

## Franklin Sustainable Euro Green Bond UCITS ETF

**Class SINGLCLASS • ISIN IE00BHZZR253** • A sub-fund of Franklin Templeton ICAV  
The management company is Franklin Templeton International Services S.à r.l.

### Objectives and Investment Policy

Franklin Sustainable Euro Green Bond UCITS ETF (the “Fund”) aims to provide exposure to the European green bond market whilst maximizing total returns.

The Fund is classified as Article 9 under the EU Sustainable Finance Disclosure Regulation. The Fund invests mainly in bonds that are labelled green and denominated in European currencies. The Fund can invest to a lesser extent in bonds that are climate aligned and derivatives for hedging, efficient portfolio management and/or investment purposes. Under normal market conditions, the Fund will invest at least 75% of its Net Asset Value in bonds that are labelled as “green”, with up to 25% of its Net Asset Value invested in bonds which are deemed by the Investment Manager to be supportive of a low-carbon future. The bonds in which the Fund will invest may be issued with any duration, have both fixed and floating rates and be issued by both corporate and governmental issuers. Governmental issuers include government agencies and quasi sovereigns.

The Fund employs research analysis to select all securities and, while the focus will be on eligible “green” bonds, each investment is subject to credit approval by the Investment Manager. The selection process is used to select investments which the Investment Manager believes will enable the Fund to outperform the Benchmark. The Investment Manager can selectively add or reduce exposure in specific countries, depending on economic fundamentals, interest rate outlook, monetary policy, geo-political trends as well as fiscal policy.

The Fund pursues an actively managed investment strategy. Therefore, the Fund will hold a portfolio of actively selected and managed investments rather than seek to track the performance of the benchmark. The Fund’s benchmark, the Bloomberg Global Aggregate EUR Green Bond Index is a point of reference against which the performance of the Fund may be measured. It is anticipated that a significant percentage of the Fund’s investments will be components of the benchmark. However, their weightings may deviate materially from those of the benchmark. The Fund may also invest in securities that are not included in the benchmark.

The securities in which the Fund invests will be primarily listed or traded on recognised markets globally in accordance with the limits set out in the UCITS Regulations.

The Fund may use derivatives for efficient portfolio management or investment purposes.

This Fund may not be appropriate for investors who plan to withdraw their money within five (5) years.

The Fund’s shares are listed and traded on one or more stock exchanges. Investors can deal in shares daily through a broker on stock exchange(s) on which the shares are traded. Income from the Fund’s investments will be reinvested and not distributed to investors.

For further information on the Objectives and Investment Policy of the Fund, please refer to the “Investment Objective and Strategy” section of the current prospectus of Franklin Templeton ICAV and the Fund supplement.

#### Terms to Understand

**Climate aligned bonds:** bonds which meet international Climate Bonds Standard.

**Debt securities:** Securities representing the issuer’s obligation to repay a loan at a specified date and to pay interest.

**Derivatives:** Financial instruments whose characteristics and value depend on the performance of one or more underlying assets, typically securities, indexes, currencies or interest rates.

**Green bonds:** bonds which meet the International Capital Market Association definition of green.

For accumulation shares, income from investments is reinvested in the Fund and reflected in the price of shares.

### 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.

As the share class has no sufficient historical data available, simulated data based on a representative portfolio model or benchmark have been used instead.

#### Why is the Fund in this specific category?

The Fund invests mainly in green bonds whilst aiming to maintain capital preservation. Such securities have historically proven to present some stability over time and have benefitted from limited exposure to interest rates and 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:

**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.

**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.

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

**Secondary market trading risk:** the risk that the shares purchased on the secondary market cannot usually be sold directly back to the Fund and that investors may therefore pay more than the NAV per share when buying shares or may receive less than the current NAV per Share when selling shares.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Considerations” section of the current prospectus of Franklin Templeton ICAV.

### Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

#### One-off charges taken before or after you invest

<b>Entry charge</b>	Not applicable*
<b>Exit charge</b>	Not applicable*

*This is the maximum that might be taken out of your money before it is invested.*

#### Charges taken from the Fund over a year

<b>Ongoing charges</b>	0.25%
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#### Charges taken from the Fund under certain specific conditions

<b>Performance fee</b>	Not applicable
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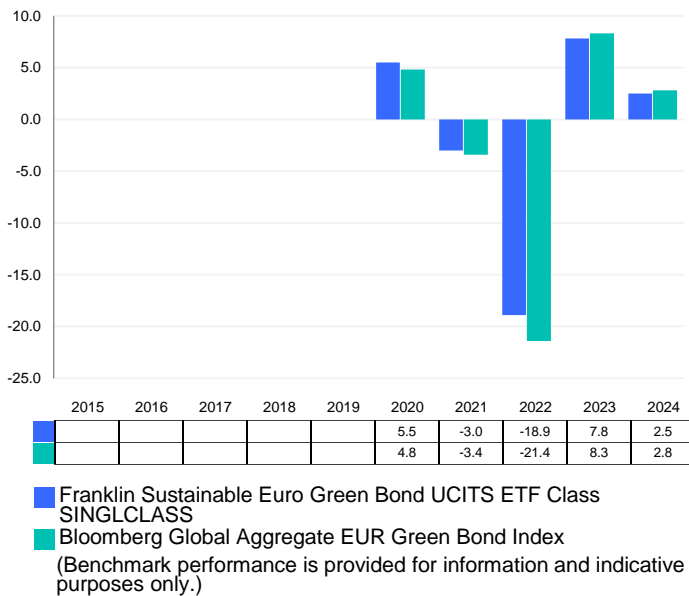
\*No entry nor exit charges are payable where investors deal in shares in the secondary market – i.e. where shares are purchased and sold on a stock exchange. In such cases, investors may pay fees charged by their broker. Authorised Participants dealing directly with the Fund may pay an entry charge up to a maximum of 3% and an exit charge up to a maximum of 2%.

The entry and exit charges shown are maximum amounts: you may pay less in some cases. For more information please ask your financial adviser.

The ongoing charges figure shown here is an estimate of the charges as, for the year ended 31 December 2024, the ongoing charges included a fee waiver which expired on 1 January 2025.

For detailed information about charges, please refer to the “Fees and Expenses” section of the current prospectus of Franklin Templeton ICAV and the Fund supplement.

## Past Performance



- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges.
- The Fund was launched in 2019 and the present share class on 29/04/2019.
- Past performance is calculated in the currency of the present share class.
- Product performance is not tracking the index.
- Effective 1 November 2023, the Fund's benchmark is Bloomberg Global Aggregate EUR Green Bond Index. Until that point Bloomberg MSCI Euro Green Bond Index was used as reference benchmark.

## Practical Information

- The Depositary of Franklin Templeton ICAV is State Street Custodial Services (Ireland) Limited.
- You can obtain further information about the Fund, copies of its prospectus, supplement and its latest annual and semi-annual reports from the website [www.franklintempleton.com](http://www.franklintempleton.com) or free of charge from the Administrator, State Street Fund Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland or your financial adviser. These documents are each available in English and certain other language(s).
- The latest Net Asset Value and other practical information on the Fund is available from the Administrator, State Street Fund Services (Ireland) Limited, 78 Sir John Rogerson's Quay, Dublin 2, Ireland or [www.franklintempleton.com](http://www.franklintempleton.com)
- The indicative Net Asset Value is displayed on major market data vendor terminals.
- Please note that the Irish taxation regime may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton International Services S.à r.l 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 present Fund is a sub-fund of Franklin Templeton ICAV. The prospectus and the annual and semi-annual reports refer to all sub-funds of Franklin Templeton ICAV. All Funds of Franklin Templeton ICAV have segregated assets and liabilities. As a result, each Fund is operated independently from each other.
- You may not exchange shares with another sub-fund of Franklin Templeton ICAV.
- The details of the up-to-date remuneration policy of the management company, 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.lu](http://www.franklintempleton.lu) and a paper copy can be obtained free of charge.