

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.



FTF Franklin Systematic UK Equity Fund

Class X Accumulation

ISIN: GB00B89R1486

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 achieve growth of your investment.

Investment Policy

- The fund will invest at least 80% of its assets in shares of large and mid-cap (medium sized) UK companies (a company located in or doing most of its business in the UK) which are listed on the London Stock Exchange and are part of the FTSE All Share Index.
- The investment manager uses a quantitative, model based, systematic process (an approach which incorporates the use of mathematical modelling, computer systems and data analysis) to assist it in selecting the fund's investments, whilst also considering how those specific investments will help to manage volatility (large price rises and falls).
- The investment manager seeks to manage volatility by favouring companies that (i) it identifies as having less risk in aggregate relative to the overall risk of the UK equity market (being the market of UK companies in which the fund may invest), (ii) have historically paid attractive dividends relative to other peer group companies, (iii) the dividends of which have demonstrated a high level of growth and (iv) have, in the opinion of the investment manager, appropriate cash flows to continue supporting the payment of dividends in the future.
- The fund will typically invest in 60 to 90 companies.
- The fund may invest up to 10% of its assets in other investment funds, which may include funds associated with the manager.

Benchmark: The FTSE All Share Index has been chosen as a constraint as it comprises large and mid-cap companies listed on the London Stock Exchange and therefore reflects the fund's investment objective and the assets in which it principally invests.

Manager's Discretion: The fund is actively managed. The investment manager has discretion in selecting investments within the fund's objective and investment policies. While many of the fund's investments will be components of the benchmark, the weightings of the fund's holdings may differ materially from the weightings in the benchmark. The fund may also invest in securities that are not included in the benchmark. The fund's percentage exposures to sectors and industries may differ materially from those of the benchmark. As part of the portfolio construction and ongoing review process, one factor that the investment manager considers is investments in dividend paying companies such that the overall portfolio's dividend yield is at least equal to the benchmark dividend yield plus 0.75%, however achieving income is not an objective of the fund.

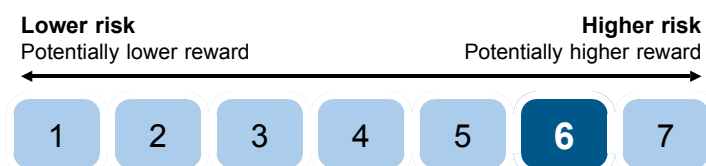
Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

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: Income and gains from the fund's investments are not paid but instead are reflected in the fund's share price.

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 returns of a representative benchmark are used.

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 shares of UK companies from various sectors have historically been subject to relatively large fluctuations in value.

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

Investment in company shares: The fund invests in shares of companies, and the value of these shares can be negatively affected by changes in the company, its industry or the economy in which it operates.

Geographical focus: This fund invests primarily in the United Kingdom, which means that it is more sensitive to local economic, market, political or regulatory events in the United Kingdom, and will be more affected by these events than other funds that invest in a broader range of regions.

Modelling: Proprietary models that may be used to evaluate securities, or securities markets, are based on certain assumptions concerning the interplay of market factors which may not accurately capture the risk of the underlying investments, resulting in an misestimation of fund quantifiable risks. The markets or prices of individual securities may be affected by factors not foreseen in developing the models.

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.

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	1.01%
Charges taken from the fund under certain specific conditions	
Performance fee:	none

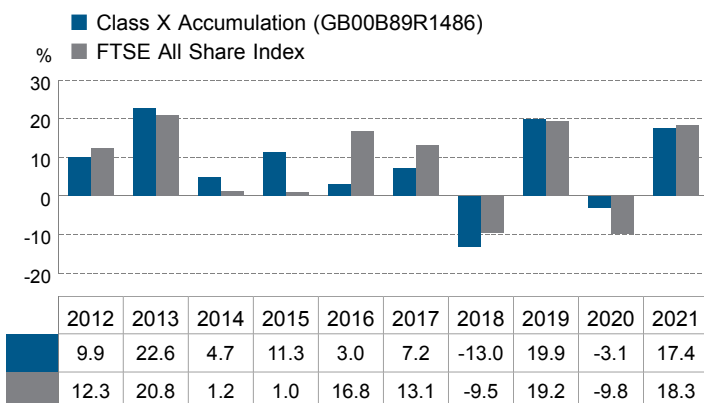
The charges you pay are used to pay the costs of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

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 31 October 1995 and the share class began issuing shares on 29 January 2013.

Past performance has been calculated in GBP.

Past performance prior to the share class inception date noted has been simulated by using performance of another share class of the same fund, which had higher fees but no longer exists.

The performance reflects all fees and charges payable by the fund but does not reflect any entry or exit charge that might be payable.

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

Depositary: 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 09/02/2022.