



Franklin Templeton Investment Funds

Franklin K2 Alternative Strategies Fund

Alternative
LU1093756168
31 August 2023

Fund Fact Sheet

Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	842 million
Fund Inception Date	15.09.2014
Benchmark	ICE BofA US 3-Month Treasury Bill Index, HFRX Global Hedge Fund Index
Morningstar Category™	Multistrategy (USD)
EU SFDR Category	Article 8

Summary of Investment Objective

The Fund's investment goal is to seek capital appreciation with lower volatility relative to the broad equity markets. The Fund seeks to achieve its investment goal by allocating its assets across multiple non-traditional or "alternative" strategies.

Fund Management

Brooks Ritchey: United States
Robert Christian: United States
Anthony M Zanolli, CFA: United States

Strategy Allocation (% of Invested Capital)

	Target	Actual
Long Short Equity	25-40	26.18
Event Driven	10-30	10.24
Relative Value	30-45	39.12
Global Macro	0-30	24.46

Portfolio Exposure (% of Total)

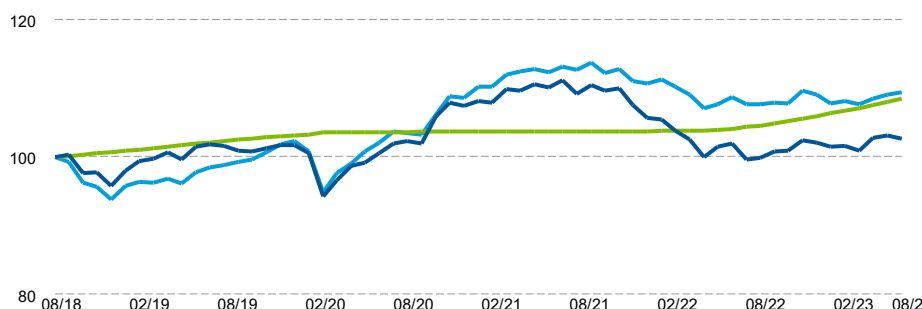
Gross Exposure	228.47
Net Exposure	75.60
Long Exposure	151.27
Short Exposure	-76.67

Performance

Past performance does not predict future returns.

Performance over 5 Years in Share Class Currency (%)

■ Franklin K2 Alternative Strategies Fund A (acc) USD
■ ICE BofA US 3-Month Treasury Bill Index
■ HFRX Global Hedge Fund Index



Discrete Annual Performance in Share Class Currency (%)

	08/22	08/21	08/20	08/19	08/18	08/17	08/16	08/15	08/14	08/13
A (acc) USD	0.69	-8.27	8.93	0.44	1.59	2.82	5.06	0.29	N/A	N/A
S (acc) EUR-H1	-0.60	-8.74	8.93	-0.79	-0.68	1.29	3.24	-0.95	N/A	N/A
S (acc) USD	1.69	-7.34	9.98	1.38	2.65	3.72	6.02	0.73	N/A	N/A
ICE BofA US 3-Month Treasury Bill Index in USD	4.25	0.37	0.08	1.26	2.36	1.52	0.62	0.23	N/A	N/A
HFRX Global Hedge Fund Index in USD	0.67	-3.93	9.10	4.88	-1.12	1.54	5.59	-1.91	N/A	N/A

Performance in Share Class Currency (%)

	Cumulative				Annualised		
	1 Yr	3 Yrs	5 Yrs	Since Incept	3 Yrs	5 Yrs	Since Incept
A (acc) USD	0.69	0.61	2.66	16.11	0.20	0.53	1.68
S (acc) EUR-H1	-0.60	-1.19	-2.64	5.78	-0.40	-0.53	0.63
S (acc) USD	1.69	3.63	7.84	24.70	1.20	1.52	2.49
ICE BofA US 3-Month Treasury Bill Index in USD	4.25	4.72	8.55	11.16	1.55	1.66	1.19
HFRX Global Hedge Fund Index in USD	0.67	5.51	9.42	11.28	1.81	1.82	1.20

The fund's returns may increase or decrease as a result of changes to foreign exchange rates.

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. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. The fund offers other share classes subject to different fees and expenses, which will affect their performance.

References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. 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.

The S (acc) EUR-H1 share class launched on 21.04.2017. Performance data prior to that date is for the A (acc) EUR-H1 share class launched on 15.09.2014 which has higher annual charges.

The S (acc) USD share class launched on 21.04.2017. Performance data prior to that date is for the W (acc) USD share class launched on 15.09.2014 which has higher annual charges.

Please see Performance Benchmarks on the back of this page for important information on the benchmarks shown.

Top Exposures (% of Total)

Long Exposures (Equity Only)

Issuer Name (Equity)	
HORIZON THERAPEUTICS PLC	0.99
COSTCO WHOLESALE CORP	0.86
ACTIVISION BLIZZARD INC	0.85
HOME DEPOT INC/THE	0.77
SHERWIN-WILLIAMS CO/THE	0.75

Short Exposures (Equity Only)

Issuer Name (Equity)	
STOXX EUROPE 600 INDUSTRIAL GOODS & SERVICES	-0.49
INDUSTRIALSELECTSECTORTR	-0.33
MERCADOLIBRE INC	-0.30
BLOOMIN' BRANDS INC	-0.29
LIVENT CORP	-0.29

Fund Measures

Standard Deviation (5 Yrs)	5.39%
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Share Class Information

Share Class	Incept Date	NAV	TER (%)	Dividends		Last Paid Amount	Fund Identifiers	
				Frequency	Last Paid Date		Bloomberg ID	ISIN
A (acc) USD	15.09.2014	USD 11.61	2.75	N/A	N/A	N/A	FKASAAU LX	LU1093756168
S (acc) EUR-H1	21.04.2017	EUR 9.96	1.75	N/A	N/A	N/A	FTKSEH1 LX	LU1598044615
S (acc) USD	21.04.2017	USD 11.42	1.75	N/A	N/A	N/A	FTKASAU LX	LU1598044888

The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund.

Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

Composition of Fund

Manager Allocation	% of Invested Capital		% of Invested Capital
Long Short Equity	26.18	Relative Value (continued)	
Electron Capital Partners, LLC	11.73	DLD Asset Management, L.P.	4.05
Chilton Investment Company, LLC	9.63	One River Asset Management	3.34
ActusRayPartners Limited	4.82	Loomis Sayles & Company, L.P.	1.08
Event Driven	10.24	Global Macro	24.46
Bardin Hill Investment Partners L.P.	6.11	Graham Capital Management, L.P.	9.05
P. Schoenfeld Asset Management L.P.	4.13	BlueBay Asset Management, LLP	8.00
Relative Value	39.12	Capital Fund Management SA	5.66
Apollo SA Management, LLC	13.01	RV Capital Management Private, Ltd.	1.75
Lazard Asset Management, LLC	8.96		
K2/D&S Management Co., LLC	8.69		

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. The Fund seeks to achieve its targeted investment objective by allocating its assets across multiple "alternative" strategies and by investing in a wide range of assets. Such assets and investment instruments have historically been subject to price movements due to such factors as general stock market volatility, sudden changes in interest rates, or fluctuations in commodity prices. The Fund will seek to limit volatility using hedged strategies. As a result, the performance of the Fund can fluctuate moderately over time. Other significant risks include: credit risk, foreign currency risk, derivative instruments risk, liquidity risk, multi-manager risk. For full details of all of the risks applicable to this Fund, please refer to the "Risk Considerations" section of the Fund in the current prospectus of Franklin Templeton Investment Funds.

Important Information

This fund has been classified as Article 8 under the Regulation on sustainability related disclosures in the financial services sector (EU) 2019/2088. These are Funds which have an ESG integration approach and, in addition, have binding environmental and/or social characteristics in their investment process.

Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklinresources.com/countries. Please review all of the fund's objectives and characteristics before investing.

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For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the Fund and will not be investing directly in the underlying assets of the Fund.

Benchmark related data provided by FactSet, as of the date of this document, unless otherwise noted.

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Source: Hedge Fund Research, Inc. www.hedgefundresearch.com. The HFR indices are being used under license from Hedge Fund Research, Inc., which does not endorse or approve of any of the contents of this report.

Unlike most asset class indexes, HFR Index returns reflect fees and expenses.

Source: HedgeMark.

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Strategy Allocation: Actual Allocation is a percentage of invested capital into fund managers (sub-advisors or co-managers) as of the end of the period. Target Allocations are as of the end of the period.

The Fund may shift allocations among strategies at any time. Further, K2 may determine in its sole discretion to not allocate to one or more of the strategies and/or to add new strategies.

Accordingly the above target allocations are presented for illustrative purposes only, and should not be viewed as predictive of the ongoing composition of the fund's portfolio (and its managers), which may change at any time.

Weightings as percentage of invested capital into fund managers (sub-advisors or co-managers). Holdings are subject to change. Due to rounding, the strategy breakdown may not equal 100%.

Portfolio Exposure:

Gross Exposure: Gross exposure is the sum of the absolute value of all exposures, directly or through derivatives, as a percentage of total assets. The sum of the percentage of long positions and short (in absolute terms) positions.

Net Exposure: Net exposure is the sum of the total value of all exposures, directly or through derivatives, as a percentage of total assets. The percentage value of the long positions less the percentage value of the short positions.

Long Exposure: Sum of the long exposures, directly or through derivatives, as a percentage of total assets.

Short Exposure: Sum of the short exposures, directly or through derivatives, as a percentage of total assets.

Performance Benchmarks: Effective 1 November 2021, the Fund's benchmark is Euro Short-Term (ESTR). The Linked Euro Short-Term (ESTR) performance shown is derived from a combination of the ICE LIBOR 3-Month (EUR) Index from the Fund's inception to 31st October 2021 and Euro Short-Term Rate (ESTR) thereafter. Benchmarks provided for additional performance comparison are for informational purposes only; the fund manager does not intend for the portfolio to track them. The ICE BofA US 3-Month Treasury Bill Index is provided as an absolute return benchmark. The HFRX Global Hedge Fund Index represents a measure of a broad universe of hedge fund strategies.

Important Information (continued)

Top Exposures: The Top Five Long and Short Exposures represent the five largest long and short equity issuer exposures of Franklin K2 Alternative Strategies Fund as of the date indicated. Issuer exposures include actual security holdings and single security exposures obtained through the use of derivatives. Direct security holdings and derivatives exposures are combined for calculation purposes. These direct holdings and derivatives do not represent all of the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investment in securities of the issuers listed was or will be profitable.

Composition of Fund:

Manager Allocation: Manager allocation includes managers that have been appointed as sub-advisors or managers of investment funds. K2 may determine in its sole discretion to not allocate to one or more of the managers and/or to add new managers. Accordingly, the manager allocation is presented for illustrative purposes only, and should not be viewed as predictive of the ongoing composition of the Fund's portfolio, which may change at any time.

Weightings as percent of invested capital into fund managers (sub-advisors or co-managers). Percentage may not total 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.