

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: FTGF Brandywine Global Fixed Income Fund

Legal entity identifier: 549300TFZOE7EEQG432

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

Yes **No**

<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes environmental and social characteristics using several interconnected approaches. Each country is evaluated using the Investment Manager's 60+ input ESG scoring methodology to assess environmental, social, and governance characteristics. These characteristics include assessments on physical and transition climate risks, environmental conservation and waste, labour rights, education, individual and institutional freedom, women and children's rights and protections, crime and corruption and may include other characteristics from time to time reflecting the unconstrained strategy pursued by the Fund. The Investment Manager's 60+ input ESG scoring methodology is used to create portfolio and investable universe scores and rankings, with the lowest scoring 10% excluded from consideration; these scores also drive material engagement topics to address with issuers in the second lowest decile (80th- 90th percentile scores) which also include GHG emissions, a mandatory sovereign PAI.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Fund are:

- Relevant PAI Indicators, such as PAI #15 (GHG Intensity)
- specific inputs into the ESG scoring methodology employed by the Investment Manager which align with the environmental or social characteristics promoted by the Fund. The Investment Manager uses 60+ inputs to create a sovereign ESG scoring methodology, where ESG is weighted by 15%, 35%, and 50% respectively. Each ESG pillar has more than 20 inputs and has been determined by the Investment Manager to be material to the investments of the Fund.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A – the Fund does not commit to have sustainable investments.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A – the Fund does not commit to have sustainable investments.

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A – the Fund does not commit to have sustainable investments.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A – the Fund does not commit to have sustainable investments.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes. Mandatory and optional PAIs for issuers will be tracked, measured, and reported as part of the second lowest decile (ninth decile) process, which requires the Investment Manager to engage on topics related to a composite E/S score. The PAIs will be used in conjunction with the Investment Manager's scores and related KPIs in order to assess opportunity, realise improvement, and guide engagement discussions for issuers in the second lowest decile, and will help inform related investment exposures and position sizes. Typically, PAIs are captured in the Investment Manager's scoring. For example, the two mandatory sovereign PAIs (PAI #15 (GHG intensity) and PAI #16 (Investee countries subject to social violations)) are included in the Investment Manager's proprietary ESG scoring methodology.



What investment strategy does this financial product follow?

The Fund's goal is to achieve income and growth of the Fund's value by investing in bonds issued by various governments.

In order to achieve this, the Investment Manager employs a combination of top-down macro-oriented analysis that invests in investment-grade rated countries with high real rates and appreciating currencies.

Alongside traditional financial and economic analyses, the Investment Manager integrates an evaluation of the potential impacts of material environmental, social, governance ("ESG") factors on an issuer, to determine whether, in the Investment Manager's view, an issuer's ESG practices present a financial opportunity or risk for an investment. This ESG integration will include qualitative research and may also include data driven risk analysis.

In addition to the integration of ESG factors, the Investment Manager utilises a multifaceted approach to assign environmental and social ratings to at least 90% of the Fund's portfolio. This process involves screening the Fund's universe via a multifaceted approach which is largely quantitative and utilizes data sources provided by third parties. This data is used for ESG scoring, to identify material risks, candidates for engagement, track progress on issuers, and ultimately make portfolio management decisions. The results of this analysis form the basis for portfolio exclusion where the bottom decile, as defined by the environmental and social factors for scored issuers, of the investable universe will be screened out.

Issuers in the lowest scoring 10% (the bottom decile) are excluded from the investable universe as a result of the ratings methodology deployed. The promotion of E and S factors is achieved via this exclusion. The Investment Manager will seek engagement with those issuers of securities in the 10 – 20% worst scoring (second lowest decile. If such securities are selected for inclusion in the Fund. Up to 90% of total portfolio holdings are tracked and monitored for environmental and social factor deterioration or improvements.

In addition to this, the Investment Manager also monitors current and prospective holdings for deterioration and improvement for Environmental and Social factors (as described in the section of the Prospectus entitled "Sustainability Risk).

In terms of sovereign issuers, the ESG analysis framework covers a wide range of ESG factors that include but are not limited to: deforestation and land usage/conservation, climate change vulnerability, overall greenhouse gas emissions, reliance on fossil fuel exports, water usage, civil and political rights, private sector oversight and regulation, particularly with respect to safety.

Government-owned or related issuers are evaluated based upon the country of risk and not as a standalone corporate issuer; however, the entity is also evaluated upon its compliance with industrywide practices regarding global compact/normative compliance. Supranational issuers are evaluated separately as an agency and do not fall under a country of risk. When engaging with government-owned or related issuers, the Investment Manager evaluates environmental and social issues, as set out in the section of the Prospectus entitled "Sustainability Risk", that include but are not limited to: carbon emissions and greenhouse gas emissions, water usage and conservation.

Generally, the Investment Manager may seek to engage with issuers in the Fund's portfolio (including, without limitation, through interaction with corporate management teams, investor relations and sustainability teams, government officials, and policymakers) regarding their environmental and social

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

performance.. Environmental and social performance is measured quantitatively when data is available, and also through qualitative research. After periodic engagement with, and reassessment of the ESG score of an issuer, the Investment Manager may reduce or eliminate the Fund's exposure to that issuer.

The Fund does not have a specific sector exclusion on government issuers that rely on fossil fuel and/or natural resource exports; however, sovereign issuers that rely on these commodity sectors may be excluded if their Environmental and Social scores fall in the bottom decile according to the ESG methodology used.

The Fund will not invest in any issuer if the issuer is a sovereign issuer identified in the United Nations Security Council Sanctions or as a high-risk jurisdiction by the Financial Action Task Force.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

- Issuers in the lowest scoring 10% (the bottom decile) are excluded from the investable universe as a result of the ratings methodology deployed.;
- Issuers in 10-20% worst scoring (2nd lowest decile) are not excluded, rather the Investment Manager will seek engagement with issuers of securities scoring in the second lowest decile of the investment universe, where such securities are selected for inclusion in the Fund.
- Up to 90% of total portfolio holdings are tracked and monitored for environmental and social factor deterioration or improvements.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

10% (bottom decile) reduction.

● ***What is the policy to assess good governance practices of the investee companies?***

N/A – The Fund will invest only in sovereign bonds and will not have exposure to corporates, therefore, no good governance practices related to investee companies are applicable.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

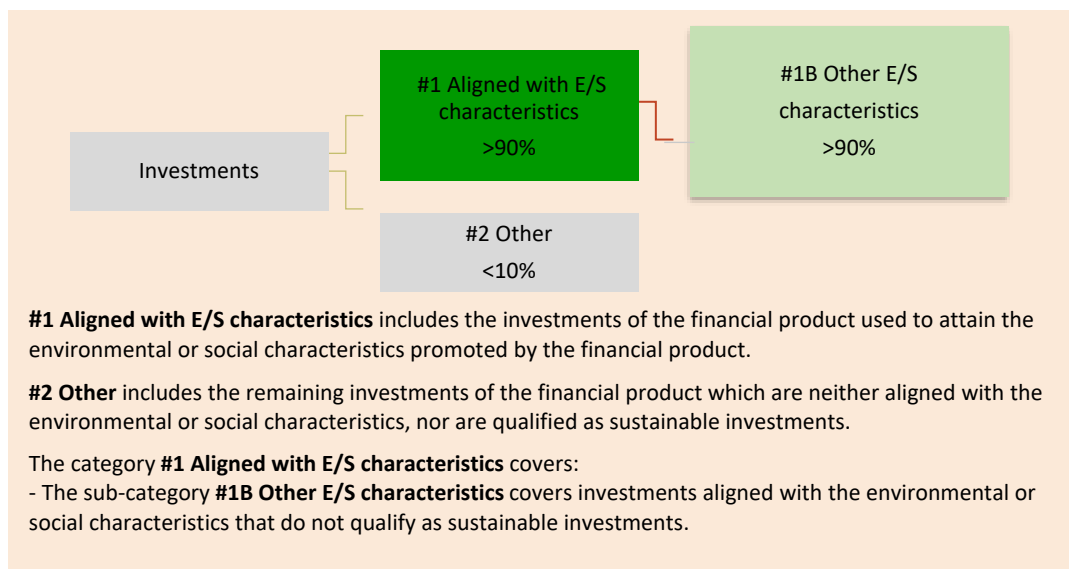


What is the asset allocation planned for this financial product?

The Investment Manager employs a binding proprietary ESG methodology which is applied to at least 90% of the Fund's portfolio. The remaining portion (<10%) of the portfolio is not aligned with the promoted characteristics and consists of liquid assets (ancillary liquid assets, bank deposits, money market instruments and money market funds).

Asset allocation describes the share of investments in specific assets.

The Fund will not make sustainable investments.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The ESG methodology is applied to the notional value of derivatives used to gain long exposure to bond futures and single name credit derivatives.

Notional value for long positions is counted towards the ESG scoring.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not invest in sustainable investments with an environmental objective aligned with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹³?**

Yes:

In fossil gas In nuclear energy

No

¹³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

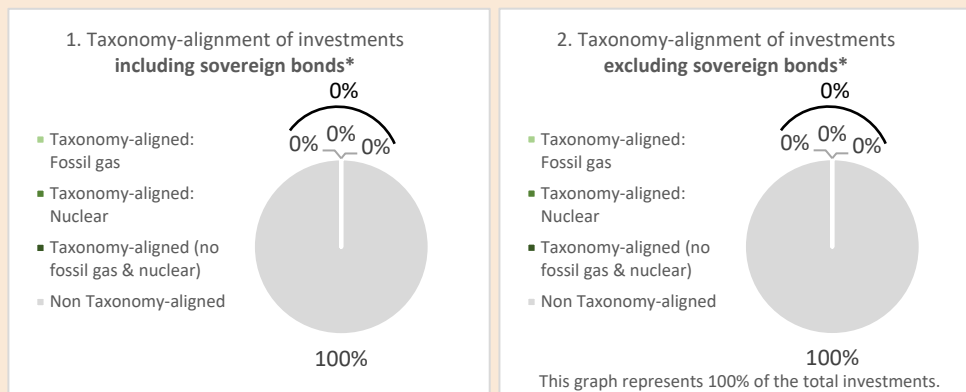
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

The Fund does not invest in transitional and enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

0% of the Fund's investments will be in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

0% of the Fund's investments will be in socially sustainable investments.



What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

"#2 Other" comprises cash held on deposit, instruments used for hedging and derivatives for which there are no minimum environmental or social safeguards.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A.

- ***How does the designated index differ from a relevant broad market index?***

N/A.

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A.



Where can I find more product specific information online?

More product-specific information can be found on the website:

www.franklintempleton.ie/90299