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For the purposes of the UK Sustainability Disclosure Requirements, a sustainable investment label helps investors find funds that have a specific sustainability objective. This Fund does not have a UK sustainable investment label because it does not have a specific sustainability objective.



**FRANKLIN
TEMPLETON**

FTF ClearBridge UK Rising Dividends Fund

Franklin Templeton Funds

W (acc)
30 September 2025

Product Commentary

Performance Review¹

- UK economic output continues to confound expectations, recording the fastest growth in the G7 so far this year.
- However, sentiment remains weak as we await further tax measures from Chancellor Rachel Reeves in her Autumn budget on 26 November.
- For the quarter, the fund's W (acc) shares returned 0.13%, and its benchmark, the FTSE All-Share Index, returned 6.87%.

QUARTERLY KEY PERFORMANCE DRIVERS

	Stocks	Sectors
HELPED	Smith & Nephew	Financial Services (Stock Selection)
	British American Tobacco	Health Care (Stock Selection)
	ICG	Utilities (Stock Selection)
HURT	UNITE Group	Banks (Underweight)
	Bellway	Industrial Goods and Services (Stock Selection)
	Derwent London	Basic Resources (Underweight)

- At a sector level, stock selection in health care, financial services and utilities contributed to relative returns.
- Conversely, stock selection in industrial goods and services and an underweight to banks and basic resources detracted from relative returns.
- Medical device business Smith & Nephew rallied 20.3% during the quarter after another positive update. This time it was the company's interim update that saw revenue and profit beat expectations, as all three segments of the business continue to perform well, allowing for the announcement of an additional £500 million share buyback programme.
- Purpose-built student accommodation provider Unite fell 13.6% in sympathy with the sector, which suffered as UK government bond yields increased during the period.

ONE-MONTH KEY PERFORMANCE DRIVERS

	Stocks	Sectors
HELPED	QinetiQ	Health Care (Stock Selection)
	AstraZeneca	Energy (Underweight)
	BAE Systems	Real Estate (Overweight)
HURT	Diageo	Banks (Underweight)
	Spirax Group	Food, Beverage and Tobacco (Overweight)
	Bunzl	Basic Resources (Underweight)

- At a sector level, stock selection in health care and an underweight to energy and an overweight to real estate contributed to relative returns.
- Conversely, an underweight to banks and basic resources and an overweight to food, beverage and tobacco detracted from relative returns.
- Defence company QinetiQ moved up with the wider defence sector in the period rather than on any company-specific news. The outlook for defence spending remains unprecedented, despite prospects of a Ukraine-Russia ceasefire, underpinned by NATO's 5% gross domestic product 2035 spending target.
- Spirits company Diageo fell 13.4% on no particular news other than continued concerns around consumer weakness in the United States and how this will factor into their financial first-quarter update in November.

Outlook & Strategy

- The UK economy continues to expand. Revised data released in September confirmed the 1% growth during the first half, with information and communication sectors growing the fastest in the second quarter. Inflation has, however, continued to remain stubbornly above the Bank of England's (BoE) 2% target, reaching 3.8% in August and with the expectation of a gradual increase in the coming months. The BoE maintained the base rate at 4% at their September Monetary Policy Committee meeting.

1. Please go to <https://www.franklintempleton.co.uk/glossary> for key terms and definitions.

- September also saw the Labour party's annual conference. Here, Prime Minister Keir Starmer declared economic growth the "defining mission" of his government, linking it directly to national renewal and social cohesion. While Chancellor Reeves reaffirmed Labour's commitment to fiscal responsibility, she stated that she would take "no risks" with public finances. It remains to be seen to what extent these two objectives can be achieved with an increasingly vocal left-wing element of the party making their case for further spending.
- With a long run into the budget, we have seen a barrage of unhelpful headlines speculating on potential revenue-raising policies. We saw this in September with rumours the government were considering a selection of measures targeting the banking and gambling sectors. These appear easy targets, although the banks are already taxed more in the United Kingdom than in any other major financial destination. More imaginative approaches that have been touted, such as increasing the range of products and services that are VAT (value-added tax) liable and charging national insurance on rental income, will no doubt prove inflationary and potentially self-defeating.
 - July:
- We added a new holding in specialist communications provider Gamma Communications. It is a business that has a strong track record of growth and cash generation since listing in 2014, driven by supporting business customers as they move from hardware solutions to more cloud-based solutions for their communications. A key attraction is the strength of its routes to market as a pan-European player and a high quality of earnings. The business moved from being AIM-listed to the main market in May 2025, and it is now a FTSE 250 constituent.
- During the month, we also sold our position in consumer health business Reckitt. The shares have recovered somewhat from the selloff driven by continued litigation concerns in the United States. Although these headwinds have abated, we still have concerns over the level of growth the business is able to achieve over the longer run, and as such we see better opportunities across the consumer sector.
- We also sold out of advertising agency WPP in July. It recently further downgraded its growth guidance for the year. The company has argued that client churn and weakness across markets to which they are overindexed have driven their more pessimistic outlook. We have taken the view, as suggested by the derating in the shares, that a certain degree of client losses has been due to companies insourcing their advertising and media campaigns with the help of artificial intelligence. This suggests a change in the structural growth opportunity for WPP, and we have therefore sold the position.
 - August:
- Over the month, we added a new holding in cloud communications specialist Gamma Communications. It is a business that has a strong track record of growth and cash generation since listing in 2014, and a key attraction is the strength of its routes to market as a pan-European player. The shares have derated after a warning driven by macroeconomic pressures in the United Kingdom. As these subside, we think the long-term structural growth characteristics of the business will be reincorporated into the valuation. We took this valuation weakness as an opportunity to take a position in the stock.
- During the month, we also sold our position in the consumer health business Reckitt. On balance, we think there are better opportunities across the consumer staples sector with more achievable medium-term growth expectations. The company also still faces significant uncertainty from ongoing litigation in the United States.
 - September:
- There were no new buys or complete sales over the month.

Fund Details

Inception Date	17/10/2011
Benchmark	FTSE All-Share Index
IA Sector Peer Group	IA UK All Companies

Fund Description

The Fund aims to increase in value through investment growth by more than the FTSE All-Share Index over periods of five years after all fees and costs are deducted. There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

Performance Data^{2,3}

Discrete Annual Performance (%) as at 30/09/2025

	9/24 9/25	9/23 9/24	9/22 9/23	9/21 9/22	9/20 9/21	9/19 9/20	9/18 9/19	9/17 9/18	9/16 9/17	9/15 9/16
W (acc)	3.48	14.22	12.79	-6.26	25.62	-10.91	6.78	2.52	11.72	20.80
FTSE All-Share Index GBP	16.17	13.40	13.84	-4.00	27.89	-16.59	2.68	5.87	11.94	16.82
Peer Group Average	9.47	14.22	12.60	-15.41	32.13	-12.80	0.01	5.64	13.67	11.85

Performance Net of Management Fees as at 30/09/2025 (Dividends Reinvested) (%)^{a,b}

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (01/01/1990)
W (acc)	-1.37	0.13	6.20	3.48	10.06	9.44	7.53	7.93
FTSE All-Share Index	1.86	6.87	16.58	16.17	14.46	12.99	8.12	7.91
Peer Group Average	1.16	3.10	10.85	9.47	12.08	9.49	6.31	6.97
Quartile Ranking	4	4	3	4	3	3	2	2

Performance data is based on Rensburg UK Blue Chip Growth Trust mid price from its launch 01/01/1990 to 17/10/2011 and the net asset value of the FTF Franklin UK Rising Dividends Fund A (inc) shares thereafter. The fund charges all or part of its management fees to capital. This could lead to a higher level of income but may constrain capital growth. The W (acc) share class launched on 31/05/2012. Performance data prior to that date is for the A (inc) GBP share class launched on 01/01/1990 which has higher annual charges.

Please refer to the “How We Measure Performance” section for more details about the benchmark.

Investment Team

Ben Russon, CFA
Years with Firm 12
Years Experience 25

Will Bradwell, CFA
Years with Firm 7
Years Experience 14

Joanne Rands
Years with Firm 4
Years Experience 25

What Are the Key Risks?

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 may also be affected by currency fluctuations. Currency fluctuations may affect the value of overseas investments. There is no guarantee that the Fund will meet its objective. The Fund invests mainly in equity securities of UK companies that have paid consistently rising dividends. Such securities have historically been subject to price movements due to company-specific factors and movements in the equity markets of the UK generally. As a result, the performance of the Fund can fluctuate considerably over time. Risks materially relevant not adequately captured by the indicator: **Charges from capital:** The fund's fees and expenses may be taken from its capital (rather than income). This will result in an increase in income available for distribution to investors. However, this will forego some of the capital that the share class has available for future investment and potential growth. **Concentration risk:** the risk that arises when a fund invests in relatively few holdings, few sectors or a restricted geographic area. Performance may be more volatile than a fund with a greater number of securities. **Single Country/Region Risk:** This fund invests primarily in UK, which means that it is more sensitive to local economic, market, political or regulatory events in UK, and will be more affected by these events than other funds that invest in a broader range of regions. **Equity risk:** prices of equities may be affected by factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities regardless of company-specific performance. **Liquidity risk:** the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Such risk may be triggered by (but not limited to) unexpected events such as environmental disasters or pandemics. Reduced liquidity may have a negative impact on the price of the assets. For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

How We Measure Performance

We measure performance and price shares in the Fund in British pounds (GBP).

- We measure performance against the Fund's performance target, the FTSE All-Share Index, as it is widely available and reflects investments in the UK stock market.
- The Fund's performance can also be compared against the Investment Association UK All Companies sector average, which reflects the performance of the Fund's competitors.

Important Legal Information

Effective 30 September 2025, the FTF Martin Currie UK Rising Dividends Fund was renamed FTF ClearBridge UK Rising Dividends Fund.

This material is intended to be of general interest only and does not constitute legal or tax advice nor is it an offer for shares or invitation to apply for shares of the sub funds of Franklin Templeton Funds ("FTF"), a UK-domiciled OEIC ("the Fund"). Nothing in this document should be construed as investment advice.

Subscriptions to shares of the Fund can only be made on the basis of the current prospectus, the relevant Key Investor Information Document ("KIID") or Supplementary Information Document (SID) accompanied by the latest available audited annual report and the latest semi-annual report if published thereafter, which can be found on our website (www.franklintempleton.co.uk) or from the address below. US Persons (as more fully defined in the latest Fund prospectus) are not eligible to invest in the Fund. Shares of the Fund are available for sale and distribution in the UK.

An investment in the Fund entails risks which are described in the Fund's prospectus and the relevant KIID. The value of shares in the Fund and any income received from them can go down as well as up, and investors may not get back the full amount invested. Past performance is not an indicator, not a guarantee, of future performance. Where a fund invests in a specific sector or geographical area, the returns may be more volatile than a more diversified fund.

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There is no guarantee that the Fund will achieve its objective. For a free copy of the latest Prospectus, the SID, the relevant KIID, the annual report and semi-annual report, if published thereafter or for more information about any Franklin Templeton fund, UK investors should contact: Franklin Templeton, Telephone: 0800 305 306, Email: franklintempletonuk@fisglobal.com or write to us at the address below. Alternatively, the information can be downloaded from our website www.franklintempleton.co.uk.

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Source: FTSE.

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a. Source for all information is Franklin Templeton. Benchmark related data provided by FactSet. Past performance is not an indicator or a guarantee of future performance. Portfolio holdings are subject to change. Periods greater than one year are shown as average annual total returns. Sales charges and other commissions, taxes and other relevant costs paid by investor are not included.

b. 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.



Franklin Templeton Investment Management Limited
Cannon Place
78 Cannon Street
London EC4N 6HL
0800 313 4049
franklintempleton.co.uk