



Franklin Strategic Income Fund

LU0300737201

Multi-Sector | Factsheet as of 31 October 2025

This is a marketing communication. Please refer to the offering documents before making any final investment decisions.

Risk Considerations

INVESTMENT INVOLVES RISKS. The value of the Fund can be volatile and investors may not get back the amount originally invested. Past performance is not indicative of future results.

- Franklin Strategic Income Fund invests principally in debt securities globally. The Fund will have an allocation to fixed income securities of at least 75% of its net assets.
- The Fund is subject to investment objectives risk, debt securities risk, emerging markets risk, market risk, credit risk, foreign currency risk, liquidity risk, valuation risk, volatility risk, derivative instruments risk, "to-be-announced" transaction risk, swap agreements risk, loan credits derivatives risk, counterparty risk, convertible securities risk, restructuring companies risk, class hedging risk, credit-linked securities risk, Europe and Eurozone risk, securitisation risk, warrants risk, China Bond Connect risk and Chinese market risk.
- The Fund may at its discretion pay dividends out of the capital or out of gross income of the Fund while paying all or part of the Fund's fees and expenses out of the capital of the Fund, which results in effectively paying dividends out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Fund's capital or payment of dividends effectively out of the Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share.
- "Plus" share classes that offer, under normal market conditions, dividend distribution at a pre-determined annual percentage of the net asset value per share that is not linked to income or capital gains, may either be paying out both income and capital in distribution payments, or not substantially distributing all the investment income which a share class has earned. Such share classes may continue to distribute in periods that the Fund has negative returns or is making losses, which further reduces the net asset values of such share classes. In extreme circumstances, investors may not be able to get back the original investment amount.
- Investors should not invest based on this marketing material alone. Offering documents should be read for further details, including the risk factors. Before you decide to invest, you should make sure the intermediary has explained to you that the Fund is suitable to you.

Past performance does not predict future returns.

Performance Over 5 Years in Share Class Currency (%)

■ Franklin Strategic Income Fund - A (Mdis) USD



Total Returns (%)

	Cumulative							Annualised			Inception Date
	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	Inception	3-Yr	5-Yr	Inception	
A (Mdis) USD	0.47	2.13	5.76	5.91	21.93	10.51	79.05	6.83	2.02	3.23	12/7/2007
Benchmark (USD)	0.62	2.94	6.80	6.16	17.77	-1.17	79.69	5.60	-0.24	3.25	—

Calendar Year Returns (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
A (Mdis) USD	4.00	7.99	-11.81	1.02	3.80	9.20	-2.56	3.22	6.71	-5.27
Benchmark (USD)	1.25	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65	0.55

Investment Objective

To generate high levels of income and, as a secondary objective, long-term investment growth. The Fund mainly invests in corporate and government bonds and asset- and mortgage-backed securities, denominated in any currency. These investments may be from anywhere in the world, including emerging markets. The Fund may invest significantly in below investment grade and unrated bonds, and equities of companies that are restructuring or going through bankruptcy.

Fund Overview

Umbrella	Franklin Templeton Investment Funds
Fund Base Currency	USD
Fund Inception Date	12/07/2007
Share Class Inception Date	12/07/2007
Dividend Frequency	Monthly
Minimum Investment (USD)	1000
ISIN	LU0300737201
Bloomberg	FTSIADU LX
Morningstar Peer Group	USD Flexible Bond
EU SFDR Category	Article 6

Benchmark(s) and Type

Bloomberg U.S. Aggregate Index	Comparator
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Fund Characteristics

	Fund
NAV-A (Mdis) USD	\$8.09
Total Net Assets (USD)	\$787.59 Million
Number of Holdings	607
Average Credit Quality	BBB
Weighted Average Maturity	4.64 Yrs
Effective Duration	3.71 Yrs
Yield to Maturity	5.95%
Standard Deviation (3 Yr)	4.59%

Sector Exposure (% of Total)	Fund	Benchmark
High Yield Corporates	29.31	0.00
U.S. Treasuries	22.02	45.27
Investment Grade Corporates	20.41	23.24
Agency Mortgage-Backed Securities	10.35	24.30
Interest-Rate Derivatives	9.43	0.00
Non-Local Currency Emerging Market		
Bonds	7.58	0.84
Residential Mortgage-Backed Securities	7.18	0.00
Bank Loans	5.62	0.00
Other	4.15	6.34
Cash & Cash Equivalents	0.63	0.00

Credit Quality Exposure (% of Total)

	Fund	Benchmark
AAA	4.63	3.25
AA	31.66	73.46
A	7.84	11.57
BBB	17.13	11.73
BB	20.85	0.00
B	17.44	0.00
CCC	2.25	0.00
D	0.02	0.00
NR	4.76	0.00
Not Applicable	0.01	0.00
Cash & Cash Equivalents	0.63	0.00

Share Class Details

	ISIN	Max. Initial Charge	Annual Charge	Dividends	
				Payable Date	Amount
A (Mdis) USD	LU0300737201	5.00%	1.25%	10.11.25	\$0.0370
A (Mdis) AUD-H1	LU0889565593	5.00%	1.25%	10.11.25	\$0.0330
A (Mdis) EUR-H1	LU0889566484	5.00%	1.25%	10.11.25	€0.0270
A (Mdis) JPY-H1	LU2823255869	5.00%	1.25%	10.11.25	¥4.4730
A (Mdis) RMB-H1	LU2823255786	5.00%	1.25%	10.11.25	CNH0.045
A (Mdis-Plus) HKD	LU2679920616	5.00%	1.25%	10.11.25	\$0.0630
A (Mdis-Plus) USD	LU2657138405	5.00%	1.25%	10.11.25	\$0.0620
A (acc) USD	LU0300737037	5.00%	1.25%	—	—
Only dividend records within the past 12 months are displayed. Dividend amounts are quoted in the currency of the respective share class. Annual Charge includes Management Fee and Maintenance Charge.					

Portfolio Management

Years with Firm		Years of Experience		Years with Firm		Years of Experience	
Michael V Salm	27	36	Albert W Chan,	23		23	
Patrick A. Klein, PhD	20	20	CFA				
			Patricia O'Connor,	28		29	
			CFA				

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. 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. **Charges:** For a comprehensive list of the types of costs deducted from fund assets, see the prospectus and Product Key Facts.

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

On 21 April 2017, a sub-fund of Franklin Templeton Investment Funds not authorised by the Securities and Futures Commission merged into Franklin Templeton Investment Funds - Franklin Strategic Income Fund.

This fund meets the requirements under Article 6 of the EU Sustainable Finance Disclosure Regulation (SFDR); the fund does not promote environmental and/or social characteristics or have a sustainable investment objective under EU regulations.

This classification does not represent the fund is authorised as a Green or environmental, social and governance (ESG) fund in Hong Kong. Please visit the full list of SFC-authorised ESG funds at: <https://www.sfc.hk/en/regulatory-functions/products/list-of-esg-funds>.

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Franklin Templeton ("FT") provides no guarantee or assurance that the Fund's investment objective will be attained. 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. **Past performance is not an indicator or a guarantee of future performance.** Currency fluctuations may cause the value of a Fund's investments to diminish or increase.

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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 offering documents.

In addition, a Summary of Investor Rights is available from <https://www.franklintempleton.com.hk/en-hk/about-us/summary-of-investor-rights>. The summary is available in English and Chinese.

The sub-funds of FTIF are notified for marketing in multiple EU Member States under the UCITS Directive. FTIF can terminate such notifications for any share class and/or sub-fund at any time by using the process contained in Article 93a of the UCITS Directive. Franklin Templeton International Services S.à r.l. – Supervised by the Commission de Surveillance du Secteur Financier.

Performance information is based on the stated share class only, in Fund Currency, NAV to NAV, taking into account of dividend reinvestments and capital gain or loss.

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.

The calendar year performance of a share class in its year of inception is calculated from the share class inception date to year-end, which is not a full year return. This performance is not comparable to the benchmark performance in the year of inception which is a full year return.

Hedged share classes will attempt to hedge the currency risk between the base currency of the Fund and the currency of the share class, although there can be no guarantee that it will be successful in doing so. In some cases, investors may be subject to additional risks.

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