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**TEMPLETON**

# Franklin Brandywine Global Sustainable Income Optimiser Fund

Effective September 17, 2021, Franklin Brandywine Global Income Optimiser Fund is renamed Franklin Brandywine Global Sustainable Income Optimiser Fund\*. As of February 1, 2017, all U.S.-dollar denominated series of this fund are closed to new investors.

**Global Fixed Income**  
**October 31, 2021**

**Franklin Brandywine Global**

## Fund Overview

Total Net Assets (10/31/2021)	\$202,647,853
Inception Date	Series A: 02/17/2003 Series F: 02/17/2003
Number of Holdings	199
Morningstar Category™	Global Fixed Income
Benchmark	Bloomberg Global Aggregate (100% Hedged into CAD) Index <sup>9</sup>

## Fund Description

The fund seeks high current income and some long-term capital appreciation by investing primarily in fixed income securities issued in the United States and throughout the world.

## Fund Management

Jack P. McIntyre	22 Years, Philadelphia, United States
Anujeeet Sareen	27 Years, Philadelphia, United States
Brian Kloss	26 Years, Philadelphia, United States
Tracy Chen	24 Years, Philadelphia, United States
Renato Latini	14 Years, Philadelphia, United States
Michael Arno	15 Years, Philadelphia, United States

## Risk Classification

Low	<b>Low to Medium</b>	Medium	Medium to High	High
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## Fund Codes

	CDN\$	US\$
Series A Front	TML387	TML388
Series A DSC	TML389	TML390
Series A Low Load	TML391	TML393
Series F	TML229	TML263
Series F ADM	TML5011	TML5035
Series O	TML173	TML174

<sup>1</sup> Figures shown for Yield to Maturity, Weighted Average Maturity, Duration, Duration to Worst and Yield to Worst reflect certain derivatives held in the portfolio (or their underlying reference assets).

<sup>2</sup> Please see detailed definitions on the last page.

<sup>3</sup> Uses effective duration for mortgages/asset-backed securities, uses 90 days average reset period assumed for all bank loans and for duration of bank loans; and excludes duration for certain convertible/preferred stock. Duration for certain hybrid securities calculated to the first call and/or fixed to floating coupon date.

<sup>4</sup> The Fund may also pay capital gains in December if required.

<sup>5</sup> Notional exposure figures are intended to estimate the portfolio's exposure, including any hedged or increased exposure through certain derivatives held in the portfolio (or their underlying reference assets). Market value figures reflect the trading value of the investments. Notional and market value figures may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

<sup>6</sup> First call/fixed-to-floating date used as maturity date for certain perpetual hybrid securities.

<sup>7</sup> Includes gains/losses on forward currency contracts.

<sup>8</sup> Sources: S&P and Moody's. Cash includes equivalents, which may be rated.

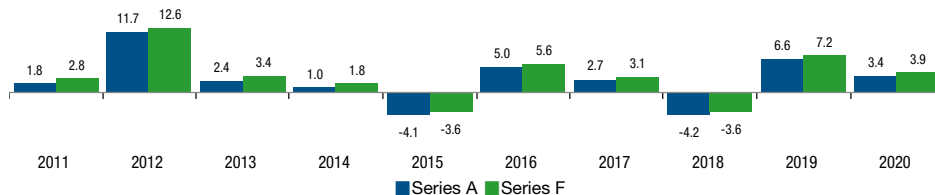
<sup>9</sup> Effective June 4, 2021 the fund's benchmark changed from Bloomberg Barclays U.S. Aggregate Index (Hedged to CAD) to Bloomberg Barclays Global Aggregate (100% Hedged into CAD) Index.

## REASONS TO INVEST IN THIS FUND:

- Attractive return potential:** An outcome-oriented fixed income solution that offers investors the upside potential of return-seeking fixed income while maintaining the volatility and defensive characteristics of core like bond exposures.
- More consistent outcomes:** A true multi-sector approach adapts portfolio risk exposures to the current market environment, enabling the portfolio to deliver outcomes less dependent on market ups and downs.
- Strong downside protection:** Utilizing a margin-of-safety philosophy (seeking to buy securities that are trading below their intrinsic value), our disciplined process delivers strong downside protection.

## Performance

Calendar Year Returns in Canadian Dollars (%) 10/31/2021



Compounded Returns in Canadian Dollars (%) 10/31/2021

	YTD	1 Mo	3 Mo	6 Mo	1 Year	3 Years	5 Years	10 years	Since Inc <sup>†</sup>
Series A	-0.42	-0.40	-0.95	0.04	2.65	2.41	1.40	2.21	2.03
Series F <sup>†</sup>	0.04	-0.35	-0.81	0.32	3.22	2.98	1.94	2.86	2.86

<sup>†</sup> Series inception date

<sup>†</sup> Series F is available to investors participating in programs that do not require Franklin Templeton to incur distribution costs in the form of trailing commissions to dealers. As a consequence, the management fee on Series F is lower than on Series A.

## Fund Facts<sup>1</sup>

Price per Unit (Series A)	\$5.08
Yield to Maturity <sup>2</sup>	3.11%
Average Weighted Maturity <sup>2</sup>	6.6 Years
Average Duration	5.4 Years
Duration to Worst <sup>3</sup>	5.7 Years
Portfolio Turnover Rate (06/30/2021)	107.04%
MER (06/30/2021 incl. HST)	A: 1.50% F: 0.93%
Management Fee	A: 1.05% F: 0.55%
Yield to Worst <sup>2</sup>	3.01%
Distributions	Interest income paid monthly <sup>4</sup>

## Composition of Fund

Top Country Weightings (% Market Value)<sup>5</sup>

09/30/2021	
United States	69.01
Mexico	6.14
Brazil	3.42
China	3.32
France	2.06
Canada	1.86
Luxembourg	1.70
Australia	1.53
Others	8.32
Cash & Cash Equivalents	5.38

Top Sector Weightings (% of Total)<sup>5</sup>

09/30/2021	
Investment Grade Corporates <sup>5</sup>	37.07
High Yield Corporates	23.17
Residential Mortgage-Backed Securities	13.67
Non-US Developed Bonds	7.50
Local Currency Emerging Market Bonds	4.12
Commercial Mortgage-Backed Securities	3.11
Collateralized Loan Obligation	2.15
Others	4.69
Interest Rate Derivatives	2.67
Currency Derivatives	-0.79
Cash & Cash Equivalents <sup>7</sup>	5.38

Bond Ratings (% of Fixed Income)<sup>5,8</sup>

09/30/2021			
AAA	1.96	CCC	2.56
AA	8.00	Not Rated	1.29
		Not Applicable	1.22
A	6.52	Cash & Cash Equivalents	5.38
BBB	47.89	Cash & Cash Equivalents	2.10
BB	14.33		
B	10.84		

## Series A Distribution History

Date	Price	Distr.	Date	Price	Distr.
09/30/2020	\$5.09	\$0.01	05/31/2021	\$5.16	\$0.01
10/30/2020	\$5.07	\$0.01	06/30/2021	\$5.17	\$0.02
01/29/2021	\$5.21	\$0.01	07/30/2021	\$5.17	\$0.01
02/26/2021	\$5.17	\$0.01	08/31/2021	\$5.17	\$0.02
03/31/2021	\$5.13	\$0.01	09/30/2021	\$5.12	\$0.01
04/30/2021	\$5.16	\$0.01	10/29/2021	\$5.08	\$0.01

\* Effective June 4, 2021, Brandywine Global Investment Management, LLC ("Brandywine") replaced Franklin Advisers, Inc. as the sub-advisor to Franklin Brandywine Global Income Optimiser Fund (formerly Franklin Strategic Income Fund) and Franklin Bissett Investment Management is no longer a portfolio advisor to the Fund. Please see the fund's current simplified prospectus and fund facts for further details.

**Disclaimers**

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or fund facts document before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The portfolio manager for a Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top 10 holdings list. Series T distributions are automatically reinvested unless otherwise requested. Series T may also pay a distribution that must be reinvested in December, consisting of income and capital gains. Please indicate your preference to receive cash flow immediately on the application form. Fund AUM reported may include fund-on-fund holdings, and assets are therefore reflected in both the top fund and underlying fund AUM. The 'Supranational' geographic designation refers to international financial institutions whereby member states transcend national boundaries and issue debt securities on behalf of the group as a whole.

**Ratings without cash, Market Value or Notional Exposure:** Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations ('NRSRO'), such as Standard & Poor's, Moody's and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from all three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. The NR category consists of ratable securities that have not been rated by an NRSRO. The N/A category consists of nonratable securities (e.g., equities). Cash and equivalents are excluded from this breakdown.

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**Franklin Bissett Investment Management** is part of Franklin Templeton Canada. **Fiduciary Trust Company of Canada** is a wholly owned subsidiary of Franklin Templeton Canada.

**Franklin Templeton Investment Solutions\* (FTIS)** is a global team dedicated to global portfolio-based solutions. In Canada, FTIS uses Templeton Investment Counsel LLC as a sub-adviser. FTIS is a division of Fiduciary Trust Company of Canada, a wholly owned subsidiary of Franklin Templeton Canada.

**Glossary**

**Dividend Yield** of a stock is the total amount of dividend per share paid over the previous 12 months, divided by its current price. The dividend yield of a mutual fund is the market-weighted average of the dividend yields of all the stocks in the portfolio. This measure is gross of fees.

**Weighted Yield (Internal Yield)** is a blended measure used for balanced funds, the internal yield is the market-weighted average of the Yield to Maturity of the fund's fixed income component and the Dividend Yield of the fund's equity component. This measure is gross of fees.

**Yield to Maturity (YTM)** is a long-term yield expressed as an annual rate. A bond's YTM is the rate of return anticipated if one assumes the bond is held until its maturity date and all the coupons paid by the bond are reinvested at the same rate of return as the coupons. The calculation takes into account the current market price, par value, coupon interest rate and time to maturity. The YTM of a bond fund is the market-weighted average of the YTM's of all the bonds in the portfolio.

**Yield to Worst (YTW)** of a bond is the yield to maturity if the worst possible bond repayment takes place. If market yields are higher than the coupon, the YTW would assume no prepayment. If market yields are below the coupon, the YTW would assume prepayment. The YTW of a fund is the market-weighted average of the YTW's of all the bonds in the portfolio. This measure is gross of fees and excludes yield on cash.



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