

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
TEMPLETON

FTF Brandywine Global Income Optimiser Fund

Class X Income

ISIN: GB00B3XX1N61

A sub-fund of: Franklin Templeton Funds II (the "Company")

Managed by: Franklin Templeton Fund Management Limited, part of the Franklin Templeton group of companies.

Objectives and Investment Policy

Objective

The fund's goal is to generate income in all market conditions over a rolling 3 – 5 year period, whilst maintaining the value of the fund.

Investment Policy

The Fund seeks to achieve its objective by investing at least 80% of its net asset value in

- government and corporate debt securities, convertible securities, mortgage backed securities and asset backed securities;
- units or shares of collective investment schemes which may include collective investment schemes managed or operated by the ACD or an associate of the ACD; and
- financial derivative instruments,

such minimum percentage consisting solely of the assets set out at (i) above, or a combination of (i) and (ii), of (i) and (iii), or of (i), (ii) and (iii). The Fund will invest in a combination of investment grade and below investment grade bonds (as measured by Standard & Poor's, Moody's or an equivalent external rating agency), convertible bonds, spot and forward foreign exchange contracts, credit default swaps and other financial derivative instruments which may be used for investment purposes as well as efficient portfolio management purposes. A minimum of 80% of the Fund's net asset value will be invested in securities or derivatives that are either denominated in Sterling or, if denominated in other currencies, are hedged to Sterling. As part of this principal asset class, the Fund may invest in debt securities issued by the Chinese government, Chinese government-related or supranational organisations, and Chinese

corporations. No more than 10% of the Fund's net asset value may be invested in units or shares of collective investment schemes. Some or all of those collective investment schemes may be managed or operated by the ACD and/or one or more of its associates.

The Fund may also invest in other transferable securities, money market instruments and deposits. When deemed appropriate by the Fund's investment manager, the Fund may hold synthetic short positions, on individual securities, indices, currencies and/or interest rates.

Although the Fund aims to generate income in all market conditions whilst seeking to preserve capital, this objective is not guaranteed; the objective may not be achieved; the Fund may experience negative returns and investors may not get back the amount originally invested.

Benchmark: SONIA Compounded Index

Manager's Discretion: The fund is actively managed, and the investment manager is not constrained by the benchmark. The fund uses the benchmark for performance comparison purposes only.

Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 3 years.

Dealing Frequency: You can buy, sell and switch your shares on each day that the London Stock Exchange is open for business.

Minimum Initial Investment: For this share class the minimum initial investment is GBP 3,000.

Treatment of Income: For this share class net income is declared and paid quarterly to shareholders.

Risk and Reward Profile



The indicator is based on the volatility of the returns (past performance) of the reported share class (calculated on a 5 year rolling return basis). Where a share class is inactive / has less than 5 years of returns, the indicator is based on the internal risk limit adopted by the fund.

There is no guarantee that the fund will remain in the indicator category shown above and the categorisation of the fund may shift over time. Historical data, which is used in calculating the indicator, may not be a reliable indicator of the future risk profile of this fund.

The lowest category does not mean a risk-free investment.

The fund does not offer any capital guarantee or protection and you may not get back the amount invested.

The fund is in its risk/reward category because investments in a diversified portfolio of bonds from various countries and sectors have historically been subject to moderate fluctuations in value.

The fund is subject to the following risks which are materially relevant but may not be adequately captured by the indicator:

Bonds: There is a risk that issuers of bonds held by the fund may not be able to repay the investment or pay the interest due on it, leading to losses for the fund. Bond values are affected by the market's view of the above risk, and by changes in interest rates and inflation.

Liquidity: 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 minimise a loss on such investments.

Low rated bonds: The fund may invest in lower rated or unrated bonds of similar quality, which carry a higher degree of risk than higher rated bonds.

Emerging markets investment: The fund may invest in the markets of countries which are smaller, less developed and regulated, and more volatile than the markets of more developed countries.

Asset-backed securities: The timing and size of the cash-flow from asset-backed securities is not fully assured and could result in loss for the fund. These types of investments may also be difficult for the fund to sell quickly.

Derivatives: The use of derivatives can result in greater fluctuations of the fund's value and may cause the fund to lose as much as or more than the amount invested.

Hedging: The fund may use derivatives to reduce the risk of movements in exchange rates between the currency of the investments held by the fund and base currency of the fund itself (hedging). However, hedging transactions can also expose the fund to additional risks, such as the risk that the counterparty to the transaction may not be able to make its payments, which may result in loss to the fund.

Interest rates: Changes in interest rates may negatively affect the value of the fund. Typically as interest rates rise, bond values fall.

Interbank offered rates: The use of IBORs (the rates at which banks are prepared to lend to one another) is changing and may affect the value of the fund, or investments held by the fund. The transition away from IBORs may impact markets that rely on IBORs to determine interest rates and may reduce the value of IBOR-based investments.

Fund operations: The fund is subject to the risk of loss resulting from inadequate or failed internal processes, people or systems or those of third parties such as those responsible for the custody of its assets, especially to the extent that it invests in developing countries.

Fund counterparties: The fund may suffer losses if the parties that it trades with cannot meet their financial obligations.

Annual management charge from capital: The fund's annual management charge is taken from its capital (rather than income). This may adversely affect the fund's overall growth.

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.

For further explanation on the risks associated with an investment in the fund, please refer to the section entitled "Risk Factors" in the prospectus.

Charges

One-off charges taken before or after you invest	
Entry charge	none
Exit charge	none
This is the maximum that might be taken out of your money before it is invested (entry charge) and before the proceeds of your investment are paid out (exit charge).	
Charges taken from the fund over a year	
Ongoing charge	0.66%
Charges taken from the fund under certain specific conditions	
Performance fee:	none

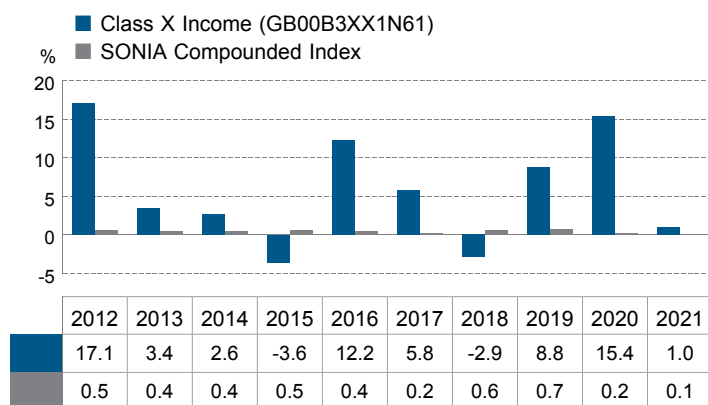
The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Entry and exit charges shown are the maximum that might be taken out of your money. In some cases, you might pay less and you should speak to your financial adviser about this.

The ongoing charge is based on expenses for the 12 month period ending January 2022. This figure may vary over time.

For more information about charges, please see the 'Fees and Expenses' section in the fund's prospectus and relevant appendix.

Past Performance



The fund was launched on 19 December 2011 and the share class began issuing shares on 19 December 2011.

Past performance has been calculated in GBP.

The performance reflects all fees and charges payable by the fund but does not reflect any entry or exit charge that might be payable. For performance purposes only, any distributed income has been reinvested. From the 6 April 2017 any distributed income being reinvested will be gross of UK income tax.

Past performance is no guide to future returns and may not be repeated.

Further information on the fund's performance is available at www.franklintempleton.com.

Practical Information

Depository: The Bank of New York Mellon (International) Limited

Further Information: Additional information about the Company (including the prospectus, annual and half-yearly reports and accounts and the remuneration policy) may be obtained in English free of charge upon request to Franklin Templeton Fund Management Limited, Cannon Place, 78 Cannon Street, London EC4N 6HL and at www.franklintempleton.com.

Price Publication: The latest share price is published at www.franklintempleton.com.

Tax Legislation: The fund is subject to the tax law and regulation of the UK. Depending on your own country of residence, this might have an impact on your personal tax position. For further details, please speak to your financial adviser.

Liability Statement: Franklin Templeton Fund Management Limited, the authorised corporate director of the Company, 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 for the fund.

Structure: The Company has a number of different sub-funds. The assets and liabilities of each sub-fund are segregated by English law from the assets and liabilities of each other sub-fund. The prospectus and the periodic reports are prepared for the Company as a whole.

Switching Between Funds: You are entitled to exchange your investment in the fund for shares in another sub-fund of the Company. You may be required to pay a switching charge for this. Further information on how to exercise this right can be found in the prospectus.

This fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority. Franklin Templeton Fund Management Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority. This key investor information is accurate as at 11/07/2022.