

SEMIANNUAL REPORT AND SHAREHOLDER LETTER

# FRANKLIN RISING DIVIDENDS FUND

A Series of Franklin Managed Trust

March 31, 2023



FRANKLIN  
TEMPLETON



# SHAREHOLDER LETTER

Dear Shareholder:

U.S. equities, as measured by the Standard & Poor's® 500 Index (S&P 500®), posted positive total returns for the six months ended March 31, 2023.<sup>1</sup> Despite continued challenges from elevated inflation, higher interest rates and several well-publicized failures in the banking sector in March 2023, stocks, led by the technology sector, gained amid signs of resilience in the U.S. economy.

U.S. gross domestic product grew in 2022's fourth quarter as increased consumer and government spending, higher inventories and strong non-residential fixed investment boosted the economy. Although consumer spending continued to rise, deteriorating financial conditions kept consumer sentiment at historically low levels. Meanwhile, inflation, which remained heightened relative to recent decades, showed signs of easing but its path remains uncertain. The annual inflation rate, as measured by the consumer price index, declined to 6% in February 2023, the lowest rate since September 2021, as energy costs declined sharply.

The U.S. unemployment rate remained at historic low levels during the period, briefly hitting a 54-year low of 3.4% in January 2023 and ended the period at 3.5%. Wage growth eased toward the end of the period, raising market expectations that the U.S. Federal Reserve (Fed) would slow its rate of increasing interest rates. Rising interest rates will translate to higher borrowing costs for individuals and businesses and likely discourage some economic activity. Even as the Fed moved interest rates higher, however, mortgage rates moved lower toward the end of the period after signs of stress in the banking system became evident.

In an effort to control inflation, the Fed raised the federal funds target rate four times during the period to end at a range of 4.75%–5.00%. The Fed stepped down the pace of its interest-rate hikes from 75 basis points (bps) at its November 2022 meeting to 50 bps in December, followed by 25 bps increases in February and March 2023. At its March 2023 meeting, the Fed said it would continue to reduce bond holdings, but it departed from previous statements by softening its firm outlook on future rate hikes. Additionally, Fed Chair Jerome Powell said the central bank most likely would not cut rates in 2023.

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1. Source: Morningstar.  
The index is unmanaged and includes reinvestment of any income or distributions.  
See [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com) for additional data provider information.

While uneven economic conditions are a concern for many investors, we remain committed to our long-term perspective and disciplined investment approach as we conduct rigorous, fundamental analysis of securities that balances long-term opportunities and risk management. We continue to focus on what we consider high-quality, resilient business models with attractive cash flow generation capabilities that we believe can perform well through a business cycle.

The enclosed annual report for Franklin Rising Dividends Fund includes more detail about prevailing conditions during the period and a discussion about investment decisions. We encourage you to discuss your investment goals with your financial professional, who can review your overall portfolio, reassess your goals and help you stay focused on the long-term. Please remember all securities markets fluctuate, as do mutual fund prices.

We are grateful for the trust you have placed in Franklin Rising Dividends Fund and look forward to continuing to serve your investment needs.

Sincerely,



Nicholas P. B. Getaz, CFA  
Senior Vice President  
Portfolio Manager  
Franklin Managed Trust



Matthew D. Quinlan  
Senior Vice President  
Portfolio Manager  
Franklin Managed Trust

Not FDIC Insured | May Lose Value | No Bank Guarantee

*This letter reflects our analysis and opinions as of March 31, 2023, unless otherwise indicated. The information is not a complete analysis of every aspect of any market, country, industry, security or fund. Statements of fact are from sources considered reliable.*

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

# SEMIANNUAL REPORT

## Franklin Rising Dividends Fund

This semiannual report for Franklin Rising Dividends Fund covers the period ended March 31, 2023.

### Your Fund's Goal and Main Investments

The Fund seeks long-term capital appreciation. Preservation of capital, while not a goal, is also an important consideration. Under normal market conditions, the Fund invests at least 80% of its net assets in companies that have paid consistently rising dividends. The Fund invests predominantly in equity securities, primarily common stock. Companies that have paid consistently rising dividends include those companies that currently pay dividends on their common stocks and have maintained or increased their dividend rate during the last four consecutive years. The Fund may invest in companies of any size, across the entire market spectrum, and may invest up to 25% of its total assets in foreign securities.

### Performance Overview

For the six months under review, the Fund's Class A shares posted a +17.16% cumulative total return. In comparison, the Fund's benchmark, the Standard & Poor's 500 Index (S&P 500®), which is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance, posted a +15.62% cumulative total return.<sup>1</sup> You can find more of the Fund's performance data in the Performance Summary beginning on page 7.

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

### Economic and Market Overview

U.S. equities, as measured by the Standard & Poor's® 500 Index (S&P 500®), posted a +15.62% total return for the six months ended March 31, 2023.<sup>1</sup> Despite continued challenges from elevated inflation, higher interest rates and the failure of three U.S. banks in March 2023, stocks, led

by the information technology sector, gained amid signs of resilience in the U.S. economy.

### Portfolio Composition

3/31/23

	% of Total Net Assets
Software	12.6%
Health Care Equipment & Supplies	9.3%
Chemicals	9.1%
Semiconductors & Semiconductor Equipment	5.9%
Aerospace & Defense	4.1%
Specialty Retail	3.5%
Consumer Staples Distribution & Retail	3.5%
Oil, Gas & Consumable Fuels	3.3%
Health Care Providers & Services	3.1%
Household Products	2.8%
Hotels, Restaurants & Leisure	2.6%
IT Services	2.6%
Financial Services	2.5%
Food Products	2.5%
Other*	28.8%
Short-Term Investments & Other Net Assets	3.8%

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

U.S. gross domestic product grew in 2022's fourth quarter as increased consumer and government spending, higher inventories and strong nonresidential fixed investment boosted the economy. Although consumer spending continued to rise, deteriorating financial conditions kept consumer sentiment at historically low levels. Meanwhile, inflation, which remained heightened relative to recent decades, showed signs of easing. The annual inflation rate, as measured by the consumer price index, declined to 6% in February 2023, the lowest rate since September 2021, as energy costs declined sharply.

The U.S. unemployment rate remained at historic low levels during the period, briefly hitting a 54-year low of 3.4% in January 2023 and ended the period at 3.5%. Wage growth eased toward the end of the period, raising market expectations that the U.S. Federal Reserve (Fed) would

1. Source: Morningstar.

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

See [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com) for additional data provider information.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI). The SOI begins on page 15.

slow its rate of increasing interest rates. Rising interest rates translated to higher borrowing costs for individuals and businesses, which discouraged some economic activity. Despite interest-rate increases, bank failures contributed to lower mortgage rates toward the end of the period.

In an effort to control inflation, the Fed raised the federal funds target rate four times during the period to end at a range of 4.75%–5.00%. The Fed stepped down the pace of its interest-rate hikes from 75 basis points (bps) at its November 2022 meeting to 50 bps in December, followed by 25 bps increases in February and March 2023. At its March 2023 meeting, the Fed said it would continue to reduce bond holdings, but it departed from previous statements by softening its firm outlook on future rate hikes. Additionally, Fed Chair Jerome Powell said the central bank most likely would not cut rates in 2023.

## Investment Strategy

We base our investment strategy on our belief that companies with consistently rising dividends should, over time, also experience stock price appreciation. We select portfolio securities based on several criteria. To be eligible for purchase, stocks generally will pass certain screening criteria, such as consistent and substantial dividend increases, reinvested earnings, and long-term debt that is no more than 50% of total capitalization or senior debt that has been rated investment grade by at least one of the major bond rating organizations. We seek fundamentally sound companies that meet our standards and attempt to acquire them at what we believe are attractive prices.

## Manager's Discussion

Over the six-month period through March 31, 2023, all sectors contributed to performance on an absolute basis, led by information technology, industrials and health care. All sectors posted double-digit gains for the period. Energy and financials made the weakest contributions.

Among the individual contributors, shares of enterprise software company Microsoft rallied as investors focused on companies poised to benefit from the rise of artificial intelligence (AI), which requires an enormous amount of data to be stored and processed. In early 2023, Microsoft announced plans to step up its investment in OpenAI (not a Fund holding), the owner of the ChatGPT chat bot, and then released a version of its internet search engine featuring the technology. Microsoft and other large technology and internet stocks outperformed broader markets in March amid turmoil in the banking industry. Investors sought the companies' durable revenue streams and market leadership

as recessionary fears increased. Microsoft's growth slowed in the fourth quarter of 2022, and the company warned of a potential slowdown for its cloud and business software businesses. It also announced significant layoffs. We continue to believe the trends of helping business customers move to the cloud and providing workers with productivity tools should support attractive growth over the medium to longer term.

## Top 10 Holdings

3/31/23

Company Industry	% of Total Net Assets
Microsoft Corp. Software	8.9%
Roper Technologies, Inc. Software	3.7%
Stryker Corp. Health Care Equipment & Supplies	3.7%
Linde plc Chemicals	3.6%
Analog Devices, Inc. Semiconductors & Semiconductor Equipment	3.1%
Texas Instruments, Inc. Semiconductors & Semiconductor Equipment	2.8%
UnitedHealth Group, Inc. Health Care Providers & Services	2.7%
Raytheon Technologies Corp. Aerospace & Defense	2.7%
Air Products and Chemicals, Inc. Chemicals	2.6%
Accenture plc IT Services	2.6%

Medical technology firm Stryker benefited from solid financial performance that exceeded expectations, supported by the strength of its signature Mako robotic-arm assisted surgery platform as well as growth in its emergency care and acute care businesses. The company's guidance was also strong, citing expectations for a continuing recovery in procedure volumes, especially for highly profitable orthopedic implants and robotics-assisted surgeries. We believe the company has an attractive growth profile and reasonable valuation, and we believe Stryker likely stands to benefit from an increase in elective surgeries in 2023.

Chipmaker Analog Devices also bolstered absolute performance. The company announced upbeat results that surpassed market expectations, citing strong demand from industrial and automotive customers. Data center demand has remained resilient despite moderating spending plans at the cloud titans, and order patterns have shown signs of improvement. In our view, Analog Devices is poised to continue to benefit from secular tailwinds in factory automation and the electrification of the automotive industry.

In contrast, engineered products manufacturer Carlisle Companies weighed on absolute returns. Some analysts downgraded the company after it lowered its 2023 guidance in the wake of several quarters of impressive growth, which drove record annual sales and strong earnings growth in 2022. We appreciate Carlisle's recent share repurchase program and strong dividends. We believe Carlisle's market leadership will likely help it generate strong free cash flow in a variety of macroeconomic environments, and that the company could benefit from the Inflation Reduction Act of 2022, which incentivizes investments in energy efficiency.

Shares of lithium producer Albemarle declined for the period, retreating from an all-time high in November 2022. High demand and prices for lithium, a key raw material for electric vehicle (EV) batteries, had supported a long rally, but lithium prices declined across the first quarter of 2023, due in part to slowing demand for EVs, especially in China, where the government has phased out some incentives. Nonetheless, Albemarle's quarterly results exceeded expectations, and management expressed confidence in China's EV market, forecasting strong growth for 2023. The Inflation Reduction Act also offers potential benefits for Albemarle, which received a sizable grant from the U.S. government last fall as part of the effort to support the development of a domestic EV supply chain.

Managed care and insurance company UnitedHealth Group was another notable absolute detractor. Although the company reported solid quarterly and yearly earnings, surpassing analysts' estimates, investor concerns over a possible lowering of insurance premiums in 2023 may have contributed to the stock's weak performance. In February, the Centers for Medicare and Medicaid proposed new Medicare Advantage rate increases that were lower than expected. UnitedHealth's acquisition of United Kingdom-based health care technology firm EMIS Group (not a Fund holding) also encountered regulatory pushback during the first quarter of 2023, with the U.K. Competition and Markets Authority rejecting a proposal from the companies at the end of March.

Thank you for your participation in Franklin Rising Dividends Fund. We look forward to continuing to serve your investment needs.

Nicholas P. B. Getaz, CFA  
Co-Lead Portfolio Manager

Matthew D. Quinlan  
Co-Lead Portfolio Manager

Amritha Kasturirangan, CFA  
Nayan Sheth, CFA

Portfolio Management Team

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*The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2023, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.*



## Performance Summary as of March 31, 2023

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

### Performance as of 3/31/23<sup>1</sup>

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

Share Class	Cumulative Total Return <sup>2</sup>	Average Annual Total Return <sup>3</sup>
<b>A<sup>4</sup></b>		
6-Month	+17.16%	+10.72%
1-Year	-1.57%	-6.98%
5-Year	+72.33%	+10.24%
10-Year	+184.23%	+10.38%
<b>Advisor</b>		
6-Month	+17.30%	+17.30%
1-Year	-1.33%	-1.33%
5-Year	+74.49%	+11.78%
10-Year	+191.45%	+11.29%

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

See page 8 for Performance Summary footnotes.

## Distributions (10/1/22–3/31/23)

Share Class	Net Investment Income	Long-Term Capital Gain	Total
A	\$0.3622	\$3.3352	\$3.6974
C	\$0.0488	\$3.3352	\$3.3840
R	\$0.2596	\$3.3352	\$3.5948
R6	\$0.5012	\$3.3352	\$3.8364
Advisor	\$0.4665	\$3.3352	\$3.8017

## Total Annual Operating Expenses<sup>5</sup>

Share Class	
A	0.84%
Advisor	0.59%

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

All investments involve risks, including possible loss of principal. Value securities may not increase in price as anticipated or may decline further in value. For stocks paying dividends, dividends are not guaranteed, and can increase, decrease or be totally eliminated without notice. While smaller and midsize companies may offer substantial opportunities for capital growth, they also involve heightened risks and should be considered speculative. Historically, smaller and midsize-company securities have been more volatile in price than larger company securities, especially over the short term. Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance. The Fund's prospectus also includes a description of the main investment risks.

1. The total annual operating expenses are sourced from the Fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns.
2. Cumulative total return represents the change in value of an investment over the periods indicated.
3. Average annual total return represents the average annual change in value of an investment over the periods indicated. Return for less than one year, if any, has not been annualized.
4. Prior to 9/10/18, these shares were offered at a higher initial sales charge of 5.75%, thus actual returns (with sales charges) would have differed. Average annual total returns (with sales charges) have been restated to reflect the current maximum initial sales charge of 5.50%.
5. Figures are as stated in the Fund's current prospectus and may differ from the expense ratios disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown. See [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com) for additional data provider information.

## Your Fund's Expenses

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

### Actual Fund Expenses

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

### Hypothetical Example for Comparison with Other Funds

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

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

Share Class	Beginning Account Value 10/1/22	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Net Annualized Expense Ratio <sup>2</sup>
		Ending Account Value 3/31/23	Expenses Paid During Period 10/1/22–3/31/23 <sup>1,2</sup>	Ending Account Value 3/31/23	Expenses Paid During Period 10/1/22–3/31/23 <sup>1,2</sup>	
A	\$1,000	\$1,171.60	\$4.54	\$1,020.75	\$4.23	0.84%
C	\$1,000	\$1,167.30	\$8.58	\$1,017.01	\$7.99	1.59%
R	\$1,000	\$1,170.10	\$5.89	\$1,019.50	\$5.48	1.09%
R6	\$1,000	\$1,173.50	\$2.79	\$1,022.37	\$2.59	0.51%
Advisor	\$1,000	\$1,173.00	\$3.19	\$1,022.00	\$2.97	0.59%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 182/365 to reflect the one-half year period.

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

## Financial Highlights

### Franklin Rising Dividends Fund

	Six Months Ended March 31, 2023 (unaudited)	Year Ended September 30,				
		2022	2021	2020	2019	2018
<b>Class A</b>						
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$76.32	\$90.55	\$72.25	\$67.81	\$66.02	\$58.98
Income from investment operations <sup>a</sup> :						
Net investment income <sup>b</sup> . . . . .	0.46	0.76	0.63	0.69	0.73	0.70
Net realized and unrealized gains (losses)	12.51	(10.61)	18.30	5.84	3.97	8.40
Total from investment operations . . . . .	12.97	(9.85)	18.93	6.53	4.70	9.10
Less distributions from:						
Net investment income . . . . .	(0.36)	(0.64)	(0.63)	(0.71)	(0.75)	(0.66)
Net realized gains . . . . .	(3.34)	(3.74)	—	(1.38)	(2.16)	(1.40)
Total distributions . . . . .	(3.70)	(4.38)	(0.63)	(2.09)	(2.91)	(2.06)
Net asset value, end of period . . . . .	\$85.59	\$76.32	\$90.55	\$72.25	\$67.81	\$66.02
Total return <sup>c</sup> . . . . .	17.16%	(11.63)%	26.31%	9.97%	7.55%	15.77%
<b>Ratios to average net assets<sup>d</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	0.85%	0.84%	0.85%	0.86%	0.87%	0.87%
Expenses net of waiver and payments by affiliates <sup>e</sup> . . . . .	0.84%	0.84% <sup>f</sup>	0.85% <sup>f</sup>	0.86% <sup>f</sup>	0.87% <sup>f</sup>	0.87% <sup>f</sup>
Net investment income . . . . .	1.12%	0.86%	0.74%	1.02%	1.16%	1.14%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$17,569,105	\$15,339,642	\$17,819,162	\$14,152,903	\$13,214,451	\$12,295,189
Portfolio turnover rate . . . . .	0.64%	3.02% <sup>g</sup>	5.04%	9.11%	2.65%	1.63%

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

<sup>d</sup>Ratios are annualized for periods less than one year.

<sup>e</sup>Benefit of expense reduction rounds to less than 0.01%.

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

<sup>g</sup>Excludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

## Franklin Rising Dividends Fund (continued)

	Six Months Ended March 31, 2023 (unaudited)	Year Ended September 30,				
		2022	2021	2020	2019	2018
<b>Class C</b>						
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$74.58	\$88.67	\$70.77	\$66.43	\$64.73	\$57.86
Income from investment operations <sup>a</sup> :						
Net investment income (loss) <sup>b</sup> . . . . .	0.15	0.09	(—) <sup>c</sup>	0.18	0.25	0.24
Net realized and unrealized gains (losses)	12.24	(10.38)	17.95	5.75	3.88	8.25
Total from investment operations . . . . .	12.39	(10.29)	17.95	5.93	4.13	8.49
Less distributions from:						
Net investment income . . . . .	(0.05)	(0.06)	(0.05)	(0.21)	(0.27)	(0.22)
Net realized gains . . . . .	(3.34)	(3.74)	—	(1.38)	(2.16)	(1.40)
Total distributions . . . . .	(3.39)	(3.80)	(0.05)	(1.59)	(2.43)	(1.62)
Net asset value, end of period . . . . .	\$83.58	\$74.58	\$88.67	\$70.77	\$66.43	\$64.73
Total return <sup>d</sup>	16.73%	(12.31)%	25.37%	9.13%	6.75%	14.92%
<b>Ratios to average net assets<sup>e</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	1.60%	1.59%	1.60%	1.61%	1.62%	1.62%
Expenses net of waiver and payments by affiliates <sup>f</sup> . . . . .	1.59%	1.59% <sup>g</sup>	1.60% <sup>g</sup>	1.61% <sup>g</sup>	1.62% <sup>g</sup>	1.62% <sup>g</sup>
Net investment income (loss) . . . . .	0.37%	0.10%	(—)% <sup>h</sup>	0.28%	0.41%	0.39%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$1,142,975	\$1,101,919	\$1,572,738	\$1,963,672	\$2,375,567	\$2,980,374
Portfolio turnover rate . . . . .	0.64%	3.02% <sup>i</sup>	5.04%	9.11%	2.65%	1.63%

<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>Amount rounds to less than \$0.01 per share.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>e</sup>Ratios are annualized for periods less than one year.

<sup>f</sup>Benefit of expense reduction rounds to less than 0.01%.

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

<sup>h</sup>Rounds to less than 0.01%.

<sup>i</sup>Excludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

**Franklin Rising Dividends Fund** (continued)

	Six Months Ended March 31, 2023 (unaudited)	Year Ended September 30,				
		2022	2021	2020	2019	2018
<b>Class R</b>						
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$76.02	\$90.21	\$71.98	\$67.56	\$65.78	\$58.76
Income from investment operations <sup>a</sup> :						
Net investment income <sup>b</sup> . . . . .	0.36	0.54	0.42	0.52	0.57	0.55
Net realized and unrealized gains (losses)	12.46	(10.59)	18.24	5.82	3.96	8.37
Total from investment operations . . . . .	12.82	(10.05)	18.66	6.34	4.53	8.92
Less distributions from:						
Net investment income . . . . .	(0.26)	(0.40)	(0.43)	(0.54)	(0.59)	(0.50)
Net realized gains . . . . .	(3.34)	(3.74)	—	(1.38)	(2.16)	(1.40)
Total distributions . . . . .	(3.60)	(4.14)	(0.43)	(1.92)	(2.75)	(1.90)
Net asset value, end of period . . . . .	\$85.24	\$76.02	\$90.21	\$71.98	\$67.56	\$65.78
Total return <sup>c</sup> . . . . .	17.01%	(11.87)%	26.00%	9.67%	7.28%	15.50%
<b>Ratios to average net assets<sup>d</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	1.10%	1.09%	1.10%	1.11%	1.12%	1.12%
Expenses net of waiver and payments by affiliates <sup>e</sup> . . . . .	1.09%	1.09% <sup>f</sup>	1.10% <sup>f</sup>	1.11% <sup>f</sup>	1.12% <sup>f</sup>	1.12% <sup>f</sup>
Net investment income . . . . .	0.87%	0.61%	0.49%	0.78%	0.91%	0.89%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$177,031	\$159,396	\$192,325	\$176,413	\$194,827	\$203,792
Portfolio turnover rate . . . . .	0.64%	3.02% <sup>g</sup>	5.04%	9.11%	2.65%	1.63%

<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>Total return is not annualized for periods less than one year.

<sup>d</sup>Ratios are annualized for periods less than one year.

<sup>e</sup>Benefit of expense reduction rounds to less than 0.01%.

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

<sup>g</sup>Excludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

## Franklin Rising Dividends Fund (continued)

	Six Months Ended March 31, 2023 (unaudited)	Year Ended September 30,				
		2022	2021	2020	2019	2018
<b>Class R6</b>						
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$76.27	\$90.51	\$72.21	\$67.79	\$65.97	\$58.97
Income from investment operations <sup>a</sup> :						
Net investment income <sup>b</sup> . . . . .	0.60	1.05	0.90	0.90	0.94	0.83
Net realized and unrealized gains (losses)	12.49	(10.62)	18.29	5.83	3.98	8.47
Total from investment operations . . . . .	13.09	(9.57)	19.19	6.73	4.92	9.30
Less distributions from:						
Net investment income . . . . .	(0.50)	(0.93)	(0.89)	(0.93)	(0.94)	(0.90)
Net realized gains . . . . .	(3.34)	(3.74)	—	(1.38)	(2.16)	(1.40)
Total distributions . . . . .	(3.84)	(4.67)	(0.89)	(2.31)	(3.10)	(2.30)
Net asset value, end of period . . . . .	\$85.52	\$76.27	\$90.51	\$72.21	\$67.79	\$65.97
Total return <sup>c</sup> . . . . .	17.35%	(11.35)%	26.72%	10.33%	7.91%	16.18%
<b>Ratios to average net assets<sup>d</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	0.52%	0.52%	0.53%	0.53%	0.53%	0.53%
Expenses net of waiver and payments by affiliates <sup>e</sup> . . . . .	0.51%	0.52% <sup>f</sup>	0.53% <sup>f</sup>	0.53% <sup>f</sup>	0.53% <sup>f</sup>	0.53% <sup>f</sup>
Net investment income . . . . .	1.44%	1.19%	1.06%	1.35%	1.50%	1.48%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$2,857,880	\$2,331,423	\$2,510,987	\$2,187,987	\$1,852,106	\$1,743,486
Portfolio turnover rate . . . . .	0.64%	3.02% <sup>g</sup>	5.04%	9.11%	2.65%	1.63%

<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>Total return is not annualized for periods less than one year.

<sup>d</sup>Ratios are annualized for periods less than one year.

<sup>e</sup>Benefit of expense reduction rounds to less than 0.01%.

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

<sup>g</sup>Excludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).

**Franklin Rising Dividends Fund** (continued)

	Six Months Ended March 31, 2023 (unaudited)	Year Ended September 30,				
		2022	2021	2020	2019	2018
<b>Advisor Class</b>						
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$76.27	\$90.50	\$72.21	\$67.78	\$65.98	\$58.95
Income from investment operations <sup>a</sup> :						
Net investment income <sup>b</sup> . . . . .	0.57	0.98	0.84	0.85	0.89	0.90
Net realized and unrealized gains (losses) . . . . .	12.49	(10.61)	18.28	5.84	3.97	8.34
Total from investment operations . . . . .	13.06	(9.63)	19.12	6.69	4.86	9.24
Less distributions from:						
Net investment income . . . . .	(0.47)	(0.86)	(0.83)	(0.88)	(0.90)	(0.81)
Net realized gains . . . . .	(3.34)	(3.74)	—	(1.38)	(2.16)	(1.40)
Total distributions . . . . .	(3.81)	(4.60)	(0.83)	(2.26)	(3.06)	(2.21)
Net asset value, end of period . . . . .	\$85.52	\$76.27	\$90.50	\$72.21	\$67.78	\$65.98
Total return <sup>c</sup> . . . . .	17.30%	(11.41)%	26.62%	10.25%	7.82%	16.07%
<b>Ratios to average net assets<sup>d</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	0.60%	0.59%	0.60%	0.61%	0.62%	0.62%
Expenses net of waiver and payments by affiliates <sup>e</sup> . . . . .	0.59%	0.59% <sup>f</sup>	0.60% <sup>f</sup>	0.61% <sup>f</sup>	0.62% <sup>f</sup>	0.62% <sup>f</sup>
Net investment income . . . . .	1.37%	1.11%	0.99%	1.28%	1.41%	1.39%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$3,910,231	\$3,430,804	\$4,295,258	\$3,421,716	\$3,282,003	\$2,883,129
Portfolio turnover rate . . . . .	0.64%	3.02% <sup>g</sup>	5.04%	9.11%	2.65%	1.63%

<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>Total return is not annualized for periods less than one year.

<sup>d</sup>Ratios are annualized for periods less than one year.

<sup>e</sup>Benefit of expense reduction rounds to less than 0.01%.

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

<sup>g</sup>Excludes the value of portfolio activity as a result of in-kind transactions. See Note 3(h).



## Schedule of Investments (unaudited), March 31, 2023

## Franklin Rising Dividends Fund

	Shares	Value
<b>Common Stocks 96.2%</b>		
<b>Aerospace &amp; Defense 4.1%</b>		
General Dynamics Corp. . . . .	1,567,645	\$357,752,266
Raytheon Technologies Corp. . . . .	6,979,542	683,506,548
		<u>1,041,258,814</u>
<b>Air Freight &amp; Logistics 2.2%</b>		
United Parcel Service, Inc., B . . . . .	2,898,352	562,251,305
<b>Banks 1.3%</b>		
JPMorgan Chase & Co. . . . .	2,555,890	333,058,026
<b>Beverages 2.0%</b>		
PepsiCo, Inc. . . . .	2,783,083	507,356,031
<b>Biotechnology 1.6%</b>		
AbbVie, Inc. . . . .	2,602,832	414,813,336
<b>Building Products 2.4%</b>		
Carlisle Cos., Inc. . . . .	1,017,507	230,027,807
Johnson Controls International plc. . . . .	6,572,077	395,770,477
		<u>625,798,284</u>
<b>Capital Markets 1.2%</b>		
Nasdaq, Inc. . . . .	5,390,328	294,689,232
<b>Chemicals 9.1%</b>		
Air Products and Chemicals, Inc. . . . .	2,308,140	662,920,889
Albemarle Corp. . . . .	1,421,116	314,123,481
Ecolab, Inc. . . . .	1,830,297	302,969,062
Linde plc. . . . .	2,577,834	916,265,317
Sherwin-Williams Co. (The). . . . .	641,874	144,274,019
		<u>2,340,552,768</u>
<b>Commercial Services &amp; Supplies 1.7%</b>		
Cintas Corp. . . . .	930,523	430,534,382
<b>Consumer Staples Distribution &amp; Retail 3.5%</b>		
Target Corp. . . . .	3,048,414	504,908,811
Walmart, Inc. . . . .	2,576,607	379,920,702
		<u>884,829,513</u>
<b>Electrical Equipment 0.8%</b>		
nVent Electric plc . . . . .	4,935,265	211,920,279
<b>Financial Services 2.5%</b>		
Visa, Inc., A. . . . .	2,872,121	647,548,401
<b>Food Products 2.5%</b>		
McCormick & Co., Inc. . . . .	4,253,378	353,923,583
Mondelez International, Inc., A. . . . .	4,196,025	292,546,863
		<u>646,470,446</u>
<b>Ground Transportation 1.9%</b>		
JB Hunt Transport Services, Inc. . . . .	1,173,960	205,983,022
Norfolk Southern Corp. . . . .	1,362,167	288,779,404
		<u>494,762,426</u>
<b>Health Care Equipment &amp; Supplies 9.3%</b>		
Abbott Laboratories. . . . .	4,429,477	448,528,841
Becton Dickinson & Co. . . . .	2,391,800	592,066,172
Medtronic plc . . . . .	5,094,090	410,685,536

**Franklin Rising Dividends Fund** (continued)

	Shares	Value
<b>Common Stocks</b> (continued)		
<b>Health Care Equipment &amp; Supplies</b> (continued)		
Stryker Corp. . . . .	3,291,974	\$939,759,818
		<u>2,391,040,367</u>
<b>Health Care Providers &amp; Services</b> 3.1%		
CVS Health Corp. . . . .	1,300,095	96,610,059
UnitedHealth Group, Inc. . . . .	1,454,732	687,491,796
		<u>784,101,855</u>
<b>Hotels, Restaurants &amp; Leisure</b> 2.6%		
McDonald's Corp. . . . .	1,894,100	529,609,301
Starbucks Corp. . . . .	1,317,687	137,210,747
		<u>666,820,048</u>
<b>Household Products</b> 2.8%		
Colgate-Palmolive Co. . . . .	3,618,390	271,922,008
Procter & Gamble Co. (The) . . . . .	2,959,991	440,121,062
		<u>712,043,070</u>
<b>Industrial Conglomerates</b> 2.2%		
Honeywell International, Inc. . . . .	2,996,092	572,613,103
<b>Insurance</b> 0.8%		
Erie Indemnity Co., A. . . . .	931,078	215,693,530
<b>IT Services</b> 2.6%		
Accenture plc, A . . . . .	2,290,528	654,655,808
<b>Life Sciences Tools &amp; Services</b> 2.4%		
Danaher Corp. . . . .	386,655	97,452,526
West Pharmaceutical Services, Inc. . . . .	1,514,681	524,791,526
		<u>622,244,052</u>
<b>Machinery</b> 2.1%		
Donaldson Co., Inc. . . . .	2,464,317	161,018,473
Dover Corp. . . . .	2,493,610	378,879,103
		<u>539,897,576</u>
<b>Oil, Gas &amp; Consumable Fuels</b> 3.3%		
Chevron Corp. . . . .	2,201,898	359,261,678
EOG Resources, Inc. . . . .	2,066,712	236,907,196
Exxon Mobil Corp. . . . .	2,173,138	238,306,313
		<u>834,475,187</u>
<b>Pharmaceuticals</b> 2.5%		
Johnson & Johnson . . . . .	2,845,857	441,107,835
Pfizer, Inc. . . . .	4,880,104	199,108,243
		<u>640,216,078</u>
<b>Semiconductors &amp; Semiconductor Equipment</b> 5.9%		
Analog Devices, Inc. . . . .	4,050,400	798,819,888
Texas Instruments, Inc. . . . .	3,848,273	715,817,261
		<u>1,514,637,149</u>
<b>Software</b> 12.6%		
Microsoft Corp. . . . .	7,963,583	2,295,900,978
Roper Technologies, Inc. . . . .	2,144,747	945,168,555
		<u>3,241,069,533</u>
<b>Specialty Retail</b> 3.5%		
Lowe's Cos., Inc. . . . .	2,442,364	488,399,529

Franklin Rising Dividends Fund (continued)

	Shares	Value
<b>Common Stocks</b> (continued)		
<b>Specialty Retail</b> (continued)		
Ross Stores, Inc. ....	3,868,972	\$410,613,998
		<u>899,013,527</u>
<b>Technology Hardware, Storage &amp; Peripherals 0.3%</b>		
Apple, Inc. ....	430,708	71,023,749
<b>Textiles, Apparel &amp; Luxury Goods 1.9%</b>		
NIKE, Inc., B. ....	4,041,697	495,673,720
<b>Trading Companies &amp; Distributors 1.5%</b>		
WW Grainger, Inc.. ....	567,266	390,738,494
<b>Total Common Stocks (Cost \$9,836,002,076)</b> .....		<b>24,681,800,089</b>
<b>Short Term Investments 3.9%</b>		
<b>Money Market Funds 3.9%</b>		
<sup>a,b</sup> Institutional Fiduciary Trust - Money Market Portfolio, 4.371% .....	994,728,444	994,728,444
<b>Total Money Market Funds (Cost \$994,728,444)</b> .....		<b>994,728,444</b>
<b>Total Short Term Investments (Cost \$994,728,444)</b> .....		<b>994,728,444</b>
<b>Total Investments (Cost \$10,830,730,520) 100.1%</b> .....		<b>\$25,676,528,533</b>
<b>Other Assets, less Liabilities (0.1%)</b> .....		<b>(19,307,258)</b>
<b>Net Assets 100.0%</b> .....		<b>\$25,657,221,275</b>

<sup>a</sup> See Note 3(f) regarding investments in affiliated management investment companies.

<sup>b</sup> The rate shown is the annualized seven-day effective yield at period end.

## Statement of Assets and Liabilities

March 31, 2023 (unaudited)

	<b>Franklin Rising Dividends Fund</b>
<b>Assets:</b>	
Investments in securities:	
Cost - Unaffiliated issuers . . . . .	\$9,836,002,076
Cost - Non-controlled affiliates (Note 3f) . . . . .	994,728,444
Value - Unaffiliated issuers . . . . .	\$24,681,800,089
Value - Non-controlled affiliates (Note 3f) . . . . .	994,728,444
Receivables:	
Investment securities sold . . . . .	11,559,825
Capital shares sold . . . . .	12,812,953
Dividends . . . . .	19,271,056
Total assets . . . . .	<u>25,720,172,367</u>
<b>Liabilities:</b>	
Payables:	
Investment securities purchased . . . . .	26,112,801
Capital shares redeemed . . . . .	17,697,838
Management fees . . . . .	10,126,711
Distribution fees . . . . .	4,643,692
Transfer agent fees . . . . .	4,132,025
Trustees' fees and expenses . . . . .	296
Accrued expenses and other liabilities . . . . .	237,729
Total liabilities . . . . .	<u>62,951,092</u>
Net assets, at value . . . . .	<u>\$25,657,221,275</u>
<b>Net assets consist of:</b>	
Paid-in capital . . . . .	\$10,286,905,335
Total distributable earnings (losses) . . . . .	15,370,315,940
Net assets, at value . . . . .	<u>\$25,657,221,275</u>

Statement of Assets and Liabilities (continued)

March 31, 2023 (unaudited)

**Franklin Rising  
Dividends Fund**

<b>Class A:</b>	
Net assets, at value .....	\$17,569,104,562
Shares outstanding .....	205,272,602
Net asset value per share <sup>a</sup> .....	\$85.59
Maximum offering price per share (net asset value per share + 94.50%) .....	\$90.57
<b>Class C:</b>	
Net assets, at value .....	\$1,142,974,756
Shares outstanding .....	13,674,632
Net asset value and maximum offering price per share <sup>a</sup> .....	\$83.58
<b>Class R:</b>	
Net assets, at value .....	\$177,030,790
Shares outstanding .....	2,076,750
Net asset value and maximum offering price per share .....	\$85.24
<b>Class R6:</b>	
Net assets, at value .....	\$2,857,879,851
Shares outstanding .....	33,417,695
Net asset value and maximum offering price per share .....	\$85.52
<b>Advisor Class:</b>	
Net assets, at value .....	\$3,910,231,316
Shares outstanding .....	45,720,548
Net asset value and maximum offering price per share .....	\$85.52

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

## Statement of Operations

for the six months ended March 31, 2023 (unaudited)

	<b>Franklin Rising Dividends Fund</b>
Investment income:	
Dividends:	
Unaffiliated issuers . . . . .	\$229,390,184
Non-controlled affiliates (Note 3f) . . . . .	12,675,289
Total investment income . . . . .	<u>242,065,473</u>
Expenses:	
Management fees (Note 3a) . . . . .	60,806,348
Distribution fees: (Note 3c)	
Class A . . . . .	21,215,797
Class C . . . . .	5,807,350
Class R . . . . .	433,944
Transfer agent fees: (Note 3e)	
Class A . . . . .	8,078,218
Class C . . . . .	552,911
Class R . . . . .	82,621
Class R6 . . . . .	264,936
Advisor Class . . . . .	1,805,459
Custodian fees (Note 4) . . . . .	71,090
Reports to shareholders fees . . . . .	668,139
Registration and filing fees . . . . .	240,151
Professional fees . . . . .	80,786
Trustees' fees and expenses . . . . .	143,124
Other . . . . .	339,704
Total expenses . . . . .	<u>100,590,578</u>
Expense reductions (Note 4) . . . . .	(56)
Expenses waived/paid by affiliates (Note 3f) . . . . .	<u>(1,286,227)</u>
Net expenses . . . . .	99,304,295
Net investment income . . . . .	<u>142,761,178</u>
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments:	
Unaffiliated issuers . . . . .	533,100,885
Foreign currency transactions . . . . .	3,114
Net realized gain (loss) . . . . .	<u>533,103,999</u>
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers . . . . .	3,142,995,315
Net realized and unrealized gain (loss) . . . . .	<u>3,676,099,314</u>
Net increase (decrease) in net assets resulting from operations . . . . .	<u>\$3,818,860,492</u>

## Statements of Changes in Net Assets

	<b>Franklin Rising Dividends Fund</b>	
	<b>Six Months Ended March 31, 2023 (unaudited)</b>	<b>Year Ended September 30, 2022</b>
Increase (decrease) in net assets:		
Operations:		
Net investment income . . . . .	\$142,761,178	\$234,433,889
Net realized gain (loss) . . . . .	533,103,999	1,278,547,565
Net change in unrealized appreciation (depreciation) . . . . .	3,142,995,315	(4,474,200,147)
Net increase (decrease) in net assets resulting from operations . . . . .	3,818,860,492	(2,961,218,693)
Distributions to shareholders:		
Class A . . . . .	(740,406,769)	(862,415,074)
Class C . . . . .	(47,518,919)	(65,094,509)
Class R . . . . .	(7,451,862)	(8,722,290)
Class R6 . . . . .	(118,650,228)	(131,386,163)
Advisor Class . . . . .	(171,145,467)	(217,740,560)
Total distributions to shareholders . . . . .	(1,085,173,245)	(1,285,358,596)
Capital share transactions: (Note 2)		
Class A . . . . .	354,340,304	408,932,122
Class C . . . . .	(89,639,541)	(252,821,540)
Class R . . . . .	(1,752,316)	(2,944,288)
Class R6 . . . . .	236,000,024	251,182,110
Advisor Class . . . . .	61,401,362	(185,058,300)
Total capital share transactions . . . . .	560,349,833	219,290,104
Net increase (decrease) in net assets . . . . .	3,294,037,080	(4,027,287,185)
Net assets:		
Beginning of period . . . . .	22,363,184,195	26,390,471,380
End of period . . . . .	\$25,657,221,275	\$22,363,184,195

# Notes to Financial Statements (unaudited)

## Franklin Rising Dividends Fund

### 1. Organization and Significant Accounting Policies

Franklin Managed Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of one fund, Franklin Rising Dividends Fund (Fund). 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 Trustees (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 open-end mutual funds are valued at the closing NAV.

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.

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



**Franklin Rising Dividends Fund** (continued)**1. Organization and Significant Accounting Policies**  
(continued)**a. Financial Instrument Valuation** (continued)

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. 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 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.

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 March 31, 2023, 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.

**d. 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. Estimated expenses are accrued daily. 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

**Franklin Rising Dividends Fund** (continued)

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

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

reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

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.

**e. 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.

**f. Guarantees and Indemnifications**

Under the Fund's organizational documents, its officers and trustees 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 March 31, 2023, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Six Months Ended March 31, 2023		Year Ended September 30, 2022	
	Shares	Amount	Shares	Amount
<b>Class A Shares:</b>				
Shares sold <sup>a</sup> . . . . .	8,845,839	\$738,390,932	18,630,207	\$1,658,932,004
Shares issued in reinvestment of distributions . . . . .	8,604,419	714,382,512	9,150,147	831,628,185
Shares redeemed . . . . .	(13,175,200)	(1,098,433,140)	(23,562,915)	(2,081,628,067)
Net increase (decrease) . . . . .	4,275,058	\$354,340,304	4,217,439	\$408,932,122
<b>Class C Shares:</b>				
Shares sold . . . . .	824,844	\$67,369,310	2,021,931	\$178,618,796
Shares issued in reinvestment of distributions . . . . .	572,955	46,638,931	714,764	63,928,697
Shares redeemed <sup>a</sup> . . . . .	(2,497,240)	(203,647,782)	(5,699,803)	(495,369,033)
Net increase (decrease) . . . . .	(1,099,441)	\$(89,639,541)	(2,963,108)	\$(252,821,540)
<b>Class R Shares:</b>				
Shares sold . . . . .	153,550	\$12,723,630	343,033	\$30,389,816
Shares issued in reinvestment of distributions . . . . .	89,695	7,425,649	95,556	8,669,094
Shares redeemed . . . . .	(263,250)	(21,901,595)	(473,923)	(42,003,198)
Net increase (decrease) . . . . .	(20,005)	\$(1,752,316)	(35,334)	\$(2,944,288)

**Franklin Rising Dividends Fund** (continued)

**2. Shares of Beneficial Interest** (continued)

	Six Months Ended March 31, 2023		Year Ended September 30, 2022	
	Shares	Amount	Shares	Amount
<b>Class R6 Shares:</b>				
Shares sold . . . . .	4,447,989	\$370,272,958	6,811,029	\$601,129,144
Shares issued in reinvestment of distributions . . . . .	1,360,810	112,708,803	1,373,825	124,421,292
Shares redeemed . . . . .	(2,959,813)	(246,981,737)	(5,360,115)	(474,368,326)
Net increase (decrease) . . . . .	2,848,986	\$236,000,024	2,824,739	\$251,182,110
<b>Advisor Class Shares:</b>				
Shares sold . . . . .	3,820,111	\$319,088,174	7,949,421	\$696,808,743
Shares issued in reinvestment of distributions . . . . .	1,921,519	159,225,107	2,229,003	202,179,768
Shares redeemed in-kind (Note 3h) . . . . .	—	—	(3,491,688)	(281,953,790)
Shares redeemed . . . . .	(5,005,031)	(416,911,919)	(9,162,218)	(802,093,021)
Net increase (decrease) . . . . .	736,599	\$61,401,362	(2,475,482)	\$(185,058,300)

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

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

**a. Management Fees**

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

Annualized Fee Rate	Net Assets
0.750%	Up to and including \$500 million
0.625%	Over \$500 million, up to and including \$1 billion
0.500%	Over \$1 billion, up to and including \$5 billion
0.490%	Over \$5 billion, up to and including \$10 billion
0.480%	Over \$10 billion, up to and including \$20 billion
0.470%	In excess of \$20 billion

For the period ended March 31, 2023, the annualized gross effective investment management fee rate was 0.492% of the Fund's average daily net assets.

**Franklin Rising Dividends Fund** (continued)

**3. Transactions with Affiliates** (continued)

**b. Administrative Fees**

Under an agreement with Advisers, FT Services provides administrative services to the Fund. The fee is paid by Advisers 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:

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 period:

Sales charges retained net of commissions paid to unaffiliated brokers/dealers . . . . .	\$827,519
CDSC retained . . . . .	\$59,527

**e. Transfer Agent Fees**

Each class of shares pays transfer agent fees to Investor Services for its performance of shareholder servicing obligations. Effective October 1, 2022, the fees are based on an annualized asset based fee of 0.016% plus a reduced transaction based fee. Prior to October 1, 2022, the fees were based on an annualized asset based fee of 0.02% plus a transaction based fee. In addition, each class reimburses Investor Services for out of pocket expenses incurred and, except for Class R6, reimburses shareholder servicing fees paid to third parties. These fees are allocated daily based upon their relative proportion of such classes' aggregate net assets. Class R6 pays Investor Services transfer agent fees specific to that class.

For the period ended March 31, 2023, the Fund paid transfer agent fees of \$10,784,145, of which \$3,400,258 was retained by Investor Services.

**f. Investments in Affiliated Management Investment Companies**

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a "Controlled Affiliate" of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund's outstanding shares or has the power to exercise control over management or policies of such fund. The Fund does not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund

## Franklin Rising Dividends Fund (continued)

### 3. Transactions with Affiliates (continued)

#### f. Investments in Affiliated Management Investment Companies (continued)

are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the period ended March 31, 2023, the Fund held investments in affiliated management investment companies as follows:

	Value at Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Period	Number of Shares Held at End of Period	Investment Income
<b>Franklin Rising Dividends Fund</b>								
<b>Non-Controlled Affiliates</b>								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.371%	\$643,587,163	\$838,341,035	\$(487,199,754)	\$—	\$—	\$994,728,444	994,728,444	\$12,675,289
<b>Total Affiliated Securities . . .</b>	<b>\$643,587,163</b>	<b>\$838,341,035</b>	<b>\$(487,199,754)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$994,728,444</b>		<b>\$12,675,289</b>

#### g. Waiver and Expense Reimbursements

Investor Services has contractually agreed in advance to waive or limit its fees so that the Class R6 transfer agent fees do not exceed 0.03% based on the average net assets of the class until January 31, 2024.

#### h. Other Affiliated Transactions

During the year ended September 30, 2022, the New Jersey Better Educational Savings Trust Program – Franklin Templeton Managed Investments Options (529 Portfolios) redeemed out of the Fund. As a result, on July 8, 2022, the Fund delivered portfolio securities and cash that were transferred in-kind to the 529 Portfolios, which included \$182,979,409 of net realized gains. As such gains are not taxable to the Fund and are not distributed to remaining shareholders, they are reclassified from accumulated net realized gains to paid-in capital.

### 4. Expense Offset Arrangement

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the period ended March 31, 2023, the custodian fees were reduced as noted in the Statement of Operations.

### 5. Income Taxes

For tax purposes, the Fund may elect to defer any portion of a post-October capital loss or late-year ordinary loss to the first day of the following fiscal year. At September 30, 2022, the Fund deferred post-October capital losses of \$2,806,683.

At March 31, 2023, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments . . . . .	\$10,864,619,813
Unrealized appreciation. . . . .	\$14,933,609,801
Unrealized depreciation. . . . .	(121,701,081)
Net unrealized appreciation (depreciation). . . . .	\$14,811,908,720

## Franklin Rising Dividends Fund (continued)

### 5. Income Taxes (continued)

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

### 6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the period ended March 31, 2023, aggregated \$153,911,164 and \$877,302,692, respectively.

### 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 February 2, 2024. 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, 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 period ended March 31, 2023, 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.

At March 31, 2023, all of the Fund's investments in financial instruments carried at fair value were valued using Level 1 inputs. For detailed categories, see the accompanying Schedule of Investments.

### 9. New Accounting Pronouncements

In June 2022, the FASB issued Accounting Standards Update (ASU) No. 2022-03, Fair Value Measurement (Topic 820) – Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions. The amendments in the ASU clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, should not be considered in measuring fair value. The ASU is effective for interim and annual reporting periods beginning after December 15, 2023, with the option of early adoption. Management has reviewed the requirements and believes that the adoption of the ASU will not have a material impact on the financial statements.

**Franklin Rising Dividends Fund** (continued)

**10. 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.

## Shareholder Information

### Proxy Voting Policies and Procedures

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

### Quarterly Schedule of Investments

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

### Householding of Reports and Prospectuses

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



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

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



**Semiannual Report and Shareholder Letter**  
**Franklin Rising Dividends Fund**

**Investment Manager**  
Franklin Advisers, Inc.

**Distributor**  
Franklin Distributors, LLC  
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**Shareholder Services**  
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