Brandywine Global Income Optimiser Fund

A (Mdis) USD: AEDFXA56C073 | **Commentary | as of 30 June 2026**

Key Takeaways

- **Markets:** After rising in April and May, the global fixed income market experienced a setback in June. The market continued to experience periods of volatility, as uncertainties persisted amid a fragile ceasefire between the United States and Iran, falling oil prices and mixed signals related to future monetary policy.
- **Contributors:** Colombian duration exposure and an allocation to the Egyptian pound.
- **Detractors:** Select US high-yield exposure.
- **Outlook:** The global macroeconomic backdrop remains volatile but broadly constructive, as energy prices have normalised from recent peaks and the most acute downside risks to growth have eased.

Performance Review

Past performance does not predict future returns.

- Colombian duration exposure was beneficial as political volatility was reduced.
- An allocation to the Egyptian pound contributed to performance as foreign inflows improved following US-Iran peace talks.
- Detractors: Select US high-yield corporate credit exposure was a headwind for returns, driven by issuer-specific weakness.

Outlook

- Resilient expansion despite periodic volatility: The global macro backdrop remains volatile but broadly constructive, as energy prices have normalised from recent peaks and the most acute downside risks to growth have eased. While periodic geopolitical flare-ups may still create volatility in inflation expectations, bond yields and risk sentiment, the underlying expansion has remained resilient.
- Growth broadening beyond the artificial intelligence (AI) investment cycle: Consumer demand remains steady, while AI related investment continues to be an important structural support for global activity. Encouragingly, corporate spending is showing early signs of broadening beyond technology-related capital expenditure, and tentative improvement in labour-market conditions suggests the expansion may be becoming more self-sustaining.
- Elevated yields support income, but selectivity remains important: Normalising energy prices have helped temper inflation concerns and supported the recent decline in global bond yields, although healthy growth and cautious central banks may limit the scope for a more sustained rally. Starting yields remain attractive across fixed income, but tighter valuations in spread sectors and a more balanced currency backdrop make security selection, sector differentiation and disciplined risk management increasingly important.

Investment Overview

The Protected Cell is dedicated to investing in one or more share classes (each, an "Underlying Share Class") of Franklin Templeton Global Funds plc – FTGF Brandywine Global Income Optimiser Fund (the "Underlying Master Fund"). The investment objective of the Underlying Master Fund is to maximise income yield in all market conditions while preserving capital. The Investment Manager seeks to achieve the investment objective by allocating the Underlying Master Fund's assets into what the Investment Manager considers the most attractive, risk-adjusted, high real yielding sectors throughout the Business Cycle, and by using derivatives to protect capital and mitigate credit, currency and duration risks.

Fund Overview

ISIN	AEDFXA56C073
Bloomberg	BRNGBIA UH
Morningstar Peer Group	Bond & Sukuk
Umbrella	Franklin Templeton Investments Feeder Funds
Fund Base Currency	USD
Fund Inception Date	29/07/2024
Share Class Inception Date	29/07/2024

Past performance does not predict future returns.

Discrete Annual Performance (%) - as of 30 June 2026

Class	06/25 06/26	06/24 06/25	06/23 06/24	06/22 06/23	06/21 06/22	06/20 06/21	06/19 06/20	06/18 06/19	06/17 06/18	06/16 06/17
A (Mdis) USD	7.61	—	—	—	—	—	—	—	—	—
Benchmark (USD)	3.37	—	—	—	—	—	—	—	—	—

Total Returns (%) - as of 30 June 2026

Class	1-Mo*	3-Mo*	YTD*	1-Yr*	3-Yr*	5-Yr*	Inception*	3-Yr	5-Yr	Inception	Inception Date
A (Mdis) USD	1.28	2.99	2.73	7.61	—	—	10.41	—	—	5.29	29/07/2024
Benchmark (USD)	0.41	1.42	1.21	3.37	—	—	8.32	—	—	4.25	—

*Cumulative total returns. All other time periods are annualised returns.

Benchmark(s) and Type

Bloomberg Multiverse (100% hedged to USD) Index	Comparator

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.

What are the Risks?

Potential investors should be aware that an investment in the Protected Cell involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period. Listed below are the 'Certain Risk Factors' relating to an investment in the Protected Cell: **Asset-backed securities:** The timing and size of the cash-flow from asset-backed securities is not fully assured and could result in loss for the fund. These types of investments may also be difficult for the fund to sell quickly. **Emerging markets investment:** The fund may invest in the markets of countries which are smaller, less developed and regulated, and more volatile than the markets of more developed countries. **Interest rates:** Changes in interest rates may negatively affect the value of the fund. Typically as interest rates rise, bond values fall. **Liquidity:** In certain circumstances it may be difficult to sell the fund's investments because there may not be enough demand for them in the markets, in which case the fund may not be able to minimise a loss on such investments. All potential investors must carefully read the sections entitled "Certain Risk Factors and Potential Conflicts of Interest" in the Prospectus and Supplement for a full discussion of all the risks before making an investment in the Protected Cell.

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:

Complete information on the risks of investing in the Fund are set out in the Fund's prospectus.

Important Information

Effective 28 February 2025 the fund follows Bloomberg Multiverse (100% hedged to USD) Index as its benchmark, replicating the benchmark of the Underlying Master Fund.

This feeder fund is dedicated to investing in one or more share classes of the Underlying Master Fund. Any information pertaining to the Underlying Master Fund has been provided for understanding and evaluating feeder fund only, there is no intention to promote the Underlying Master Fund. The Underlying Master Fund is not registered in the UAE for public distribution.

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For the avoidance of doubt, if you make a decision to invest, you will be buying shares in the Fund and will not be investing directly in the underlying assets of the Fund. 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 does not predict future returns.** Currency fluctuations may affect the value of overseas investments. When investing in a fund denominated in a foreign currency, your performance may also be affected by currency fluctuations.

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Data from third party sources may have been used in the preparation of this document and FT has not independently verified, validated or audited such data. References to particular industries, sectors or companies are for general information and are not necessarily indicative of the Fund's holding at any one time.

No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America. Shares of the Fund are not available for public distribution in all jurisdictions and prospective investors should consult their financial advisor before deciding to invest.

The Fund may use financial derivatives or other instruments which may entail specific risks more fully described in the Fund's Prospectus and, where available, in the relevant Key Investor Information Document or any other relevant offering document.

Subscriptions to shares of the Fund can only be made on the basis of the current Prospectus of the Fund, the relevant supplement for a protected cell, and the relevant Key Investor Information Document (or any other relevant offering document), accompanied by the latest available audited annual report and the latest interim report if published thereafter. These documents can be found on our website at franklintempletonme.com or obtained, free of charge, from your local FT representative or the address below.

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Source: Bloomberg Indices.

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