

## FTF Templeton Global Total Return Bond Fund

**Class W (acc) • ISIN GB00BBM4VB49** • A sub-fund of Franklin Templeton Funds

The management company is Franklin Templeton Fund Management Limited which is referred to in this document as the authorised corporate director or "ACD".

### Objectives and Investment Policy

The Fund aims to grow in value from a combination of income, capital growth and currency gains over a three to five-year period.

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 paid in.

#### Core investment

The Fund will invest at least two thirds (but typically significantly more) in:

- debt securities or bonds, (a type of debt obligation) issued by governments, government-related, supranational organisations and corporations in any industry, anywhere in the world, including China.
- derivatives (financial contracts whose value is linked to another investment or the performance of another variable factor, such as interest rates, currencies of any country or indices). The types of derivatives used include but are not limited to: options, futures, forward currency contracts, credit default swaps, interest rate swaps, total return swaps and contracts for difference.

#### Other investments

The Fund may also invest in:

- bonds whose value is secured by mortgages or other assets (mortgage or asset-backed securities);
- Convertible bonds (a type of corporate debt security which can be exchanged for shares in the same organisation);
- structured products (a type of fixed-term investment whose payout depends on the performance of something else, such as another security or currency);
- other transferable securities;
- cash and cash equivalents;
- money market instruments; and
- 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.

The Fund uses 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 within the Fund's existing risk profile), as well as for more speculative investment purposes, to help achieve the Fund's investment objective. It is anticipated that where the Fund uses derivatives for speculative purposes, this will be limited to part of the overall strategy.

#### Geographic locations (where we invest)

The Fund can invest anywhere in the world.

#### How we select investment investments (investment strategy)

This Fund is actively managed, which means that the Investment Manager does not copy a benchmark when selecting investments for the Fund. The Investment Manager has the freedom to choose securities that their research indicates have the strongest potential to meet the Fund's objective.

The Fund will typically limit exposure to bonds that are rated as below investment grade (below BBB- by Standard & Poor's or Baa3 by Moody's) to no more than 50% of the total portfolio. These bonds generally pay a high yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than investment grade bonds.

The Fund can also invest in distressed securities (those whose issuers may be in or close to bankruptcy or administration), but still present diverse opportunities to grow in value.

#### ESG (environmental, social, and governance) factors

In selecting the Fund's investments, the Investment Manager may assess prospective investments against various ESG factors. These ESG factors are used to inform the Investment Manager's wider assessment of the value and financial attractiveness of each potential investment and exposures are adjusted accordingly. Government issuers are always assessed, but corporate issuers are not always assessed. The Investment Manager may – but is not obliged to – exclude investments depending on their assessment of ESG factors. For more detailed information about how the Investment Manager considers ESG, and a list of exclusions, please see the investment objective and policy in the prospectus for the Fund, available at [www.franklintempleton.co.uk](http://www.franklintempleton.co.uk) in the "Resources and Literature – "Fund Documents" tab.

#### Additional Information

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

**Recommendation:** this Fund may not be appropriate for investors who plan to withdraw their money within five years.

The income received from the Fund's investments is accumulated and included in the value of the shares.

#### Terms to Understand

**Debt securities (such as bonds):** securities representing the issuer's obligation to repay a loan at a specified date and to pay interest.

**Collective investment schemes:** other investment funds, like the Fund.

**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 invests mainly in debt securities issued by government, government-related or corporate entities worldwide and in derivatives. Such securities have historically been subject to price movements, generally due

to interest rates, foreign exchange rates or movements in the bond market. As a result, the performance of the Fund can fluctuate over time.

#### Risks materially relevant not adequately captured by the indicator:

**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.

**Foreign currency risk:** the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

**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

### 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 (in the case of the entry charge) or before money is paid out to you when you sell shares in the Fund (in the case of the exit charge).</i>	

### Charges taken from the Fund over a year

Ongoing charges	0.73%
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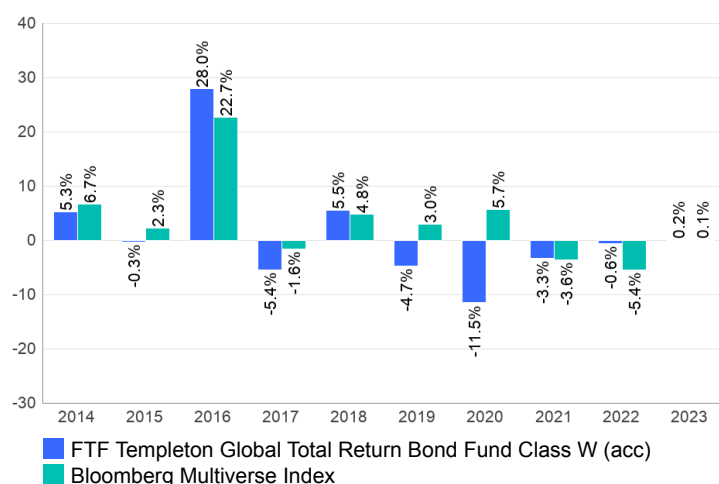
### Charges taken from the Fund under certain specific conditions

Performance fee	Not applicable
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The ongoing charges figure is based on the expenses for the Fund for the year to December 2023 and it may vary from year to year. It is an estimate of the charges made to the Fund over a year to cover the costs of managing, operating, and distributing the Fund. Charges are deducted from the value of the assets held by the Fund and are reflected in the daily price that is used to buy and sell shares in the Fund. These charges reduce the potential growth of your investment and/or the income paid from it. For example, a Fund with an ongoing charges figure of 0.5%, means that an investor would pay £5 in charges over the course of a year for every £1,000 they had invested. Please note that the ongoing charge excludes some other costs (such as those incurred by the Fund when buying and selling securities) so total costs paid by investors each year may be slightly higher than the ongoing charges figure.

For detailed information about charges, please refer to the "Fees and Charges" section of the current prospectus of Franklin Templeton Funds and the Fund's annual report for details on the exact charges made.

## 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 2008 and the present share class on 15/07/2013.
- We measure performance against the Bloomberg Multiverse Index, which reflects investments in similar debt-related securities.

## 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](http://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](http://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 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](http://www.franklintempleton.co.uk) and a paper copy can be obtained free of charge.
- If you need any additional support to help you understand this document or any of our communications, please let the Client Services team know, and they will do their best to help you. The Client Services team can be contacted:
  - By email to [enquiries@franklintempleton.co.uk](mailto:enquiries@franklintempleton.co.uk); or
  - By telephone on 0800 305 306, or +44 20 7073 8690 if you are outside the UK; or
  - By writing to us, at: Franklin Templeton, PO Box 24064, Edinburgh, EH3 1EX.