

# An unconstrained global multisector approach to fixed income

# Franklin Brandywine Global Income Optimiser Fund

Effective May 1, 2025, the Franklin Brandywine Global Sustainable Income Optimiser Fund changed its name to Franklin Brandywine Global Income Optimiser Fund.

Also available as an ETF Series

FBGO

### A 3D approach to fixed income

Designed to navigate a low rate and uncertain global fixed income space, while generating income and growth for client portfolios.



#### **Dual approach**

 Pair top-down macroeconomic perspective with deep fundamental analysis

#### Dynamic sector rotation

 Avoid sector biases by adapting sector exposures and actively managing duration

#### **Downside protection**

 Utilize safe-haven duration, quality rotation, portfolio hedges and apply a margin of safety approach in security selection



- Valuation aligns with macroeconomic and fundamental risks
- Provides more consistent outcomes
- Portfolio exposures align with current market environment
- Enhances risk-adjusted returns
- Decreases drawdown and downside volatility

# Sources of alpha



#### **Sector rotation**

Actively rotates among sectors with best risk-adjusted return potential



#### **Duration management**

Duration is utilized as both a source of return and an important tool in our approach to risk management



#### **Quality rotation**

Quality bias is responsive and cyclical, influenced by the macro-outlook



#### Security selection

Idiosyncratic selection decisions, often concentrated in a limited number of securities, add an important source of alpha

#### **Currency management**

Fully hedged into the Canadian Dollar

#### ESG\*

- ESG analysis is deeply embedded into the investment process
- Weakest ESG scoring securities may be limited in exposure or even excluded from the portfolio

# **Investment parameters**

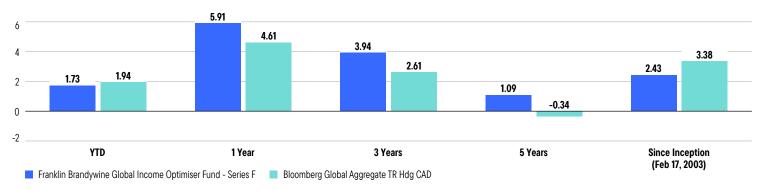
0–100%
0–25%
0–100%
0–75%
0–25%
0–25%
0–10%

# Portfolio characteristics (Approximate)

Duration Range	0–10 Years
Position Size	1–5%
Number of Issuers	100–250
Average Credit Quality	BB- to A

# **Annualized performance (%)**<sup>2</sup>

As of June 30, 2025



Effective June 4, 2021, Brandywine Global Investment Management, LLC ("Brandywine") replaced Franklin Advisers, Inc. as the sub-advisor to Franklin Brandywine Global 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.

Total (%)

**Credit Quality** 

#### **Portfolio characteristics**

Country (Top 10 Country's Exposure) Total (%)

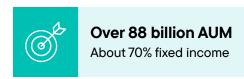
As of June 30, 2025

United States	58.25
United Kingdom	7.72
Canada	5.73
Argentina	2.57
Brazil	2.48
Mexico	2.12
Israel	2.03
Panama	1.90
Egypt	1.38
France	1.11
Total Top 10	85.30
Characteristics	
Yield to Worst (WA %)	4.96%
Yield to Worst (WA %) Yield to Maturity	4.96% 5.13%

AAA	3.76
AA	13.40
A	3.12
BBB	25.18
ВВ	20.79
В	14.68
CCC	3.71
N/A	1.22
Cash & Cash Equivalents	14.14
Average Credit Quality	BBB
Average Credit Quality  Currency	BBB Total (%)
Currency	Total (%)
<b>Currency</b> Canadian Dollar	<b>Total (%)</b> 93.22
Currency Canadian Dollar US Dollar	<b>Total (%)</b> 93.22 4.46
Currency Canadian Dollar US Dollar Egyptian Pound	Total (%) 93.22 4.46 0.96
Currency Canadian Dollar US Dollar Egyptian Pound Uruguayan Peso	Total (%) 93.22 4.46 0.96 0.52

Fixed Income Sectors	Total (%)
High Yield Corporates	34.02
Investment Grade Corporates	19.40
Residential Mortgage-Backed Securities	9.22
Non-US Developed Bonds	8.01
Interest Rate Derivatives	6.57
Non-Local Currency Emerging Market Bonds	4.78
Agency Mortgage-Backed Securities	2.77
Local Currency Emerging Market Bonds	2.61
Collateralized Loan Obligation	2.04
Asset-Backed Securities	1.80
Currency Derivatives	0.93
Other	0.03
Cash and Cash Equivalents	14.14

## Brandywine Global investment management<sup>3</sup>





**Founded in 1986** +30 years of managing fixed income portfolios



225+ employees Mid-sized boutique investment firm

#### Investment team<sup>4</sup>



Jack P. McIntyre, CFA
Portfolio Manager
Industry experience 38 years



**Anujeet Sareen, CFA**Portfolio Manager
Industry experience 32 years



Brian L. Kloss, JD, CPA
Portfolio Manager
Industry experience 30 years



**Tracy Chen, CFA, CAIA**Portfolio Manager
Industry experience 28years



Michael Arno, CFA Associate Portfolio Manager Industry experience 21 years



Renato Latini, CFA Associate Portfolio Manager Industry experience 20 years



For close to 40 years, Brandywine Global has applied active management and a long-term value approach to create value across asset classes in its high-conviction global equity and fixed income portfolios.

#### **Fund codes & fees**

Fee Type	Fund Series	CDN\$	Management + Admin Fee**
Commision-Based	Series A Front End	TML387	1.26%
Fee-Based	Series F	TML229	0.69%
	Series FADM†	TML5011	0.69%
Negotiated Fee	Series O	TML173	Negotiated
		Fund Ticker	
	ETF Series	FBGO	0.67%

<sup>\*\*</sup>Management Expense Ratio as of December 31, 2024.

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<sup>&</sup>lt;sup>1\*</sup>ADM" refers to the Investment Advisory Services Fee purchase option for series F. Please see the simplified prospectus for further details. Effective May 19, 2022, all DSC and LL fund codes are closed to new investments. Switches between DSC and LL funds will continue to be permitted.

1. The investment team has the flexibility to allocate more that 40% in High Yield debt securities but this will be done opportunistically and not for a prolonged period, as to keep in line with the allocation limits set out for the Global Fixed Income Category by CIFSC.

2. Sources: Franklin Templeton and Morningstar Direct.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the prospectus and fund fact/ETF facts document before investing. ETFs trade like stocks, fluctuate in market value and may trade at prices above or below the ETF's net asset value. Brokerage commissions and ETF expenses will reduce returns. Performance of an ETF may vary significantly from the performance of an index, as a result of transaction costs, expenses, and other factors. Indicated rates of return are historical annual compounded total returns for the period indicated, including changes in unit value and reinvestment distributions, and do not take into account any charges or income taxes payable by any security holder that would have reduced returns. Mutual funds and ETFs are not guaranteed. Their values change frequently. Past performance may not be repeated.

ETF units may be bought or sold throughout the day at their market price on the exchange on which they are listed. However, there can be no guarantee that an active trading market for ETF units will develop or be maintained, or that their listing will continue or remain unchanged. While the units of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress.

Franklin Templeton Investments Corp., the investment fund manager of the Franklin Brandywine Global Income Optimiser Fund (the "Fund"), has received exemptive relief to permit the ETF Series of the Fund to use the start date, past performance, information derived from the financial statements and other financial information of the Franklin Brandywine Global Income Optimiser Active ETF, which was merged into the Fund, in the Fund's sales communications, reports to securityholders, simplified prospectus, ETF facts, annual and interim financial statements and annual and interim management reports of fund performance, as applicable. 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.

3. As of June 30, 2025.

4. Investment management team of Franklin Brandywine Global Income Optimiser Fund. As of June 30, 2025.

Information is historical and may not reflect current or future portfolio characteristics.

All portfolio holdings are subject to change. Market value figures reflect the trading value of the investments. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors. Credit Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations (NRSRO), such as Standard & Poor's, Moody's, DBRS 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 four or 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. Cash and equivalents as well as derivatives are excluded from this breakdown. If listed, the NR category consists of ratable securities that have not been rated by an NRSRO listed above. The portfolio itself has not been rated by an independent rating agency.

For unrated bonds, cash and equivalents, ratings may be assigned based on the ratings of the issuer, the ratings of the underlying holdings of a pooled investment vehicle, or other relevant factors. The Average Credit Quality (ACQ) rating provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. Derivative positions are not reflected in the ACQ. Yield to Worst ("YTW") is the yield to maturity if the worst possible bond repayment takes place. If market yields are higher than the coupon, the yield to worst would assume no prepayment. If market yields are below the coupon, the YTW would assume prepayment. In other words, YTW assumes that market yields are unchanged. YTW is not an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio. The dividend yield quoted here is the yield on securities within the portfolio and should not be used as an indication of the income received from this portfolio.

The Average Credit Quality (ACQ) rating provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. Derivative positions are not reflected in the ACQ.



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