

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

# Franklin Catholic Principles Emerging Markets Sovereign Debt UCITS ETF

**Class SINGLECLASS • ISIN IE000YZIVX22** • A sub-fund of Franklin Templeton ICAV

The management company is Franklin Templeton International Services S.à r.l.

## Objectives and Investment Policy

Franklin Catholic Principles Emerging Markets Sovereign Debt UCITS ETF (the “Fund”) provides exposure to Euro and US Dollar-denominated sovereign debt issued by emerging market countries.

The Fund seeks to track the performance of the ICE Catholic Principles ESG Emerging Markets External Sovereign Index (the “Index”) as closely as possible, regardless of whether the Index level rises or falls, while seeking to minimise as far as possible the tracking error between the Sub-Fund’s performance and that of the Index.

The Index is based on the ICE BofA Diversified Emerging Markets External Debt Sovereign Bond Index (the “Parent Index”) and is comprised of US Dollar- and Euro-denominated sovereign bonds issued by emerging market countries.

Index Securities may be issued with any maturity, subject to having at least 18 months to their final maturity at the time of their issue and at least one year remaining to their final maturity as of each Index rebalancing date. They may have either fixed and floating rates and be rated investment grade or below, subject to a minimum rating of B3 based on the average ratings from recognised rating agencies. Index Securities are issued by governmental issuers, which may include government agencies and quasi sovereigns. To increase its liquidity and investability, the Index also excludes bonds from the parent index which have amounts outstanding of less than 500 million US Dollars or Euro, depending on their denomination.

The Index (i) excludes securities from the Parent Index issued by countries that do not meet certain Roman Catholic principles, as identified by the Index Provider and (ii) adjusts security weightings relative to the Parent Index so as to reduce the overall carbon footprint of the Index relative to the Parent Index, each as described below.

The Index starts with the investment universe of the Parent Index and excludes the bonds issued by countries which score poorly on the following criteria which have been identified by the Index Provider as being Roman Catholic principles: governments’ moral integrity, social justice, abolition of the death penalty and care for the planet based on environmental, social, governance ratings data.

The investment criteria as applied result in the Index having an overall carbon footprint of 30% less than the Parent Index. Each country’s exposure in the Index is capped at 10%.

Index constituents are capitalisation-weighted, based on their current amount outstanding, provided the total allocation to an individual country does not exceed 10%.

Further information in respect of the Index, including its rules and performance is available at <https://indices.theice.com/> by entering the Index identifier (EMCV) in the “Index” box in the Index Snapshot” section. The components of the Index are available at <https://indices.theice.com/publications#> by entering the Index identifier on the “ETF Benchmarks” tab.

The Fund may use derivatives for efficient portfolio management purposes only.

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.

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. In normal circumstances, only authorised participants (e.g. select financial institutions) may deal in shares directly with the Fund. Other investors can deal in shares daily through a broker on stock exchange(s) on which the shares are traded.

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

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

**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.

## 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 intends to track the performance of the Index which is comprised of debt securities in emerging market countries selected from the Parent Index. Such assets have historically been subject to price movements due to such factors as general market volatility, changes in the financial outlook or fluctuations in currency markets. 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.

**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.

**Emerging markets risk:** the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

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

**Index related risk:** the risk that quantitative techniques used in creating the Index the Fund seeks to track do not generate the intended result, or that the portfolio of the Fund deviates from its Index composition or performance.

**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.

**Sovereign risk:** the risk that the value of securities issued by governments or by agencies may be affected by the creditworthiness of the relevant government, including any default or potential default by the relevant government.

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

### Charges taken from the Fund over a year

<b>Ongoing charges</b>	0.35%
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### Charges taken from the Fund under certain specific conditions

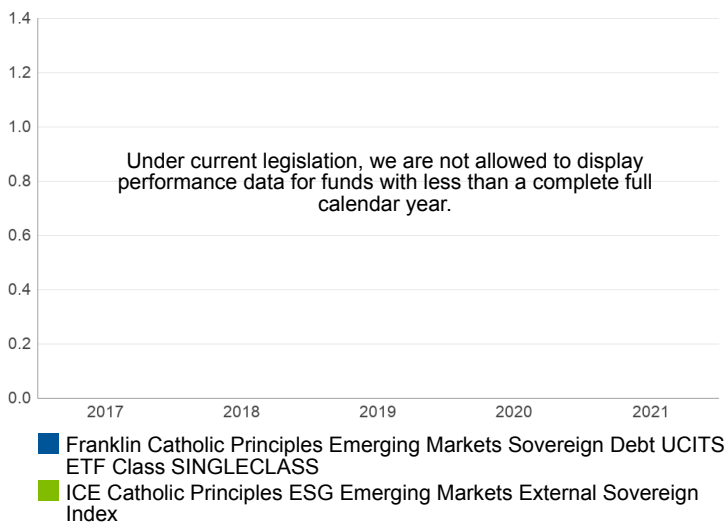
<b>Performance fee</b>	Not applicable
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\*No entry nor exit charges are payable where investors deal in shares in the secondary market – i.e. where shares are purchased and sold on a stock exchange. In such cases, investors may pay fees charged by their 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 shown here are an estimate of the charges. We have used estimated figures as under current applicable rules we are not allowed to calculate ongoing charges for share classes with less than 12 months of data. The Franklin Templeton ICAV annual report for each financial year will include detail on the exact charges made.

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



- The Fund was launched in 2022.

## 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.