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TEMPLETON**

**Product Key Facts**  
**Legg Mason Global Funds Plc -**  
**Legg Mason Brandywine Global Fixed Income Fund**

Issuer: Legg Mason Asset Management Hong Kong Limited

Last updated: April 2022

- **This statement provides you with key information about Legg Mason Brandywine Global Fixed Income Fund.**
- **This statement is a part of the offering document.**
- **You should not invest in this product based on this statement alone.**

**QUICK FACTS**

**Manager:** Franklin Templeton International Services S.à r.l.

**Investment Manager (internal delegation):** Brandywine Global Investment Management, LLC (located in USA)

**Depository:** The Bank of New York Mellon SA/NV, Dublin Branch

**Base Currency:** USD

**Financial Year End of this Fund:** Last day of February

**Dealing Frequency:** Daily

**Ongoing Charges over a Year<sup>#</sup>:**

Class A US\$ Accumulating: 1.37%<sup>1</sup>

Class A US\$ Distributing (M): 1.37%<sup>1</sup>

Class A US\$ Distributing (M) Plus: 1.37%<sup>1</sup>

Class A US\$ Distributing (S): 1.37%<sup>1</sup>

Class A EUR Accumulating (Hedged): 1.40%<sup>1</sup>

Class A EUR Distributing (M) (Hedged) Plus: 1.40% (estimated)<sup>2</sup>

Class A AUD Accumulating (Hedged): 1.40% (estimated)<sup>2</sup>

Class A AUD Distributing (M) (Hedged) Plus: 1.40%<sup>1</sup>

Class A HKD Accumulating: 1.37% (estimated)<sup>2</sup>

Class A HKD Distributing (M) Plus: 1.37% (estimated)<sup>2</sup>

Class A NZD Distributing (M) (Hedged) Plus: 1.40% (estimated)<sup>2</sup>

Class A GBP Distributing (M) (Hedged) Plus: 1.40% (estimated)<sup>2</sup>

Class A CAD Distributing (M) (Hedged) Plus: 1.40% (estimated)<sup>2</sup>

<sup>#</sup>The ongoing charges figure is expressed as a percentage of the expenses over the average net asset value of the share class for the corresponding period as described below. This figure may vary from year to year.

<sup>1</sup> This figure is based on the expenses for the 12 month period from 1 September 2020 to 31 August 2021 and the average net asset value of the share class for the corresponding period.

<sup>2</sup> This figure is the Investment Manager's best estimate of the expenses and the average net asset value of the share class over a 12 month period based on information available on another active share class of the Fund with similar fee structure as this share class is newly established or is yet to be launched.

**Dividend Policy:**

For Class A Distributing (S) Share Classes – any dividends will be declared semi-annually and paid in March and September

For Class A Distributing (M) Share Classes\* – any dividends will be declared and paid monthly

No distributions will be made for Class A Accumulating Share Classes

\* Distributing Plus Share Classes available within this Fund may, at the discretion of the Directors of Legg Mason Global Funds Plc, pay dividends out of capital. Such distribution will result in a corresponding immediate decrease in the net asset value per share of the Distributing Plus Share Classes.

**Minimum Investment:**

Class A US\$ – US\$ 1,000 (Initial)

Class A EUR – EUR 1,000 (Initial)

Class A AUD – AUD 1,000 (Initial)

Class A HKD – HKD 8,000 (Initial)

Class A NZD – NZD 1,000 (Initial)

Class A GBP – GBP 1,000 (Initial)

Class A CAD – CAD 1,000 (Initial)

There is no minimum for subsequent investment.

**WHAT IS THIS PRODUCT?**

Legg Mason Brandywine Global Fixed Income Fund (the "Fund") is a sub-fund of Legg Mason Global Funds Plc, which is constituted in the form of a mutual fund. It is domiciled in Ireland and its home regulator is Central Bank of Ireland.

**OBJECTIVE AND INVESTMENT STRATEGY**

**Objective:** The Fund seeks to maximise total return consisting of income and capital appreciation.



**Strategy:** The Fund will invest at all times at least two-thirds of its net asset value in debt securities that are (i) listed or traded on regulated markets primarily in the following countries; and (ii) denominated in currencies of, or issuers located in, primarily the following countries: The United States, Canada, Australia, Japan, Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Mexico, the Netherlands, Portugal, Spain, Denmark, Sweden, Switzerland, the United Kingdom, New Zealand, Norway, Hungary, Poland, and the Czech Republic. The Fund may also invest in debt securities that are listed or traded on regulated markets located in other developed countries.

All debt securities purchased by the Fund will be rated investment grade at the time of purchase. If an investment so purchased is subsequently downgraded to below investment grade after the time of purchase, the Investment Manager may in its discretion continue to hold the debt security if it determines that doing so is in the best interests of shareholders. The Fund may invest up to 20% of its net asset value in debt securities of issuers located in countries (whether or not listed in the first paragraph above) where both of the following criteria apply: (i) the country's local currency denominated long-term debt is rated below A- by S&P or the equivalent by all nationally recognised statistical rating organisations rating the debt and (ii) the country is not represented in the FTSE World Government Bond Index.

A portion of the Fund may also be invested in convertible debt securities, equity securities and/or warrants.

The Fund invests principally in the following types of instruments listed or traded on regulated markets: debt securities issued or guaranteed by national governments, their agencies or instrumentalities and political sub-divisions (including inflation-protected securities), debt securities of supranational organisations, preferred shares and collective investment schemes.

The Fund may have exposure to reverse repurchase agreements for efficient portfolio management purposes and subject to the requirements of the Central Bank.

The Investment Manager follows a value approach to investing. The Investment Manager will concentrate investments in undervalued markets that provide the best opportunity for declining interest rates and a return to lower real rates over time. The Fund will normally hold a portfolio of debt securities of issuers located in a minimum of six countries. The average weighted duration of the Fund's portfolio generally ranges from 1 to 10 years but for individual markets may be greater or lesser.

## USE OF DERIVATIVES/ INVESTMENT IN DERIVATIVES:

The Fund's net derivative exposure<sup>1</sup> may be up to 50% of the Fund's net asset value.

<sup>1</sup> Please refer to the offering document for details regarding the calculation methodology of net derivative exposure.

## WHAT ARE THE KEY RISKS?

**Investment involves risks. Please refer to the offering document for details including the risk factors.**

- **Debt Securities Risk:** Investments in debt securities are subject to risks such as credit risk, market risk, liquidity risk, interest rate risk, valuation risk and pricing volatility, which may cause substantial losses to the Fund. The prices of debt securities fluctuate in response to perceptions of the issuer's creditworthiness and also tend to vary inversely with market interest rates. Generally, and in the absence of hedging measures, the longer the average weighted duration of a fund, the greater the sensitivity to interest rates. Investment Grade securities may be subject to the risk of being downgraded to below Investment Grade. Debt securities rated below Investment Grade are deemed by rating agencies to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal and may involve major risk of exposure to adverse conditions.
- **Risk of Government Securities:** Government-issued debt securities are sensitive to changes in macro policy and associated interest rate trends, political and economic instability, social unrest and potentially default. Not all government debt securities are backed by the full faith and credit of the relevant government. Some are backed only by the credit of the issuing agency, instrumentality or sponsored entity, although they may be implicitly guaranteed by the relevant government. There is a chance of default on all government securities, particularly those not backed by the full faith and credit of the relevant government.
- **Risk of Rated and Unrated Securities:** Unrated debt securities are not necessarily of lower quality than rated securities, however, they may not be attractive to as many buyers hence may be less liquid and with higher risks.



- **Interest Rate Risk:** The value of debt securities is likely to decline in times of rising interest rates. Conversely, when rates fall, the value of these investments is likely to rise. The longer the time to maturity the greater are such variations.
- **Credit Risk:** The Fund's investment in debt securities expose the Fund to credit risk, i.e. the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of the security will suffer because investors believe the issuer is less able to pay. Ratings are only the opinions of the agencies issuing them. Such ratings are relative and subjective, and are not absolute standards of quality. The credit rating agency may change their ratings on particular debt securities held by the Fund, and downgrades are likely to adversely affect the price hence the Fund may suffer a substantial loss.
- **Liquidity Risk:** 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 sell or liquidate such investments or to sell them at a significant discount to the purchase price hence the Fund may suffer a substantial loss.
- **Concentration Risk:** This Fund may select fewer securities, countries or regions in which to invest and this concentration carries more risk than funds investing in a larger number of securities, countries or regions. This can increase the volatility of the Fund than that of a fund having a more diverse portfolio of investments and risk of loss to the Fund.
- **Inflation-Protected Securities Risk:** The Fund may invest in inflation-protected securities, whose value generally fluctuates in response to changes to interest rates. If real interest rates rise (i.e. if interest rates rise for reasons other than inflation), the value of the inflation-protected securities in the Fund's portfolio will decline. Moreover, because the principal amount of inflation-protected securities would be adjusted downward during a period of deflation, the Fund will be subject to deflation risk with respect to its investments in these securities. The market for these securities may also be less developed or liquid, and more volatile, than certain other securities markets.
- **Derivatives Risks:** This Fund may use certain types of financial derivative instruments (FDIs). These instruments may involve a higher degree of risk including but not limited to counterparty, volatility, liquidity, leverage and valuation risks, and the Fund may suffer a substantial loss. There is no guarantee that the performance of FDIs will result in a positive effect to the Fund.
- **Emerging Markets Risk:** This Fund may have significant exposure in emerging markets which involve increased risks and special considerations not typically associated with investment in more developed markets, including liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility. Emerging market issuers may not be subject to the same accounting, auditing and financial reporting standards as developed countries. Emerging markets may have less reliable custody arrangements than mature markets which may also lead to a higher degree of risk. These factors may adversely affect the value of the securities owned by, hence a substantial loss to, the Fund.
- **Currency Risk:** Fluctuations in exchange rates between the currency of the underlying securities and the Fund's base currency may adversely affect the value of an investment and any income derived from it. In addition, the value of your investment may fall due to changes in the exchange rate between the currency of your share class and the base currency of the Fund. With respect to any share class with "(Hedged)" in its name, the Fund 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. The use of share class hedging strategies may substantially limit shareholders in the relevant Hedged Share Class from benefiting if the currency of the Hedged Share Class falls against the base currency and/or the currencies that are significant to the Fund's investment strategy, as applicable. Any hedging transactions, while potentially reducing the currency risks to which the Fund would otherwise be exposed, may involve certain other risks, including the risk of a default by a counterparty, and the risk that the Fund's forecast with respect to currency movements is incorrect. If the abovementioned hedging transactions become ineffective, the Fund may suffer a substantial loss.
- **Risk of Investing in Distributing Plus Share Classes:** Distributing Plus share classes may pay dividends out of capital. The payment of dividends out of capital effectively amounts to a return or withdrawal of an investor's original capital investment or of capital gains attributable to that original investment. Such distribution will result in a corresponding immediate decrease in the



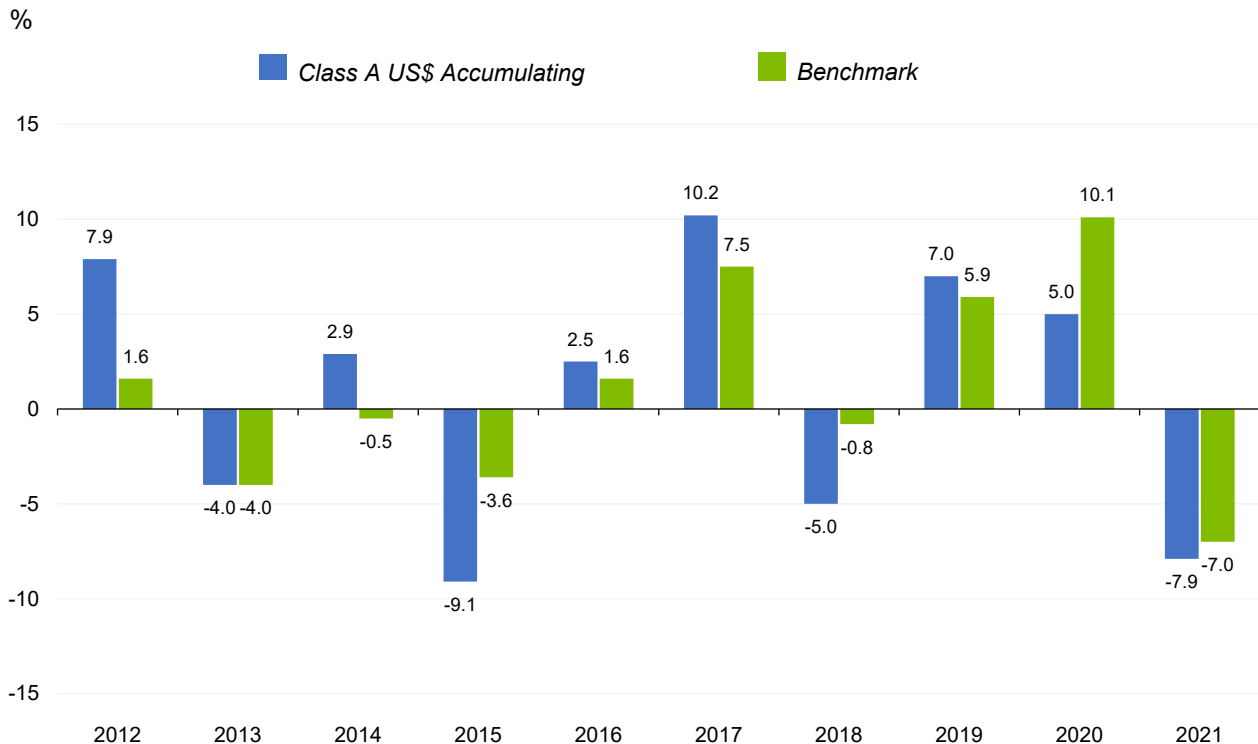
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net asset value per share of the Share Classes. There is also an increased risk that on a redemption, you may not receive back the full amount invested. The distribution amount and net asset value of the Distributing (Hedged) Plus Share Class may be adversely affected by differences in the interest rates of the reference currency of the Distributing (Hedged) Plus Share Class and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other Share Classes.

- **Investment Risk:** The value of investments in the Fund and the income from them can go down as well as up, and investors may not get back the amount originally invested and may suffer a substantial loss to their investments. Past performance is no guide to future returns and may not be repeated. There is no guarantee of the repayment of principal.



## HOW HAS THE FUND PERFORMED?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Class A US\$ Accumulating\* increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Fund launch date: 2003.
- Class A US\$ Accumulating\* launch date: 2007.
- The benchmark of the Fund is FTSE World Government Bond Index (formerly known as Citigroup World Government Bond Index).

\*This share class is a representative share class of the Fund as it represents the total return on the Fund's investment strategy and is the most widely available share class in Hong Kong.

## IS THERE ANY GUARANTEE?

The Fund does not have any guarantees. You may not get back the full amount of money you invest.

## WHAT ARE THE FEES AND CHARGES?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund:

Fees in respect of each Class A Share Class	What you pay
<b>Subscription Fee (Initial Sales Charge)</b>	Up to 5.00% of the amount you subscribed
<b>Switching Fee</b>	Not applicable
<b>Redemption Fee</b>	Not applicable

### Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments:

Expenses in respect of each Class A Share Class*	Annual rate (as a % of the Fund's NAV)
<b>Management Fee</b>	Up to 1.10%
<b>Combined Administration and Depositary Fee</b>	Up to 0.15%
<b>Performance Fee</b>	Not applicable
<b>Shareholder Servicing Fee</b>	Up to 0.15%

\*For Hedged Share Classes, (i) the Currency Administrator is entitled to receive fees for hedging administration services (currently charged at 0.04% per annum of the value of the hedging transactions), which shall be borne exclusively by the relevant Hedged Share Class; and (ii) the Collateral Manager is entitled to receive fees for its collateral management services in relation to currency hedging (such fees not exceeding GBP 340 per month for the Fund), which shall be charged only to the relevant Hedged Share Classes.

### Other fees

You may have to pay other fees when dealing in the shares of the Fund.

## ADDITIONAL INFORMATION

- You generally buy and redeem shares at the Fund's next-determined net asset value (NAV) after the authorised dealer or sub-distributor receives your request in good order on or before 4:00 p.m. in New York (EST) on any relevant dealing day. Certain dealer or sub-distributors may impose a deadline for receipt of orders that is earlier than this.
- The NAV of this Fund is calculated on each dealing day and published no later than the second business day immediately succeeding each dealing day on [www.leggmason.com.hk](http://www.leggmason.com.hk).
- In respect of Distributing Plus Share Classes, the composition of dividend payouts (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months will be available from the Hong Kong Representative on request and on our website, [www.leggmason.com.hk](http://www.leggmason.com.hk).
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from our website, [www.leggmason.com.hk](http://www.leggmason.com.hk).

## IMPORTANT

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.