

# Franklin European Social Leaders Bond Fund

W (acc) EUR: LU2484328617

Sustainable Bonds | Factsheet as of 30 September 2025

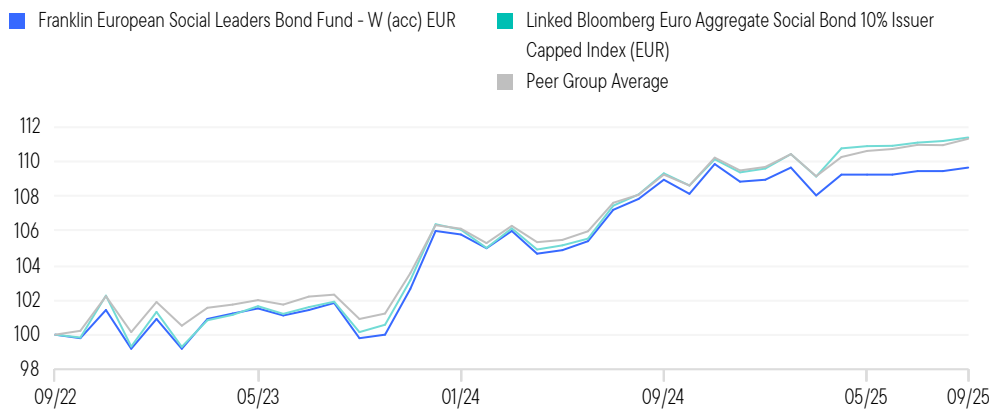
This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID before making any final investment decisions.

## Investment Overview

To seek to maximise income and growth of capital (total return), while contributing to social goals. The Fund invests a minimum of 75% of assets in corporate and government social bonds denominated in, or hedged back to, EUR. These bonds support projects in economically disadvantaged communities, such as social housing, professional training, microcredit and access to affordable healthcare, education and basic infrastructure. These investments may be from anywhere in the world, including emerging markets, although the Fund may invest significantly in Europe. Some of these investments may be below investment grade.

Past performance does not predict future returns.

## Performance Over 3 Years in Share Class Currency (%)



## Discrete Annual Performance (%)

|                    | 09/24 | 09/23 | 09/22 | 09/21 | 09/20 | 09/19 | 09/18 | 09/17 | 09/16 | 09/15 |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                    | 09/25 | 09/24 | 09/23 | 09/22 | 09/21 | 09/20 | 09/19 | 09/18 | 09/17 | 09/16 |
| W (acc) EUR        | 0.66  | 9.19  | -0.20 | —     | —     | —     | —     | —     | —     | —     |
| Benchmark (EUR)    | 1.90  | 9.16  | 0.15  | —     | —     | —     | —     | —     | —     | —     |
| Peer Group Average | 1.90  | 8.30  | 0.90  | —     | —     | —     | —     | —     | —     | —     |

## Total Returns (%)

|                    | Cumulative |      |      |      |       |      | Average Annual |      |      |           | Inception Date |
|--------------------|------------|------|------|------|-------|------|----------------|------|------|-----------|----------------|
|                    | 1-Mo       | 3-Mo | YTD  | 1-Yr | 3-Yr  | 5-Yr | Inception      | 3-Yr | 5-Yr | Inception |                |
| W (acc) EUR        | 0.19       | 0.37 | 0.75 | 0.66 | 9.68  | —    | 7.70           | 3.13 | —    | 2.48      | 19/09/2022     |
| Benchmark (EUR)    | 0.18       | 0.43 | 1.85 | 1.90 | 11.41 | —    | 8.21           | 3.67 | —    | 2.64      | —              |
| Peer Group Average | 0.33       | 0.53 | 1.66 | 1.90 | 11.35 | —    | 8.67           | 3.65 | —    | 2.78      | —              |
| Quartile Ranking   | 3          | 3    | 4    | 4    | 3     | —    | —              | 3    | —    | —         | —              |

The value of shares in the Fund and income received from it can go down as well as up, and investors may not get back the full amount invested.

Performance details provided are in share class currency, include the reinvested dividends gross of tax and are net of management fees. Sales charges, taxes and other locally applied costs have not been deducted. The fund's returns may increase or decrease as a result of changes to foreign exchange rates.

Up to date performance figures can be found on our website.

When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

## Fund Overview

|                            |                                     |
|----------------------------|-------------------------------------|
| Umbrella                   | Franklin Templeton Investment Funds |
| Fund Base Currency         | EUR                                 |
| Fund Inception Date        | 19/09/2022                          |
| Share Class Inception Date | 19/09/2022                          |
| Minimum Investment         | USD 1000                            |
| ISIN                       | LU2484328617                        |
| Bloomberg                  | FESCLAW LX                          |
| Morningstar Peer Group     | EUR Diversified Bond                |
| EU SFDR Category           | Article 9                           |

## Benchmark(s) and Type

|                                                                     |            |
|---------------------------------------------------------------------|------------|
| Linked Bloomberg Euro Aggregate Social Bond 10% Issuer Capped Index | Comparator |
|---------------------------------------------------------------------|------------|

## Charges

|                        |       |
|------------------------|-------|
| Maximum Initial Charge | 0.00% |
| Exit Charge            | —     |
| Ongoing Charges Figure | 0.50% |
| Performance Fee        | —     |

The charges are the fees the Fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund. Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

## Fund Characteristics

|                           | Fund           |
|---------------------------|----------------|
| NAV-W (acc) EUR           | €10.77         |
| Total Net Assets (EUR)    | €11.80 Million |
| Number of Holdings        | 49             |
| Average Credit Quality    | AA-            |
| Weighted Average Maturity | 5.43 Yrs       |
| Effective Duration        | 4.17 Yrs       |
| Yield to Maturity         | 2.71%          |
| Standard Deviation (3 Yr) | 4.17%          |

Sector Exposure (% of Total)

|                         | Fund   | Benchmark |
|-------------------------|--------|-----------|
| Quasi-Sovereign         | 30.18  | 0.00      |
| Euro IG Corp            | 14.41  | 20.78     |
| Securitised             | 7.83   | 13.71     |
| Sovereign               | 4.41   | 3.86      |
| Non-EMU Europe          | 1.07   | 0.00      |
| EMU Govt                | -11.62 | 0.00      |
| Others                  | 32.97  | 61.64     |
| Cash & Cash Equivalents | 9.16   | 0.00      |

Geographic Allocation (% of Total)

|                         | Fund  | Benchmark |
|-------------------------|-------|-----------|
| France                  | 28.21 | 35.55     |
| Belgium                 | 10.60 | 2.91      |
| Germany                 | 9.47  | 11.43     |
| Spain                   | 4.88  | 3.04      |
| Netherlands             | 3.76  | 9.28      |
| United Kingdom          | 3.56  | 6.04      |
| Italy                   | 2.78  | 6.17      |
| Chile                   | 2.67  | 3.42      |
| Others                  | 24.91 | 22.16     |
| Cash & Cash Equivalents | 9.16  | 0.00      |

Credit Quality Exposure (% of Total)

|                         | Fund  | Benchmark |
|-------------------------|-------|-----------|
| AAA                     | 31.79 | 37.93     |
| AA                      | 14.52 | 24.43     |
| A                       | 35.90 | 24.37     |
| BBB                     | 8.65  | 13.28     |
| Not Applicable          | -0.01 | 0.00      |
| Cash & Cash Equivalents | 9.16  | 0.00      |

Portfolio Management

|                  | Years with Firm | Years of Experience |
|------------------|-----------------|---------------------|
| David Zahn, CFA  | 19              | 31                  |
| Rod MacPhee, CFA | 12              | 18                  |

What are the Risks?

The Fund does not offer any capital guarantee or protection and you may not get back the amount invested. The Fund is subject to the following risks which are materially relevant: **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. **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. **Sustainability:** The fund's integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the fund and may also cause the fund to sell investments that will continue to perform well. A sustainability risk could materialise due to an environmental, social or governance event or condition which may impact the fund's investments and negatively affect the returns of the fund. Complete information on the risks of investing in the Fund are set out in the Fund's prospectus.

Glossary

**Yield to Maturity ('YTM'):** is the rate of return anticipated on a bond if it is held until the maturity date. YTM is considered a long-term bond yield expressed as an annual rate. The calculation of YTM takes into account the current market price, par value, coupon interest rate and time to maturity. It is also assumed that all coupons are reinvested at the same rate. Yield figures quoted should not be used as 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. **Yield to Maturity is calculated without the deduction of fees and expenses.** **Ongoing Charges Figure (OCF):** The Ongoing Charges Figure (OCF) includes the fees paid to the management company, the investment manager and the depository, as well as certain other expenses. The OCF is calculated by taking the relevant main material costs paid out over the 12-month period indicated and dividing them by the average net assets over the same period. The OCF does not include all expenses paid by the fund (for example, it does not include what the fund pays for buying and selling securities). For a comprehensive list of the types of costs deducted from fund assets, see the prospectus. For recent all-in annual costs, as well as hypothetical performance scenarios that show the effects that different levels of return could have on an investment in the fund, where applicable, see the KID. **Comparator:** Benchmark is used for comparing Fund performance, but is not a constraint to Fund Investment. **Average Credit Quality:** The average credit quality reflects the holdings of the underlying issues, based on the size of each holding and ratings assigned to each based on rating agency assessments of its creditworthiness. **Weighted Average Maturity:** An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings. **Effective Duration** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. Duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. The higher the duration number, the more sensitive a fixed-income investment will be to interest rate changes. **Standard Deviation:** Measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

Portfolio Data Information

**Exposure:** Notional exposure figures are estimated and are intended to show the portfolio's direct exposure to securities and indirect exposure, through derivatives. Direct and indirect exposures are subject to change over time and methodologies for calculating indirect exposures vary by derivative type. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of derivatives, unsettled trades or other factors. **Credit Quality** is a measure of a bond issuer's ability to repay interest and principal in a timely manner. The credit ratings shown are based on each portfolio security's rating as provided by Standard and Poor's, Moody's Investors Service and/or Fitch Ratings, Ltd. and typically range from AAA (highest) to D (lowest), or an equivalent and/or similar rating. For this purpose, the manager assigns each security the middle rating from these three agencies. When only two agencies provide ratings, the lower of the two ratings will be assigned. When only one agency assigns a rating, that rating will be used. Foreign government bonds without a specific rating are assigned a country rating, if available. Securities that are unrated by all three agencies are reflected as such. The credit quality of the investments in the Fund's portfolio does not apply to the stability or safety of the Fund. These ratings are updated monthly and may change over time. **Please note, the Fund itself has not been rated by an independent rating agency.**

### Important Information

**This fund meets the requirements under Article 9 of the EU Sustainable Finance Disclosure Regulation (SFDR); the fund has an objective to make sustainable investments as defined in SFDR.**

Further information in relation to the sustainability-related aspects of the Fund can be found at [www.franklintempleton.lu/SFDR](http://www.franklintempleton.lu/SFDR). Please review all of the fund's objectives and characteristics before investing.

**Effective 1 February 2024, the fund changed its benchmark to the Bloomberg Euro Aggregate Social Bond 10% Issuer Capped Index.**

**Effective 25 March 2024, the fund modified its principal investment strategy.**

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Subscriptions to shares of the Fund should only be made on the basis of the Fund's current Prospectus, and, where available, the relevant KID, accompanied by the latest available audited annual report and the latest semi-annual report if published thereafter. These documents can be found on our website at [www.franklinresources.com/all-sites](http://www.franklinresources.com/all-sites), obtained, free of charge, from your local FT representative or can be requested via FT's European Facilities Service which is available at [www.eifs.lu/franklintempleton](http://www.eifs.lu/franklintempleton). The Fund's documents are available in English, Arabic, French, German, Italian, Polish and Spanish.

In addition, a Summary of Investor Rights is available from [www.franklintempleton.lu/summary-of-investor-rights](http://www.franklintempleton.lu/summary-of-investor-rights). The summary is available in English.

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**Sustainable investing** The investment manager applies a proprietary rating methodology using various ESG criteria in pursuing its sustainability objective and selects securities meeting social bond standards or contributing to a positive social outcome. It also excludes or restricts investments in certain industries that are harmful to the environment or society, such as thermal coal, weapons and tobacco.

**Benchmark(s)** Bloomberg Euro Aggregate Social Bond 10% Issuer Capped Index. Used for performance comparison only.

The Fund is actively managed and may deviate materially from that of the benchmark(s).

**Intended retail investor** Investors who understand the risks of the Fund and plan to invest for at least 5 years. The Fund may appeal to investors who are looking for a combination of income and investment growth, through an investment that pursues a sustainable investment objective, are interested in exposure to global social bond markets as part of a diversified portfolio, have a medium risk profile and can tolerate moderate short-term changes in the share price.

**Product availability** The Fund is available to all investors with at least basic investment knowledge, through a wide range of distribution channels, with or without the need for advice.

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[www.franklintempletondatasources.com](http://www.franklintempletondatasources.com). The **Linked Bloomberg Euro Aggregate Social Bond 10% Issuer Capped Index** reflects performance of the iBoxx EUR Social Bonds Investment Grade (10% Issuer Cap) Index from fund inception through 31 January 2024 and the Bloomberg Euro Aggregate Social Bond 10% Issuer Capped Index thereafter. Source: Bloomberg Indices.

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