Financial Highlights

The U.S. Government Money Market Portfolio

	Year Ended June 30,				
	2024	2023	2022	2021	2020
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	$1.00	$1.00	$1.00	$1.00	$1.00
Income from investment operations:					
Net investment income	0.052	0.036	0.001	—[a]	0.013
Net realized and unrealized gains (losses)[a]	—	—	—	(—)	—
Total from investment operations	0.052	0.036	0.001	—[a]	0.013
Less distributions from:					
Net investment income	(0.052)	(0.036)	(0.001)	(—)[a]	(0.013)
Net asset value, end of year	$1.00	$1.00	$1.00	$1.00	$1.00
Total return	5.30%	3.67%	0.14%	0.01%	1.29%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.15%	0.15%	0.15%	0.15%	0.15%
Expenses net of waiver and payments by affiliates	0.15%	0.15%[b]	0.10%[b]	0.09%[b]	0.15%[b]
Net investment income	5.20%	3.58%	0.13%	—%[c]	1.33%
Supplemental data					
Net assets, end of year (000's)	$11,497,745	$10,718,122	$11,102,314	$11,811,420	$18,381,976

[a]Amount rounds to less than $0.001 per share.
[b]Benefit of expense reduction rounds to less than 0.01%.
[c]Rounds to less than 0.01%.

Schedule of Investments, June 30, 2024

The U.S. Government Money Market Portfolio

	Principal Amount	Value
U.S. Government and Agency Securities 71.7%		
[a]FFCB,		
FRN, 5.435%, (SOFR + 0.095%), 7/18/24	$20,000,000	$20,000,000
FRN, 5.53%, (SOFR + 0.19%), 11/25/24	30,000,000	30,000,000
FRN, 5.54%, (SOFR + 0.2%), 12/05/24	10,000,000	10,000,000
FRN, 5.385%, (SOFR + 0.045%), 2/12/25	41,000,000	41,000,000
FRN, 5.465%, (SOFR + 0.125%), 3/07/25	15,000,000	15,000,000
		116,000,000
FHLB,		
[b] 7/01/24	80,774,000	80,774,000
[b] 7/03/24	88,200,000	88,174,206
[b] 7/05/24	18,000,000	17,989,460
[b] 7/09/24	43,800,000	43,748,705
[b] 7/10/24	22,000,000	21,971,054
[b] 7/12/24	177,200,000	176,915,038
[b] 7/17/24	287,175,000	286,504,165
[b] 7/19/24	283,275,000	282,532,701
[b] 7/23/24	97,500,000	97,187,188
[b] 7/25/24	69,000,000	68,758,500
[b] 7/26/24	32,500,000	32,381,510
[b] 7/31/24	16,500,000	16,427,813
[b] 8/02/24	294,100,000	292,725,200
[b] 8/07/24	175,000,000	174,056,140
[b] 8/09/24	230,343,000	229,031,466
[b] 8/14/24	305,420,000	303,461,329
[b] 8/16/24	276,455,000	274,602,169
[b] 8/19/24	99,475,000	98,765,522
[b] 8/21/24	230,000,000	228,286,443
[b] 8/23/24	35,000,000	34,729,119
[b] 9/06/24	87,500,000	86,645,052
[b] 9/18/24	90,000,000	88,963,520
[b] 9/20/24	50,000,000	49,410,500
[b] 9/25/24	85,700,000	84,627,226
[a] FRN, 5.34%, (SOFR), 7/24/24	89,800,000	89,800,000
[a] FRN, 5.34%, (SOFR), 7/29/24	91,300,000	91,300,000
[a] FRN, 5.345%, (SOFR + 0.005%), 8/13/24	45,000,000	45,000,000
[a] FRN, 5.34%, (SOFR), 9/04/24	44,650,000	44,650,000
[a] FRN, 5.345%, (SOFR + 0.005%), 9/04/24	91,300,000	91,300,000
[a] FRN, 5.35%, (SOFR + 0.01%), 9/12/24	45,000,000	45,000,000
[a] FRN, 5.355%, (SOFR + 0.015%), 9/20/24	90,100,000	90,100,000
[a] FRN, 5.345%, (SOFR + 0.005%), 10/17/24	44,700,000	44,700,000
[a] FRN, 5.35%, (SOFR + 0.01%), 10/25/24	44,000,000	44,000,000
[a] FRN, 5.35%, (SOFR + 0.01%), 11/04/24	89,100,000	89,100,000
[a] FRN, 5.35%, (SOFR + 0.01%), 11/18/24	89,000,000	89,000,000
[a] FRN, 5.365%, (SOFR + 0.025%), 11/26/24	89,900,000	89,900,000
[a] FRN, 5.35%, (SOFR + 0.01%), 11/29/24	89,000,000	89,000,000
[a] FRN, 5.355%, (SOFR + 0.015%), 12/09/24	89,300,000	89,300,000
[a] FRN, 5.355%, (SOFR + 0.015%), 12/17/24	44,300,000	44,300,000
[a] FRN, 5.36%, (SOFR + 0.02%), 1/23/25	44,300,000	44,300,000
		4,279,418,026
[b]U.S. Treasury Bills,		
7/02/24	173,940,000	173,914,537
7/05/24	178,500,000	178,396,272
7/09/24	338,790,000	338,395,728
7/11/24	133,000,000	132,806,965
7/16/24	188,790,000	188,375,801
7/18/24	89,000,000	88,779,564

The U.S. Government Money Market Portfolio (continued)

	Principal Amount	Value
U.S. Government and Agency Securities (continued)		
[b]U.S. Treasury Bills, (continued)		
7/23/24	$186,200,000	$185,599,764
7/25/24	207,000,000	206,274,060
8/06/24	221,800,000	220,643,793
8/08/24	355,600,000	353,629,383
8/13/24	194,000,000	192,779,983
8/20/24	180,000,000	178,685,000
8/22/24	144,500,000	143,405,252
8/29/24	177,000,000	175,475,612
9/03/24	88,740,000	87,912,549
9/12/24	75,000,000	74,201,562
9/17/24	177,000,000	174,992,378
9/19/24	183,000,000	180,865,000
9/24/24	64,400,000	63,603,989
9/26/24	176,000,000	173,773,380
10/03/24	73,920,000	72,930,807
10/08/24	173,900,000	171,401,274
10/22/24	90,000,000	88,525,350
		3,845,368,003
Total U.S. Government and Agency Securities (Cost $8,240,786,029)		**8,240,786,029**
[c]**Repurchase Agreements 25.5%**		
Bank of New York Mellon Corp. (The), 5.3%, 7/01/24 (Maturity Value $400,176,667) Collateralized by U.S. Treasury Note, 4.5%, 5/31/29 (valued at $408,000,041)	400,000,000	400,000,000
BNP Paribas Securities Corp., 5.16%, 7/01/24 (Maturity Value $675,290,250) Collateralized by U.S. Treasury Note, 3.875%, 1/15/26 (valued at $689,429,368)	675,000,001	675,000,000
Deutsche Bank Securities, Inc., 5.33%, 7/01/24 (Maturity Value $8,003,553) Collateralized by U.S. Treasury Notes, 0.375% - 5%, 4/30/25 - 4/30/26 (valued at $8,160,043)	8,000,000	8,000,000
Federal Reserve Bank, 5.3%, 7/01/24 (Maturity Value $1,700,750,833) Collateralized by U.S. Treasury Notes, 1.625% - 2.75%, 5/15/25 - 5/15/31 (valued at $1,700,750,878)	1,700,000,000	1,700,000,000
Goldman Sachs & Co. LLC, 5.15%, 7/01/24 (Maturity Value $75,032,188) Collateralized by U.S. Treasury Note, 4.375%, 8/31/28 (valued at $76,535,763)	75,000,000	75,000,000
HSBC Securities USA, Inc., 5.26%, 7/01/24 (Maturity Value $75,032,875) Collateralized by U.S. Government Agency Securities, 0% - 7%, 7/15/24 - 10/20/53; and U.S. Treasury Note, 0%, 8/15/53 (valued at $76,500,000)	75,000,000	75,000,000
Total Repurchase Agreements (Cost $2,933,000,000)		**2,933,000,000**
Total Short Term Investments (Cost $11,173,786,029)		**11,173,786,029**
Total Investments (Cost $11,173,786,029) 97.2%		**$11,173,786,029**
Other Assets, less Liabilities 2.8%		**323,958,688**
Net Assets 100.0%		**$11,497,744,717**

See abbreviations on page 10.

[a] The coupon rate shown represents the rate at period end.
[b] The security was issued on a discount basis with no stated coupon rate.
[c] See Note 1(b) regarding repurchase agreement.

Statement of Assets and Liabilities

June 30, 2024

	The U.S. Government Money Market Portfolio
Assets:	
Investments in unaffiliated securities, at amortized cost	$8,240,786,029
Unaffiliated repurchase agreements, at value and cost	2,933,000,000
Cash	315,926,323
Receivables:	
Interest	9,462,322
Total assets	11,499,174,674
Liabilities:	
Payables:	
Management fees	1,270,860
Professional fees	83,800
Trustees' fees and expenses	15,301
Distributions to shareholders	1,372
Accrued expenses and other liabilities	58,624
Total liabilities	1,429,957
Net assets, at value	$11,497,744,717
Net assets consist of:	
Paid-in capital	$11,497,744,784
Total distributable earnings (losses)	(67)
Net assets, at value	$11,497,744,717
Shares outstanding	11,497,746,382
Net asset value per share[a]	$1.00

[a]Net asset value per share may not recalculate due to rounding.

Statement of Operations

for the year ended June 30, 2024

	The U.S. Government Money Market Portfolio
Investment income:	
Interest:	
Unaffiliated issuers	$566,046,580
Expenses:	
Management fees (Note 3a)	15,854,804
Custodian fees	57,424
Reports to shareholders fees	1,922
Professional fees	96,901
Trustees' fees and expenses	137,702
Other	109,430
Total expenses	16,258,183
Net investment income	549,788,397
Net increase (decrease) in net assets resulting from operations	$549,788,397

Statements of Changes in Net Assets

	The U.S. Government Money Market Portfolio	
	Year Ended June 30, 2024	**Year Ended June 30, 2023**
Increase (decrease) in net assets:		
Operations:		
Net investment income	$549,788,397	$411,574,726
Net realized gain (loss)	—	9,147
Net increase (decrease) in net assets resulting from operations	549,788,397	411,583,873
Distributions to shareholders	(549,797,249)	(411,574,653)
Capital share transactions (Note 2)	779,631,968	(384,201,315)
Net increase (decrease) in net assets	779,623,116	(384,192,095)
Net assets:		
Beginning of year	10,718,121,601	11,102,313,696
End of year	$11,497,744,717	$10,718,121,601

Notes to Financial Statements

The U.S. Government Money Market Portfolio

1. Organization and Significant Accounting Policies

The Money Market Portfolios (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of one portfolio The U.S. Government Money Market Portfolio (Portfolio). The Trust 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 shares of the Portfolio are issued in private placements and are exempt from registration under the Securities Act of 1933.

The following summarizes the Portfolio's significant accounting policies.

a. Financial Instrument Valuation

Securities are valued at amortized cost, which approximates fair value. Amortized cost is an income-based approach which involves valuing an instrument at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. Under compliance policies and procedures approved by the Portfolio's Board of Trustees (the Board), the Board has designated the Portfolio'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).

b. Repurchase Agreements

The Portfolio enters into repurchase agreements, which are accounted for as a loan by the Portfolio to the seller, collateralized by securities which are delivered to the Portfolio's custodian. The fair value, including accrued interest, of the initial collateralization is required to be at least 102% (if the counterparty is a bank or broker-dealer) or 100% (if the counterparty is the Federal Reserve Bank of New York) of the dollar amount invested by the Portfolio, with the value of the underlying securities marked to market daily to maintain coverage of at least 100%. Repurchase agreements are subject to the terms of Master Repurchase Agreements (MRAs) with approved counterparties (sellers). The MRAs contain various provisions, including but not limited to events of default and maintenance of collateral for repurchase agreements. In the event of default by either the seller or the Portfolio, certain MRAs may permit the non-defaulting party to net and close-out all transactions, if any, traded under such agreements. The Portfolio may sell securities it holds as collateral and apply the proceeds towards the repurchase price and any other amounts owed by the seller to the Portfolio in the event of default by the seller. This could involve costs or delays in addition to a loss on the securities if their value falls below the repurchase price owed by the seller. All repurchase agreements held by the Portfolio at year end, as indicated in the Schedule of Investments, had been entered into on June 28, 2024.

c. Income Taxes

It is the Portfolio's policy to qualify as a regulated investment company under the Internal Revenue Code. The Portfolio 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 Portfolio 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 June 30, 2024, the Portfolio 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 Portfolio 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. 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. Dividends from net investment income are normally declared daily; these dividends may be reinvested or paid monthly to shareholders. Distributions from realized capital gains and other distributions, if any, 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

The U.S. Government Money Market Portfolio (continued)

1. Organization and Significant Accounting Policies (continued)

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

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.

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

2. Shares of Beneficial Interest

At June 30, 2024, there were an unlimited number of shares authorized (without par value). Transactions in the Portfolio's shares at $1.00 per share were as follows:

	Year Ended June 30, 2024	Year Ended June 30, 2023
Shares sold	$24,020,028,954	$24,315,066,961
Shares issued in reinvestment of distributions	549,798,848	411,593,019
Shares redeemed	(23,790,195,834)	(25,110,861,295)
Net increase (decrease)	$779,631,968	$(384,201,315)

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, directors, and/or trustees of Franklin U.S. Government Money Fund, Institutional Fiduciary Trust, and of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

a. Management Fees

The Portfolio pays an investment management fee to Advisers of 0.15% per year of the average daily net assets of the Portfolio.

b. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Portfolio and is not paid by the Portfolio for the services.

The U.S. Government Money Market Portfolio (continued)

3. Transactions with Affiliates (continued)

c. Waiver and Expense Reimbursements

In efforts to maintain a minimum 1 basis point annualized yield, Advisers and Investor Services have voluntarily agreed to waive or limit their respective fees, assume as their own expense certain expenses otherwise payable by the Fund and if necessary, make a capital infusion into the Fund. These waivers, expense reimbursements and capital infusions are voluntary and may be modified or discontinued by Advisers or Investor Services at any time, and without further notice. Total expenses waived or paid are not subject to reimbursement by the Fund subsequent to the Fund's fiscal year end. There is no guarantee that the Fund will be able to maintain a 1 basis point yield. There were no expenses waived during the year ended June 30, 2024.

d. Other Affiliated Transactions

At June 30, 2024, the shares of the Portfolio were owned by the following investment companies:

	Shares	Percentage of Outstanding Shares
Institutional Fiduciary Trust—Money Market Portfolio	6,470,479,924	56.28%
Franklin U.S. Government Money Fund	5,027,266,458	43.72%
	11,497,746,382	100.00%

4. Income Taxes

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

	2024	2023
Distributions paid from:		
Ordinary income	$549,797,249	$411,574,653

At June 30, 2024, the cost of investments and undistributed ordinary income for income tax purposes were as follows:

Cost of investments	$11,173,786,029
Distributable earnings:	
Undistributed ordinary income	$1,305

5. Fair Value Measurements

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

The U.S. Government Money Market Portfolio (continued)

5. Fair Value Measurements (continued)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level. Money market securities may be valued using amortized cost, in accordance with the 1940 Act. Generally, amortized cost reflects the current fair value of a security, but since the value is not obtained from a quoted price in an active market, such financial instruments were valued using Level 2 inputs.

At June 30, 2024, all of the Portfolio's investments in financial instruments carried at fair value were valued using Level 2 inputs.

6. Subsequent Events

The Portfolio has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

Abbreviations

Selected Portfolio	
FFCB	Federal Farm Credit Banks Funding Corp.
FHLB	Federal Home Loan Banks
FRN	Floating Rate Note
SOFR	Secured Overnight Financing Rate

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of The Money Market Portfolios and Shareholders of The U.S. Government Money Market Portfolio

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of The U.S. Government Money Market Portfolio (the "Portfolio") as of June 30, 2024, the related statement of operations for the year ended June 30, 2024, the statements of changes in net assets for each of the two years in the period ended June 30, 2024, including the related notes, and the financial highlights for each of the five years in the period ended June 30, 2024 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio as of June 30, 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 June 30, 2024 and the financial highlights for each of the five years in the period ended June 30, 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 Portfolio’s management. Our responsibility is to express an opinion on the Portfolio’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 Portfolio 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 June 30, 2024, by correspondence with the custodians and brokers; when replies were not received from brokers, we performed other alternative procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

San Francisco, California
August 20, 2024

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

Tax Information (unaudited)

The U.S. Government Money Market Portfolio

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

The following tax information for the 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 June 30, 2024:

	Pursuant to:	**Amount**
Qualified Net Interest Income (QII)	§871(k)(1)(C)	$549,414,099
Short-Term Capital Gain Dividends Distributed	§871(k)(2)(C)	$8,714
Section 163(j) Interest Earned	§163(j)	$549,414,099
Interest Earned from Federal Obligations	Note (1)	$446,661,131

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

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

THE U.S. GOVERNMENT MONEY MARKET PORTFOLIO
(Master Portfolio)

The Master Portfolio is only registered under the Investment Company Act of 1940 (1940 Act). Accordingly, the Master Portfolio does not offer its shares to the public. Shares of the Master Portfolio are sold only to other investment companies, which include the Franklin U.S. Government Money Fund and Money Market Portfolio (each a Feeder Fund). Each Feeder Fund invests all of its assets in the Master Portfolio. None of the Feeder Funds have an investment manager or an investment management agreement, unlike the Master Portfolio. The Board of Trustees (collectively or individually, the Board) of each Feeder Fund and Master Portfolio is comprised of the same individuals. At an in-person meeting held on May 22, 2024 (Meeting), the Board of the Master Portfolio, including a majority of the trustees who are not “interested persons” as defined in the 1940 Act (Independent Trustees), reviewed and approved the continuance of the investment management agreement between Franklin Advisers, Inc. (Manager) and the Master Portfolio (Management Agreement) for an additional one-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of 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 Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a virtual contract renewal meeting at which the Independent Trustees first conferred amongst themselves and Independent Trustee counsel about contract renewal matters, and then met with management to request additional information that the Independent Trustees reviewed and considered prior to and at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of 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 Master Portfolio; (iii) the costs of the services provided and profits realized by the Manager and its affiliates from the relationship with the Master Portfolio; (iv) the extent to which economies of scale are realized as the Master Portfolio grows; and (v) whether fee levels reflect these economies of scale for the benefit of Master Portfolio shareholders.

In approving the continuance of the Management Agreement, the Board, including a majority of the Independent Trustees, determined, through the exercise of its business judgment, that the terms of the Management Agreement are fair and reasonable and that the continuance of the Management Agreement is in the best interests of the Master Portfolio 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 Master Portfolio 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 Master Portfolio; reports on expenses; 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 acknowledged the ongoing integration of the Putnam family of funds into the Franklin Templeton (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 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 Master Portfolio 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 Master Portfolio and its shareholders.

Fund Performance

The Board reviewed and considered the performance results of the Master Portfolio over various time periods ended December 31, 2023. The Board considered the performance returns for the Master Portfolio 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 Master Portfolio performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. A summary of the Master Portfolio's performance results is below.

The Performance Universe for the Master Portfolio included the Master Portfolio and all retail US government money market funds. The Board noted that the Master Portfolio's annualized income return for the one-, three-, five- and 10-year periods was above the median and in the first quintile (best) of its Performance Universe. The Board further noted management's view regarding the income-related attributes of the Master Portfolio (e.g., a fund's investment objective) as set forth in the Master Portfolio's registration statement and that the evaluation of the Master Portfolio's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Master Portfolio's performance was satisfactory.

Comparative Fees and Expenses

The Board reviewed and considered information regarding the Master Portfolio's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; and other non-management fees. 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 Master Portfolio 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 Master Portfolio 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, Class AB, Class AF2, Class P, Investor Class, Penserra Class and Ultra Class shares for other funds in the Expense Group with multiple classes of shares. The Board received a description of the methodology used by Broadridge to select the mutual funds included in an Expense Group.

The Expense Group for the Master Portfolio included the Master Portfolio and 12 other US government money market funds. The Board noted that the Management Rate and actual total expense ratio for the Master Portfolio were below the medians of its Expense Group. The Board also noted that the other funds in the Expense Group were not master portfolios in a master-feeder structure like the Master Portfolio and, accordingly, considered the Management Rate and actual total expense ratio information provided for each of the Feeder Funds to be a more relevant comparison. The Board concluded that the Management Rate charged to the Master Portfolio 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 Master Portfolio. In this respect, the Board considered the Master Portfolio profitability analysis provided by the Manager that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual funds during the 12-month period ended September 30, 2023, being the most recent fiscal year-end for FRI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Master Portfolio's profitability report presentations from prior years. The Board also noted that an independent registered public accounting firm has been engaged by the Manager to periodically review and assess the allocation methodologies to be used solely by the Master Portfolio'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 Master Portfolio 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 upfront expenditures by the Manager but, over the long run is expected to result in greater efficiencies. The Board also noted 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 Master Portfolio was not excessive in view of the nature, extent and quality of services provided to the Master Portfolio.

Economies of Scale

The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Master Portfolio grows larger and whether the Master Portfolio's management fee structure reflects any economies of scale for the benefit of shareholders. The Board considered the Manager's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments the Manager incurs across the FT family of funds as a whole. The Board noted that the Fund had experienced a significant decrease in assets and would not be expected to demonstrate additional economies of scale in the near term, and concluded that it was unlikely that the Manager and its affiliates realized economies of scale in furnishing advisory services to the Master Portfolio in view of the transitory nature of its investment role within the FT family of funds and the services provided to the Master Portfolio's shareholders.

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.