	177,375,289
<b>Japan 4.3%</b>			
Honda Motor Co. Ltd. . . . .	Automobiles	9,669,102	106,704,658
Komatsu Ltd. . . . .	Machinery	3,956,560	110,717,982
Sumitomo Mitsui Financial Group, Inc.	Banks	1,303,070	85,996,757
Tokyo Electron Ltd. . . . .	Semiconductors & Semiconductor Equipment	449,739	80,946,944
			384,366,341
<b>South Korea 2.6%</b>			
Samsung Electronics Co. Ltd. . . . .	Technology Hardware, Storage & Peripherals	4,206,638	233,333,552
<b>Switzerland 0.8%</b>			
Adecco Group AG . . . . .	Professional Services	2,010,900	68,552,767
<b>Taiwan 3.1%</b>			
Taiwan Semiconductor Manufacturing Co. Ltd., ADR. . . . .	Semiconductors & Semiconductor Equipment	1,573,161	270,111,744
<b>United Kingdom 15.2%</b>			
AstraZeneca plc . . . . .	Pharmaceuticals	2,043,596	358,185,792
BAE Systems plc . . . . .	Aerospace & Defense	12,251,942	220,295,734
Barratt Developments plc . . . . .	Household Durables	8,814,121	58,980,873
Lloyds Banking Group plc . . . . .	Banks	174,960,293	135,167,692
Persimmon plc . . . . .	Household Durables	2,996,282	64,921,111
<sup>a</sup> Rolls-Royce Holdings plc . . . . .	Aerospace & Defense	39,634,090	259,866,724
Unilever plc. . . . .	Personal Care Products	3,866,424	249,809,335
			1,347,227,261
<b>United States 58.4%</b>			
<sup>a</sup> Adobe, Inc. . . . .	Software	303,334	174,238,083
Alphabet, Inc., A . . . . .	Interactive Media & Services	1,532,457	250,372,825
<sup>a</sup> Amazon.com, Inc. . . . .	Broadline Retail	1,183,363	211,230,295
Apple, Inc. . . . .	Technology Hardware, Storage & Peripherals	784,261	179,595,769
Aramark . . . . .	Hotels, Restaurants & Leisure	2,760,320	101,110,522
Bank of America Corp. . . . .	Banks	6,052,329	246,632,407
Booking Holdings, Inc. . . . .	Hotels, Restaurants & Leisure	43,202	168,886,554
BP plc. . . . .	Oil, Gas & Consumable Fuels	32,604,325	184,589,253
CNH Industrial NV. . . . .	Machinery	15,624,592	161,558,281
CRH plc . . . . .	Construction Materials	1,120,195	101,680,100

	Industry	Shares	Value
<b>Common Stocks</b> (continued)			
<b>United States</b> (continued)			
Freeport-McMoRan, Inc. ....	Metals & Mining	2,026,038	\$89,712,963
<sup>a</sup> GE Vernova, Inc. ....	Electrical Equipment	576,396	115,855,596
HCA Healthcare, Inc. ....	Health Care Providers & Services	402,314	159,151,395
Hyatt Hotels Corp., A. ....	Hotels, Restaurants & Leisure	869,201	132,049,016
<sup>a</sup> ICON plc. ....	Life Sciences Tools & Services	364,849	117,503,269
Intercontinental Exchange, Inc. ....	Capital Markets	954,489	154,197,698
Medtronic plc ....	Health Care Equipment & Supplies	2,345,991	207,807,883
Micron Technology, Inc. ....	Semiconductors & Semiconductor Equipment	2,269,255	218,393,101
Microsoft Corp. ....	Software	613,606	255,959,607
PNC Financial Services Group, Inc. (The) ....	Banks	1,417,640	262,390,988
Shell plc ....	Oil, Gas & Consumable Fuels	3,603,035	127,673,225
Swiss Re AG. ....	Insurance	699,583	95,569,165
Target Corp. ....	Consumer Staples Distribution & Retail	1,054,827	162,042,524
Thermo Fisher Scientific, Inc. ....	Life Sciences Tools & Services	308,181	189,552,888
TJX Cos., Inc. (The) ....	Specialty Retail	2,153,502	252,541,179
T-Mobile US, Inc. ....	Wireless Telecommunication Services	492,483	97,866,222
Union Pacific Corp. ....	Ground Transportation	933,373	239,027,491
UnitedHealth Group, Inc. ....	Health Care Providers & Services	488,166	288,115,573
Visa, Inc., A. ....	Financial Services	498,693	137,823,784
Wells Fargo & Co. ....	Banks	1,548,714	90,553,308
			5,173,680,964
<b>Total Common Stocks (Cost \$6,484,323,348)</b> .....			<b>8,703,794,616</b>
<b>Escrows and Litigation Trusts 0.0%</b>			
<sup>a,c</sup> Hemisphere Properties India Ltd., Escrow Account. ....		104,748	—
<b>Total Escrows and Litigation Trusts (Cost \$—)</b> .....			<b>—</b>
<b>Total Long Term Investments (Cost \$6,484,323,348)</b> .....			<b>8,703,794,616</b>
<b>Short Term Investments 2.2%</b>			
		<b>Principal Amount<sup>*</sup></b>	<b>Value</b>
<b>Time Deposits 2.2%</b>			
<b>Canada 1.6%</b>			
National Bank of Canada, 5.31%, 9/03/24 .....		120,000,000	120,000,000
Royal Bank of Canada, 5.3%, 9/03/24 .		25,300,000	25,300,000
			145,300,000
<b>France 0.6%</b>			
Credit Agricole Corporate and Investment Bank SA, 5.31%, 9/03/24		48,000,000	48,000,000
<b>Total Time Deposits (Cost \$193,300,000)</b> .....			<b>193,300,000</b>
<b>Total Short Term Investments (Cost \$193,300,000)</b> .....			<b>193,300,000</b>
<b>Total Investments (Cost \$6,677,623,348) 100.5%</b> .....			<b>\$8,897,094,616</b>
<b>Other Assets, less Liabilities (0.5)%</b> .....			<b>(41,943,884)</b>
<b>Net Assets 100.0%</b> .....			<b>\$8,855,150,732</b>

See Abbreviations on page 22.

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

<sup>a</sup>Non-income producing.

<sup>b</sup>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 August 31, 2024, the value of this security was \$90,311,151, representing 1.0% of net assets.

<sup>c</sup>Fair valued using significant unobservable inputs. See Note 8 regarding fair value measurements.

## Statement of Assets and Liabilities

August 31, 2024

**Templeton  
Growth Fund,  
Inc.**

**Assets:**

Investments in securities:

Cost - Unaffiliated issuers . . . . . \$6,677,623,348

Value - Unaffiliated issuers . . . . . \$8,897,094,616

Cash . . . . . 38,836

Foreign currency, at value (cost \$9,754,505) . . . . . 9,754,505

Receivables:

Investment securities sold . . . . . 3,102,026

Capital shares sold . . . . . 1,301,814

Dividends and interest . . . . . 22,319,330

European Union tax reclaims (Note 1d) . . . . . 1,006,220

Total assets . . . . . 8,934,617,347

**Liabilities:**

Payables:

Investment securities purchased . . . . . 9,288,469

Capital shares redeemed . . . . . 6,302,994

Management fees . . . . . 5,049,525

Distribution fees . . . . . 1,751,081

Transfer agent fees . . . . . 1,037,631

Directors' fees and expenses . . . . . 4,251

IRS closing agreement payments for European Union tax reclaims (Note 1d) . . . . . 53,811,738

Deferred tax . . . . . 1,742,792

Accrued expenses and other liabilities . . . . . 478,134

Total liabilities . . . . . 79,466,615

Net assets, at value . . . . . \$8,855,150,732

**Net assets consist of:**

Paid-in capital . . . . . \$6,699,078,648

Total distributable earnings (losses) . . . . . 2,156,072,084

Net assets, at value . . . . . \$8,855,150,732

## Statement of Assets and Liabilities (continued)

August 31, 2024

**Templeton  
Growth Fund,  
Inc.**

**Class A:**

Net assets, at value	\$8,279,320,279
Shares outstanding	294,764,317
Net asset value per share <sup>a,b</sup>	\$28.09
Maximum offering price per share (net asset value per share + 94.50%) <sup>b</sup>	\$29.72

**Class C:**

Net assets, at value	\$28,292,917
Shares outstanding	1,036,589
Net asset value and maximum offering price per share <sup>a,b</sup>	\$27.29

**Class R:**

Net assets, at value	\$53,872,862
Shares outstanding	1,947,707
Net asset value and maximum offering price per share <sup>b</sup>	\$27.66

**Class R6:**

Net assets, at value	\$297,768,582
Shares outstanding	10,543,438
Net asset value and maximum offering price per share <sup>b</sup>	\$28.24

**Advisor Class:**

Net assets, at value	\$195,896,092
Shares outstanding	6,927,859
Net asset value and maximum offering price per share <sup>b</sup>	\$28.28

<sup>a</sup>Redemption price is equal to net asset value less contingent deferred sales charges, if applicable.

<sup>b</sup>Net asset value per share may not recalculate due to rounding.

## Statement of Operations

for the year ended August 31, 2024

**Templeton  
Growth Fund,  
Inc.**

Investment income:	
Dividends: (net of foreign taxes of \$5,908,984)	
Unaffiliated issuers	\$146,664,868
Interest:	
Unaffiliated issuers	22,445,473
Income from securities loaned:	
Unaffiliated entities (net of fees and rebates)	161
Other income (Note 1d)	45,146
Less: IRS closing agreement payments for European Union tax reclaims (Note 1d)	(2,209,931)
Total investment income	166,945,717
Expenses:	
Management fees (Note 3a)	58,594,312
Distribution fees: (Note 3c)	
Class A	19,797,803
Class C	320,158
Class R	262,102
Transfer agent fees: (Note 3e)	
Class A	4,683,960
Class C	18,891
Class R	30,963
Class R6	50,861
Advisor Class	106,450
Custodian fees	305,655
Reports to shareholders fees	349,612
Registration and filing fees	152,760
Professional fees	119,863
Directors' fees and expenses	979,374
Other	316,835
Total expenses	86,089,599
Net investment income	80,856,118
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments: (net of foreign taxes of \$991,033)	
Unaffiliated issuers	105,849,457
Foreign currency transactions	(324,285)
Net realized gain (loss)	105,525,172
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	1,187,436,091
Translation of other assets and liabilities denominated in foreign currencies	444,195
Change in deferred taxes on unrealized appreciation	(1,742,792)
Net change in unrealized appreciation (depreciation)	1,186,137,494
Net realized and unrealized gain (loss)	1,291,662,666
Net increase (decrease) in net assets resulting from operations	\$1,372,518,784

## Statements of Changes in Net Assets

	Templeton Growth Fund, Inc.	
	Year Ended August 31, 2024	Year Ended August 31, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income . . . . .	\$80,856,118	\$77,388,295
Net realized gain (loss) . . . . .	105,525,172	138,235,907
Net change in unrealized appreciation (depreciation) . . . . .	1,186,137,494	1,177,819,374
Net increase (decrease) in net assets resulting from operations . . . . .	1,372,518,784	1,393,443,576
Distributions to shareholders:		
Class A . . . . .	(90,690,115)	(64,548,857)
Class C . . . . .	(241,681)	(578,484)
Class R . . . . .	(570,050)	(395,576)
Class R6 . . . . .	(3,250,827)	(2,730,340)
Advisor Class . . . . .	(2,127,888)	(1,571,073)
Total distributions to shareholders . . . . .	(96,880,561)	(69,824,330)
Capital share transactions: (Note 2)		
Class A . . . . .	(571,018,396)	(485,852,353)
Class C . . . . .	(68,037,260)	(5,779,179)
Class R . . . . .	(4,776,824)	(2,613,035)
Class R6 . . . . .	(36,941,496)	(31,508,472)
Advisor Class . . . . .	(1,048,496)	(17,996,416)
Total capital share transactions . . . . .	(681,822,472)	(543,749,455)
Net increase (decrease) in net assets . . . . .	593,815,751	779,869,791
Net assets:		
Beginning of year . . . . .	8,261,334,981	7,481,465,190
End of year . . . . .	\$8,855,150,732	\$8,261,334,981



# Notes to Financial Statements

## 1. Organization and Significant Accounting Policies

Templeton Growth Fund, Inc. (Fund) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company. The Fund follows the accounting and reporting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, Financial Services – Investment Companies (ASC 946) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP), including, but not limited to, ASC 946. The Fund offers five classes of shares: Class A, Class C, Class R, Class R6 and Advisor Class. Class C shares automatically convert to Class A shares on a monthly basis, after they have been held for 8 years. Each class of shares may differ by its initial sales load, contingent deferred sales charges, voting rights on matters affecting a single class, its exchange privilege and fees due to differing arrangements for distribution and transfer agent fees.

The following summarizes the Fund's significant accounting policies.

### a. Financial Instrument Valuation

The Fund's 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 Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Fund's Board of Directors (the Board), the Board has designated the Fund's investment manager as the valuation designee and has responsibility for oversight of valuation. The investment manager is assisted by the Fund's administrator in performing this responsibility, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is

then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Investments in time deposits are valued at cost, which approximates fair value.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

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 Fund's 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 Fund's 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 Fund's portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At August 31, 2024, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 within the fair value hierarchy (referred to as "market level fair value"). See the Fair Value Measurements note for more information.

## 1. Organization and Significant Accounting Policies

(continued)

### a. Financial Instrument Valuation (continued)

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Fund's NAV is not calculated, which could result in differences between the value of the Fund's 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 Fund 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 Fund 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 Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

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

### c. Securities Lending

The Fund participates in an agency based securities lending program to earn additional income. The Fund receives collateral in the form of cash and/or U.S. Government and Agency securities against the loaned securities in an amount equal to at least 102% of the fair value of the loaned securities. Collateral is maintained over the life of the loan in an amount not less than 100% of the fair value of loaned securities, as determined at the close of Fund business each day; any additional collateral required due to changes in security values is delivered to the Fund on the next business day. The Fund may receive income from the investment of cash collateral, in addition to lending fees paid by the borrower. Income from securities loaned, net of fees paid to the securities lending agent and/or third-party vendor, is reported separately in the Statement of Operations. The Fund bears the market risk with respect to any cash collateral investment, securities loaned, and the risk that the agent may default on its obligations to the Fund. If the borrower defaults on its obligation to return the securities loaned, the Fund has the right to repurchase the securities in the open market using the collateral received. The securities lending agent has agreed to indemnify the Fund in the event of default by a third party borrower. At August 31, 2024, the Fund had no securities on loan.

### d. Income and Deferred Taxes

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

The Fund 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 it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records 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, the Fund filed additional tax reclaims for previously withheld taxes on dividends earned in those

## 1. Organization and Significant Accounting Policies

(continued)

### d. Income and Deferred Taxes (continued)

countries (EU reclaims). Income recognized, if any, for EU reclaims is reflected as other income in the Statement of Operations and any related receivable, if any, is reflected as European Union tax reclaims in the Statement of Assets and Liabilities. Any fees associated with these filings are reflected in other expenses in the Statement of Operations. When uncertainty exists as to the ultimate resolution of these proceedings, the likelihood of receipt of these EU reclaims, and the potential timing of payment, no amounts are reflected in the financial statements. For U.S. income tax purposes, EU reclaims received by the Fund, if any, reduce the amount of foreign taxes Fund shareholders can use as tax deductions or credits on their income tax returns. In the event that EU reclaims received by the Fund during a fiscal year exceed foreign withholding taxes paid by the Fund, and the Fund previously passed through to its shareholders foreign taxes incurred by the Fund to be used as a credit or deduction on a shareholder's income tax return, the Fund will enter into a closing agreement with the Internal Revenue Service (IRS) in order to pay the associated tax liability on behalf of the Fund's shareholders. During the fiscal year ended August 31, 2024, the Fund received EU reclaims in excess of the foreign taxes paid during the year. The Fund determined to enter into a closing agreement with the IRS and recorded the estimated payments as a reduction to income, as reflected in the Statement of Operations.

The 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 August 31, 2024, the 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.

### e. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income

(including interest income from payment-in-kind securities, if any) and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. 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 Fund. 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.

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.

### f. 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.

### g. Guarantees and Indemnifications

Under the Fund's organizational documents, its officers and directors are indemnified by the Fund against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. Currently, the Fund expects the risk of loss to be remote.

## 2. Shares of Beneficial Interest

At August 31, 2024, there were 2.7 million shares authorized (\$0.01 par value). Transactions in the Fund's shares were as follows:

	Year Ended August 31, 2024		Year Ended August 31, 2023	
	Shares	Amount	Shares	Amount
<b>Class A Shares:</b>				
Shares sold <sup>a</sup>	12,502,110	\$315,652,680	14,057,965	\$317,803,676
Shares issued in reinvestment of distributions	2,986,998	72,882,789	2,405,692	52,179,509
Shares redeemed	(37,187,867)	(959,553,865)	(37,689,662)	(855,835,538)
Net increase (decrease)	(21,698,759)	\$(571,018,396)	(21,226,005)	\$(485,852,353)
<b>Class C Shares:</b>				
Shares sold	117,048	\$2,904,127	868,500	\$19,198,683
Shares issued in reinvestment of distributions	10,070	240,065	27,130	577,316
Shares redeemed <sup>a</sup>	(3,016,182)	(71,181,452)	(1,160,012)	(25,555,178)
Net increase (decrease)	(2,889,064)	\$(68,037,260)	(264,382)	\$(5,779,179)
<b>Class R Shares:</b>				
Shares sold	133,009	\$3,336,207	216,492	\$4,871,971
Shares issued in reinvestment of distributions	23,683	570,050	18,459	395,576
Shares redeemed	(338,196)	(8,683,081)	(354,173)	(7,880,582)
Net increase (decrease)	(181,504)	\$(4,776,824)	(119,222)	\$(2,613,035)
<b>Class R6 Shares:</b>				
Shares sold	823,791	\$20,984,514	525,898	\$12,032,432
Shares issued in reinvestment of distributions	132,565	3,245,182	108,785	2,361,726
Shares redeemed	(2,546,359)	(61,171,192)	(2,059,895)	(45,902,630)
Net increase (decrease)	(1,590,003)	\$(36,941,496)	(1,425,212)	\$(31,508,472)
<b>Advisor Class Shares:</b>				
Shares sold	1,288,522	\$33,351,015	1,110,827	\$25,086,506
Shares issued in reinvestment of distributions	84,160	2,063,612	68,096	1,481,094
Shares redeemed	(1,409,886)	(36,463,123)	(1,999,162)	(44,564,016)
Net increase (decrease)	(37,204)	\$(1,048,496)	(820,239)	\$(17,996,416)

<sup>a</sup>May include a portion of Class C shares that were automatically converted to Class A.

## 3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Trust are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Templeton Global Advisors Limited (Global Advisors)	Investment manager
Templeton Asset Management Ltd (Asset Management)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

### 3. Transactions with Affiliates (continued)

#### a. Management Fees

The Fund pays an investment management fee, calculated daily and paid monthly, to Global Advisors based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.780%	Up to and including \$200 million
0.765%	Over \$200 million, up to and including \$700 million
0.730%	Over \$700 million, up to and including \$1 billion
0.715%	Over \$1 billion, up to and including \$1.2 billion
0.690%	Over \$1.2 billion, up to and including \$5 billion
0.675%	Over \$5 billion, up to and including \$10 billion
0.655%	Over \$10 billion, up to and including \$15 billion
0.635%	Over \$15 billion, up to and including \$20 billion
0.615%	Over \$20 billion, up to and including \$25 billion
0.605%	Over \$25 billion, up to and including \$30 billion
0.595%	Over \$30 billion, up to and including \$35 billion
0.585%	Over \$35 billion, up to and including \$40 billion
0.575%	Over \$40 billion, up to and including \$45 billion
0.565%	In excess of \$45 billion

For the year ended August 31, 2024, the gross effective investment management fee rate was 0.692% of the Fund's average daily net assets.

Effective March 31, 2024, under a subadvisory agreement, Asset Management, an affiliate of Global Advisors, provides subadvisory services to the Fund. The subadvisory fee is paid by Global Advisors based on the Fund's average daily net assets, and is not an additional expense of the Fund.

#### b. Administrative Fees

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

#### 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 Fund's Class A reimbursement distribution plan, the Fund reimburses Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to the maximum annual plan rate. Under the Class A reimbursement distribution plan, costs exceeding the maximum for the current plan year cannot be reimbursed in subsequent periods. In addition, under the Fund's Class C and R compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the 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.

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

### 3. Transactions with Affiliates (continued)

#### c. Distribution Fees (continued)

Class A. ....	0.25%
Class C. ....	1.00%
Class R. ....	0.50%

#### d. Sales Charges/Underwriting Agreements

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Fund. 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 Fund of the following commission transactions related to the sales and redemptions of the Fund's shares for the year:

Sales charges retained net of commissions paid to unaffiliated brokers/dealers .....	\$158,472
CDSC retained .....	\$2,454

#### e. Transfer Agent Fees

Each class of shares pays transfer agent fees, calculated monthly and paid monthly, to Investor Services for its performance of shareholder servicing obligations. Effective October 1, 2023, the fees are based on a fixed margin earned by Investor Services and are allocated to the Fund based upon relative assets and relative transactions. Prior to October 1, 2023, the fees were based on an annualized asset based fee of 0.016% plus a transaction based fee. In addition, each class reimburses Investor Services for out of pocket expenses incurred and, except for Class R6, reimburses shareholder servicing fees paid to third parties. These fees paid to third parties are accrued and allocated daily based upon their relative proportion of such classes' aggregate net assets. Class R6 pays Investor Services transfer agent fees allocated specifically to that class based upon its relative assets and relative transactions.

For the year ended August 31, 2024, the Fund paid transfer agent fees as noted in the Statement of Operations, of which \$2,249,522 was retained by Investor Services.

#### f. Waiver and Expense Reimbursements

Transfer agent fees on Class R6 shares of the Fund have been capped so that transfer agent fees for that class do not exceed 0.03% based on the average net assets of the class until December 31, 2024.

#### g. Interfund Transactions

The Fund engaged in purchases and sales of investments with funds or other accounts that have common investment managers (or affiliated investment managers), directors, trustees or officers. During the year ended August 31, 2024, these purchase and sale transactions aggregated \$– and \$5,146,500, respectively, with net realized gains of \$1,553,222.

### 4. Income Taxes

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

At August 31, 2024, the capital loss carryforwards were as follows:

Capital loss carryforwards not subject to expiration:

Short term .....	\$98,065,189
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During the year ended August 31, 2024, the Fund utilized \$82,882,746 of capital loss carryforwards.



#### 4. Income Taxes (continued)

The tax character of distributions paid during the years ended August 31, 2024 and 2023, was as follows:

	2024	2023
Distributions paid from:		
Ordinary income . . . . .	\$96,880,561	\$69,824,330

At August 31, 2024, the cost of investments, net unrealized appreciation (depreciation) and undistributed ordinary income for income tax purposes were as follows:

Cost of investments . . . . .	\$6,715,099,202
Unrealized appreciation. . . . .	\$2,322,393,039
Unrealized depreciation. . . . .	(140,397,625)
Net unrealized appreciation (depreciation). . . . .	\$2,181,995,414
Distributable earnings:	
Undistributed ordinary income. . . . .	\$75,365,318

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of wash sales and corporate actions.

The Fund utilized a tax accounting practice to treat a portion of the proceeds from capital shares redeemed as a distribution from net investment income.

#### 5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended August 31, 2024, aggregated \$3,512,218,871 and \$3,896,601,902, respectively.

#### 6. Concentration of Risk

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local, regional and global economic, political and social conditions, which may result in greater market volatility. Political and financial uncertainty in many foreign regions may increase market volatility and the economic risk of investing in foreign securities. In addition, certain foreign securities may not be as liquid as U.S. securities.

#### 7. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling \$2.675 billion (Global Credit Facility) which matures on January 31, 2025. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers,

## 7. Credit Facility (continued)

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 Statement of Operations. During the year ended August 31, 2024, the Fund did not use the Global Credit Facility.

## 8. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's 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 Fund's 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 August 31, 2024, in valuing the Fund's assets carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
<b>Templeton Growth Fund, Inc.</b>				
<b>Assets:</b>				
Investments in Securities:				
Common Stocks:				
Canada . . . . .	\$103,232,680	\$—	\$—	\$103,232,680
Denmark . . . . .	—	90,311,151	—	90,311,151
France . . . . .	—	566,278,211	—	566,278,211
Germany . . . . .	—	289,324,656	—	289,324,656
India . . . . .	—	177,375,289	—	177,375,289
Japan . . . . .	—	384,366,341	—	384,366,341
South Korea . . . . .	—	233,333,552	—	233,333,552
Switzerland . . . . .	—	68,552,767	—	68,552,767
Taiwan . . . . .	270,111,744	—	—	270,111,744
United Kingdom . . . . .	—	1,347,227,261	—	1,347,227,261
United States . . . . .	4,765,849,321	407,831,643	—	5,173,680,964
Escrows and Litigation Trusts . . . . .	—	—	— <sup>a</sup>	—
Short Term Investments . . . . .	—	193,300,000	—	193,300,000
Total Investments in Securities . . . . .	\$5,139,193,745	\$3,757,900,871 <sup>b</sup>	\$—	\$8,897,094,616

<sup>a</sup>Includes financial instruments determined to have no value.

<sup>b</sup>Includes foreign securities valued at \$3,564,600,871, 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.

## 9. Subsequent Events

The Fund has 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
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## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Templeton Growth Fund, Inc.

### ***Opinion on the Financial Statements***

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Templeton Growth Fund, Inc. (the "Fund") as of August 31, 2024, the related statement of operations for the year ended August 31, 2024, the statements of changes in net assets for each of the two years in the period ended August 31, 2024, including the related notes, and the financial highlights for each of the five years in the period ended August 31, 2024 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of August 31, 2024, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended August 31, 2024 and the financial highlights for each of the five years in the period ended August 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's 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 Fund 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 August 31, 2024 by correspondence with the custodians and brokers; when replies were not received from the custodian and brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

San Francisco, California  
October 22, 2024

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

## Tax Information (unaudited)

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to [www.franklintempleton.com](http://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 Fund is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Fund hereby reports the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended August 31, 2024:

	<b>Pursuant to:</b>	<b>Amount Reported</b>
Income Eligible for Dividends Received Deduction (DRD)	§854(b)(1)(A)	\$48,178,073
Qualified Dividend Income Earned (QDI)	§854(b)(1)(B)	\$144,218,443
Section 163(j) Interest Earned	§163(j)	\$10,656,847

Under Section 853 of the Internal Revenue Code, the Fund intends to elect to pass through to its shareholders the following amounts, or amounts as finally determined, of foreign taxes paid and foreign source income earned by the Fund during the fiscal year ended August 31, 2024:

	<b>Amount Reported</b>
Foreign Taxes Paid	\$5,113,779
Foreign Source Income Earned	\$48,639,162

## **Changes In and Disagreements with Accountants**

For the period covered by this report

Not applicable.

## **Results of Meeting(s) of Shareholders**

For the period covered by this report

Not applicable.

## **Remuneration Paid to Directors, Officers and Others**

For the period covered by this report

Refer to the financial statements included herein.

## **Board Approval of Management and Subadvisory Agreements**

For the period covered by this report

### **TEMPLETON GROWTH FUND, INC.** (Fund)

At an in-person meeting held on May 22, 2024 (Meeting), the Board of Directors (Board) of the Fund, including a majority of the directors who are not “interested persons” as defined in the Investment Company Act of 1940 (Independent Directors), reviewed and approved the continuance of the investment management agreement between Templeton Global Advisors Limited (Manager) and the Fund (Management Agreement) for an additional one-year period. The Independent Directors received advice from and met separately with Independent Director counsel in considering whether to approve the continuation of the Management Agreement.

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to the Manager by Independent Director counsel on behalf of the Independent Directors in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Directors held a virtual contract renewal meeting at which the Independent Directors first conferred amongst themselves and Independent Director counsel about contract renewal matters, and then met with management to request additional information that the Independent Directors reviewed and considered prior to and at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by the Manager; (ii) the investment performance of the Fund; (iii) the costs of the services provided and profits realized by the Manager and its affiliates from the relationship with the Fund; (iv) the extent to which economies of scale are realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of the Management Agreement, the Board, including a majority of the Independent Directors, determined, through the exercise of its business judgment, that the terms of the Management Agreement are fair and reasonable and that the continuance of the Management Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board’s determination.

## Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by the Manager and its affiliates to the Fund and its shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of the Manager, as well as information on succession planning where appropriate; the structure of investment personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for the Fund; reports on expenses and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager and its affiliates; and management fees charged by the Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board also reviewed and considered an annual report on payments made by Franklin Templeton (FT) or the Fund to financial intermediaries, as well as a memorandum relating to third-party servicing arrangements. The Board acknowledged the ongoing integration of the Putnam family of funds into the FT family of funds and management's continued development of strategies to address areas of heightened concern in the mutual fund industry, including various regulatory initiatives and continuing geopolitical concerns.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of Franklin Resources, Inc. (FRI), the Manager's parent, and its commitment to the mutual fund business as evidenced by its continued reassessment of the fund offerings in response to FT acquisitions and the market environment, as well as project initiatives and capital investments relating to the services provided to the Fund by the FT organization. The Board specifically noted FT's commitment to technological innovation and advancement, including its initiative to create a new enterprise-wide artificial intelligence platform.

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

## Fund Performance

The Board reviewed and considered the performance results of the Fund over various time periods ended December 31, 2023. The Board considered the performance returns for the Fund in comparison to the performance returns of mutual funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the mutual funds included in a Performance Universe. The Board also reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. A summary of the Fund's performance results is below.

The Performance Universe for the Fund included the Fund and all retail and institutional global multi-cap value funds. The Board noted that the Fund's annualized total return for the one-year period was above the median of its Performance Universe, but for the three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed this performance with management and management explained that, even though the Fund's peer group is comprised of multi-cap value funds, some funds within the Performance Universe are more skewed toward the growth style, which negatively impacted the Fund's relative returns during periods of outperformance of growth investing strategies over value investing strategies. Management further explained that the Fund had an underweight position to domestic securities during the one-, three- and five-year periods compared to its Performance Universe peers, which detracted from the Fund's relative performance as domestic securities have outperformed non-US securities in recent years. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including the implementation of enhancements arising out of a review of the business and investment process. The Board noted that the Fund's annualized total return for the one-year period was in the first quintile (best) of its Performance Universe and 20.98%. The Board concluded that the Fund's performance was acceptable.

## Comparative Fees and Expenses

The Board reviewed and considered information regarding the Fund's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; underlying fund expenses; Rule 12b-1 and non-Rule 12b-1 service fees; and other non-management fees. The Board also noted the quarterly and annual reports it receives on all marketing support payments made by FT to financial intermediaries. The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate) of the Fund in comparison to the median expense ratio and median Management Rate, respectively, of other mutual funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from each fund's most recent annual or semi-annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges, and the actual total expense ratio, for comparative consistency, was shown for Class A shares for the Fund and for each other fund in the Expense Group. The Board received a description of the methodology used by Broadridge to select the mutual funds included in the Expense Group.

The Expense Group for the Fund included the Fund, five other global multi-cap value funds, four global multi-cap core funds and two global multi-cap growth funds. The Board noted that the Management Rate for the Fund was approximately five basis points above the median of its Expense Group. The Board also noted that the actual total expense ratio for the Fund was below the median and in the second quintile of its Expense Group. The Board concluded that the Management Rate charged to the Fund is reasonable.

## Profitability

The Board reviewed and considered information regarding the profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board considered the Fund profitability analysis that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual funds during the 12-month period ended September 30, 2023, being the most recent fiscal year-end for FRI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Fund's profitability report presentations from prior years. The Board also noted that an independent registered public accounting firm has been engaged to periodically review and assess the allocation methodologies to be used solely by the Fund's Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures by the Manager but, over the long run is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Fund, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations, including revenues generated from transfer agent services, potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund.

### **Economies of Scale**

The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale, the Board noted the existence of management fee breakpoints, which operate generally to share any economies of scale with the Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered the Manager's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments the Manager incurs across the FT family of funds as a whole. The Board concluded that to the extent economies of scale may be realized by the Manager and its affiliates, the Fund's management fee structure provided a sharing of benefits with the Fund and its shareholders as the Fund grows.

### **Conclusion**

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of the Management Agreement for an additional one-year period.

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