

FTF Brandywine Global Income Optimiser Fund

Class W (inc) GBP • ISIN GB00BNBS7S01 • A sub-fund of Franklin Templeton Funds
The management company is Franklin Templeton Fund Management Limited.

Objectives and Investment Policy

The Fund's primary aim is to generate income in all market conditions, over a full market cycle, typically a three to five-year period, after all fees and costs are deducted. The Fund also seeks to preserve capital.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you put in.

The Fund invests at least 80% of its assets in any of:

- Debt securities or bonds (a type of debt obligation) issued by governments, government-related or supranational organisations and corporations in any industry, anywhere in the world.
- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Bonds whose value is secured by mortgages or other assets (mortgage or asset-backed securities).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.
- Derivatives (investments whose value is linked to another investment or the performance of another variable factor, such as interest rates, currencies of any country or indices), including synthetic short positions (a technique where the Fund seeks to profit from decreases in value of securities, indices, currencies and/or index rates).

The Fund's principal asset class is the bonds and debt securities referred to above, and the 80% exposure may solely be to these investments, or may be to a combination of these investments with the collective investment schemes and derivatives referred to above. The Fund may invest anywhere in the world including emerging markets. As part of this principal asset class, the Fund may invest in bonds issued by the Chinese government, Chinese government-related or supranational organisations and Chinese corporations.

The Fund may invest in bonds and debt securities which are Investment Grade as well as those which are not Investment Grade. Bonds and debt securities which are not Investment Grade generally pay a higher yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than Investment Grade bonds.

In selecting investments, the Investment Manager seeks to select what it considers to be the most attractive assets, focusing on sectors which have an appropriate risk profile and high yields after inflation. The Investment Manager assesses macro-economic conditions alongside the investment case for specific issuers, including looking at a wide range of factors at the level of the relevant company, its sector, and the broader economy, with the aim of identifying the most attractive investment opportunities. This approach is intended to enable the Investment Manager to best identify potential anomalies in valuations at a company and sector level. The Investment Manager will invest across the global investment universe of the Fund, and will invest flexibly in sectors and in assets with varying durations and investment quality to achieve the Fund's investment objective.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities, cash and cash equivalents and money market instruments. The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth), as well as for more speculative investment purposes, to help achieve the Fund's investment objectives.

At least 80% of the Fund's assets will be denominated in, or hedged back to, Sterling.

In selecting the majority of the Fund's investments, the Investment Manager assesses prospective investments against various environmental, social and governance ("ESG") factors, with a particular focus on environmental and social factors, for example:

- Environmental factors, such as deforestation and land usage, climate change vulnerability, greenhouse gas emissions and reliance on fossil fuel exports.
- Social factors, such as safety and environmental standards and breaches, product liabilities, breaches involving potential business risks, civil and political rights and private sector oversight and regulation.

Certain factors will be relevant to specific types of investment, depending on their features, for example government versus corporate bonds.

The Investment Manager applies these factors to establish a proprietary scoring methodology which it uses to screen the universe of potential investments for the Fund. The proprietary scoring methodology incorporates the Investment Manager's own research as well as the use of external data sources.

Investments which are in the bottom 10% of the scoring system are automatically excluded from the Fund's portfolio. Investments in the bottom 10%-20% may be included in the Fund's portfolio, but the Investment Manager continually monitors these investments and engages actively with issuers to seek improvements in environmental and social factors. If such improvement does not materialise in respect of corporate issuers, the Investment Manager may consider reducing or selling such investments. The majority of the Fund's portfolio is, and potential prospective holdings are, tracked and monitored for improvements and deterioration in environmental and social factors.

The Fund does not automatically exclude fossil fuels from the portfolio and such investments are subject to the above assessment criteria. Corporate issuers in the fossil fuel sector could therefore be included in the Fund's portfolio, if they score higher than the bottom 10% according to the Investment Manager's ESG scoring system.

The Fund's performance can be measured against the SONIA Compounded Index, which reflects the performance of investments in similar assets to those in which the Fund invests.

You may request the sale of your shares in the Fund on any UK business day.

For the income share class shown in this document, dividend income is distributed to investors.

For further information on the Objectives and Investment Policy of the Fund, please refer to the "Investment Objectives and Policies of the Funds" section of the current prospectus of Franklin Templeton Funds.

Terms to Understand

Debt securities: securities representing the issuer's obligation to repay a loan at a specified date and to pay interest.

Transferable securities: investments such as shares or debt that can be bought and sold between investors.

Risk and Reward Profile



What does this indicator mean and what are its limits?

This indicator is designed to provide you with a measure of the price movement of this share class based on historical behavior.

Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

Why is the Fund in this specific category?

The Fund does not offer any capital guarantee or protection and you may not get back the amount invested. The Fund is in its risk/reward category because investments in a diversified portfolio of bonds from various countries and sectors have historically been subject to moderate fluctuations in value. As a result, the performance of the Fund can fluctuate over time.

Risks materially relevant not adequately captured by the indicator:

Counterparty risk: the risk of failure of financial institutions or agents (when serving as a counterparty to financial contracts) to perform their obligations, whether due to insolvency, bankruptcy or other causes.

Credit risk: the risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if

the fund holds low-rated, sub-investment grade securities.

Derivative instruments risk: the risk of loss in an instrument where a small change in the value of the underlying investment may have a larger impact on the value of such instrument. Derivatives may involve additional liquidity, credit and counterparty risks.

Emerging markets risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

Liquidity risk: the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Such risk may be triggered by (but not limited to) unexpected events such as environmental disasters or pandemics. Reduced liquidity may have a negative impact on the price of the assets.

For a full discussion of all the risks applicable to this Fund, please refer to the "Risk Factors" section of the current prospectus of Franklin Templeton Funds.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest

Entry charge	0.00%
Exit charge	0.00%
<i>This is the maximum that might be taken out of your money before it is invested.</i>	

Charges taken from the Fund over a year

Ongoing charges	0.54%
------------------------	-------

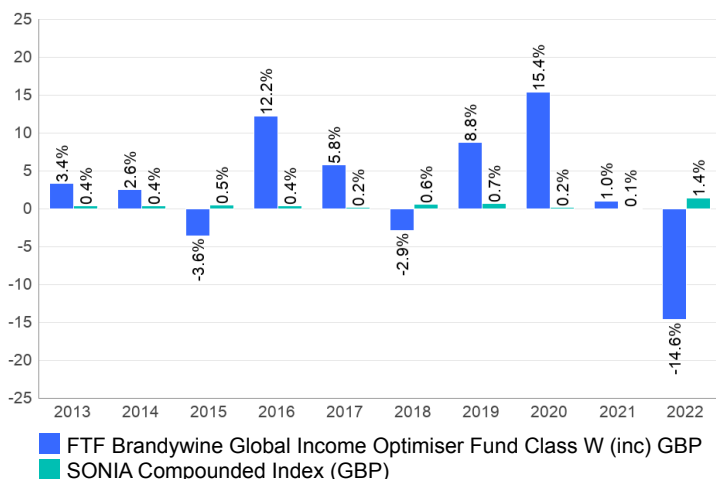
Charges taken from the Fund under certain specific conditions

Performance fee	Not applicable
------------------------	----------------

The ongoing charges shown here are an estimate of the charges. We have used estimated figures as under current applicable rules we are not allowed to calculate ongoing charges for share classes with less than 12 months of data. The Fund's annual report for each financial year will include detail on the exact charges made.

For detailed information about charges, please refer to the "Fees and Charges" section of the current prospectus of Franklin Templeton Funds.

Past Performance



- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges.
- Past performance is calculated in GBP.
- The Fund was launched in 2022.
- The FTF Brandywine Global Income Optimiser Fund was launched on 23 September 2022 to receive the assets of FTF Brandywine Global Income Optimiser Fund, a sub-fund of Franklin Templeton Funds II (the "merging fund"). Past performance from the start of the performance chart up until the launch date is simulated based on the past performance of the Class X Inc. GBP in the merging fund.

Practical Information

- The Depositary of Franklin Templeton Funds is The Bank of New York Mellon (International) Limited.
- You can obtain further information about the Fund, copies of its prospectus and the latest annual and semi-annual reports of Franklin Templeton Funds from the website www.franklintempleton.co.uk or free of charge from Franklin Templeton Fund Management Limited, Cannon Place, 78 Cannon Street, London EC4N 6HL or your financial adviser. These documents are each available in English.
- The latest prices and other practical information on the Fund (including information about the other share classes of the Fund) are available from Franklin Templeton Fund Management Limited, Cannon Place, 78 Cannon Street, London EC4N 6HL or www.franklintempleton.co.uk.
- Please note that the United Kingdom taxation regime may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton Fund Management Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.
- The present Fund is a sub-fund of Franklin Templeton Funds. The prospectus and the annual and semi-annual reports refer to all sub-funds of Franklin Templeton Funds. All sub-funds of Franklin Templeton Funds have segregated assets and liabilities. As a result, each sub-fund is operated independently from each other.
- You may exchange your shares in the Fund for shares in another sub-fund of Franklin Templeton Funds as further described in the prospectus.
- The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, are available at www.franklintempleton.co.uk and a paper copy can be obtained free of charge.