Franklin BofA World Index

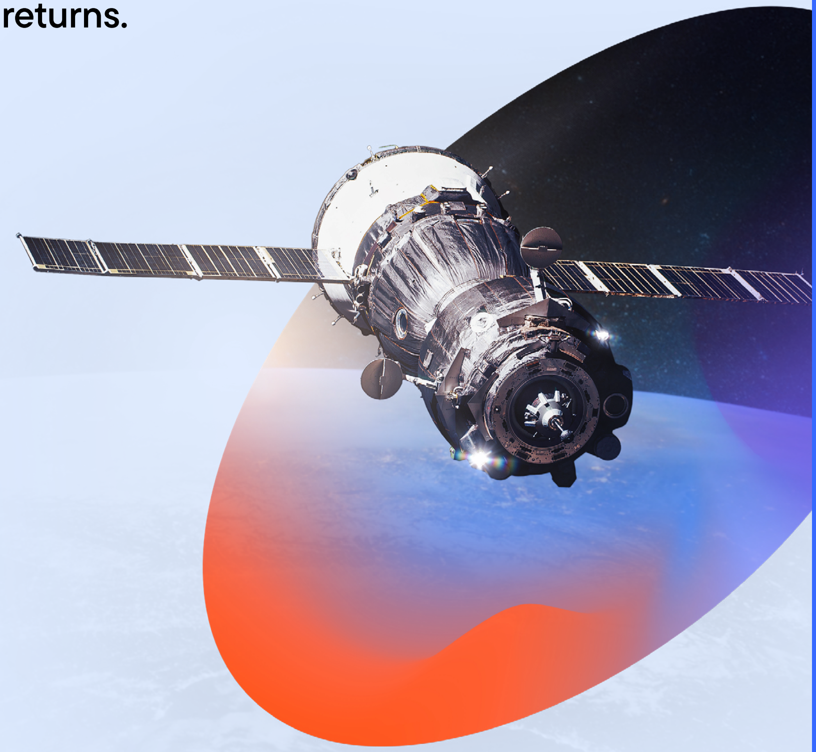
Unlock global growth

It is not possible to invest directly in an index.

Not FDIC Insured | No Bank Guarantee | May Lose Value

What is the Franklin BofA World Index?

Powered by the quantitative insights of Franklin Templeton and Bank of America, the Franklin BofA World Index is designed to capture long-term growth by systematically allocating to companies around the world with the potential for high profitability. Bringing together a factor-based screen with a proprietary intraday risk management strategy and a US Treasury allocation, the index's primary goal is to achieve consistent returns.



The index's design provides the potential to capture three powerful benefits:

Global future

Provides exposure to an evolving global economy that has the potential to create attractive new growth opportunities.

Smarter index

Designed to seek consistent returns, the index combines a factor-based screen, a proprietary intraday risk management strategy, and a US Treasury allocation.

Powerful partnership

Harnesses the combined history, strength, and expertise of Franklin Templeton and Bank of America—two of the industry's leading financial institutions.

Global future

Business is borderless and so are opportunities. Despite the growing number of investment opportunities found outside the US many people aren't adjusting their strategy to benefit from them, choosing instead to invest domestically. The Franklin BofA World Index is designed to leverage these global opportunities and may help you reach your financial goals.

Top performing stock markets[1]

Rank	2019	2020	2021
1	New Zealand	Denmark	Austria
2	Ireland	Netherlands	Netherlands
3	Switzerland	Sweden	United States
US	**5**	**5**	**3**

Rank	2022	2023	2024
1	Portugal	Italy	Israel
2	Denmark	Spain	Singapore
3	Hong Kong	Denmark	United States
US	**17**	**4**	**3**

Since 1970...

The US has never been the top performing stock market

The US has been in the Top 3 just 22% of the time

The US has been outside the Top 10 55% of the time

"If you search worldwide, you will find more and better bargains than by studying only one nation."

Sir John Templeton
Financial Investment Pioneer

As of December 31, 2024.

1. Source: MSCI. Analysis based on the MSCI World Index which incepted on March 31, 1986. Data prior to the launch date is back-tested data (i.e., calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance—whether actual or back-tested—is no indication or guarantee of future performance. Includes only countries for which full period performance was available. The performance of countries and unmanaged indexes does not reflect expenses. The MSCI World Index is a broad global equity index that represents large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country. MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. Indexes are unmanaged and one cannot invest directly in an index.

Smarter index

To take advantage of changing market conditions, the index systematically shifts its allocation between the equity component, the fixed income component and cash based on signals in the market.

The Index reacts to changing market conditions. Given its exposure to global equities, US Treasuries and non-remunerating cash, the Index is impacted by equity performance, changing interest rates and market volatility. The below table describes the market conditions which would generally be expected to impact the Index, both positively and negatively:

		Generally Expected Positive Impact				Generally Expected Negative Impact			
General Market Condition		**Direction of Market Condition**		**Directional Impact on Index**	**Why?**	**Direction of Market Condition**		**Directional Impact on Index**	**Why?**
Global Equities	=	↑	≈	↑	When the global equity component goes up, the Index benefits from its equity exposure	↓	≈	↓	When the global equity component goes down, the Index is negatively impacted from its equity exposure
10-Year T-Rates	=	↓	≈	↑	When 10-year rates go down, bond values go up and the Index benefits from its bond exposure	↑	≈	↓	When 10-year rates go up, bond values go down and the Index is negatively impacted from its bond exposure
Short-Term Rates	=	↓	≈	↑	Lower cash rates decrease the impact of excess return	↑	≈	↓	Higher cash rates increase the impact of excess return
Index Volatility	=	↓	≈	↑	When volatility goes down, the Index can have a higher exposure to equities	↑	≈	↓	When volatility goes up, the Index decreases its exposure to equities

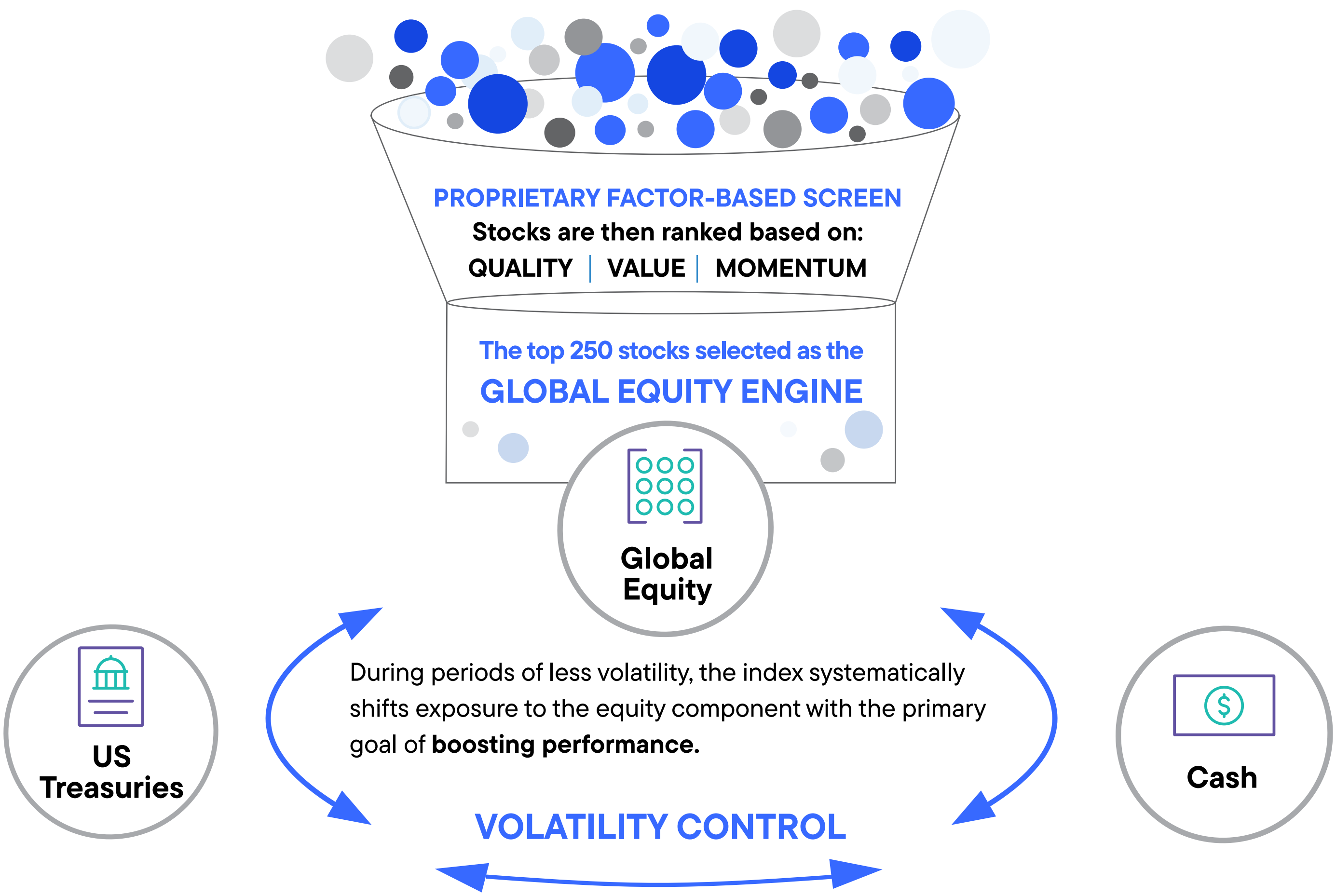
A combination of the conditions above can have varying effects on the Index's performance. For example, in 2021, global equities had a positive year, 10-year treasuries had a negative year and the Index produced a positive return. To contrast, in 2018, global equities had a negative year, 10-year treasuries had a positive year and the Index produced a negative return.

Dynamic asset allocation to adapt to changing markets

PROPRIETARY RISK MANAGEMENT OVERLAY

This feature attempts to reduce the impact of equity and fixed income losses during volatile markets.

The equity component of the Franklin BofA World Index begins with a universe of nearly 1,700 global stocks



During periods of heightened volatility, the index systematically shifts from the equity component to the fixed income component, seeking to **provide balance and improve risk-adjusted returns**.

During periods of extreme volatility, cash is used as a safety net. When markets become too volatile, the volatility control systematically shifts more to cash, seeking to provide **capital preservation**.

Market volatility can change quickly and there can be no assurance that the risk management strategy will be successful. During times of extreme market volatility, the index will not be able to eliminate investment losses or capture all investment gains.

3 potential benefits of a smarter index:

- **Screen for only the highest quality companies from around the world**
- **Provide consistent risk-adjusted returns**
- **Preserve capital during periods of market volatility**

Powerful partnership

Powered by the quantitative insights of Franklin Templeton and Bank of America, two of the world's leading financial institutions, the index is designed to provide balance, diversification, and access to global growth potential. Unlock the possibility of reaching your financial goals with the Franklin BofA World Index.

Franklin Templeton is the sixth largest independent asset manager in the world, with one of the industry's broadest global footprints.

75+
years of asset management experience

$1.6T
(USD) total assets under management[2]

1,600+
investment professionals

25+
countries with investment professionals

Bank of America: a powerful brand across market segments.

$2.0T
in consumer deposits (combined consumer and GWIM businesses)[3]

#1
in estimated US consumer deposits[4]

3,700
financial centers, and 15,000 ATMs[3]

1 in 3
Bank of America serves approximately one in three US small business owners

2. As of December 31, 2024.
3. As of December 31, 2024. Source: Bank of America Annual Report 2024.
4. As of June 2024. Source: FDIC deposit.

FRANKLIN TEMPLETON

For more information about the Franklin BofA World Index:

(800) DIAL BEN/342-5236

www.franklinbofaworldindex.com

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Index information

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There are risks relating to the Index discussed herein. Please request a copy of the applicable Index rulebook for additional information and disclosure.

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Investment risks

Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds adjust to a rise in interest rates, the performance of the Index may decline. International investments are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. During times of extreme market volatility, the Index will not be able to eliminate market losses or capture all market gains.