

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 Mutual Shares Fund

Class A (inc) • ISIN GB0033305227 • A sub-fund of Franklin Templeton Funds
The management company is Franklin Templeton Fund Management Limited

Objectives and Investment Policy

Franklin Mutual Shares Fund (the "Fund") aims to increase the value of its investments and, to a lesser extent, to earn income over the long term.

The Fund invests mainly in:

- equity securities issued by companies of any size located in, or doing significant business in, the U.S.
- lower-quality debt securities issued by companies located in, or doing significant business in, the U.S.

The Fund can invest to a lesser extent in:

- equity securities issued by companies involved in mergers, consolidations, liquidations or other major corporate transactions
- debt securities issued by companies involved in reorganisation or financial restructuring
- equity or debt securities from issuers of any size located in any country

The investment team uses in-depth fundamental research and analysis to find and purchase those equity and debt securities that are believed to be selling at a price below their intrinsic value, with the potential to grow in value over the

long term.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth).

The Fund's performance is compared to the S&P 500 Index as it is widely available and reflects investments in the US stock market.

You may request the sale of your shares on any UK business day.

For the income share class shown in this document, dividend income is distributed to investors.

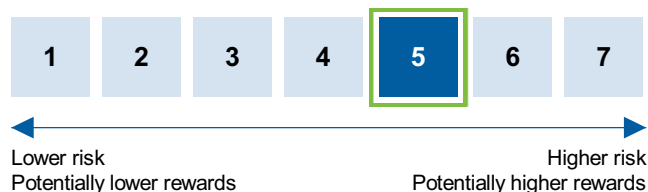
For further information on the Objectives and Investment Policy of the Fund, please refer to the "Investment Objectives and Policies of the Funds" section of the current prospectus of Franklin Templeton Funds.

Terms to Understand

Debt securities: Securities representing the issuer's obligation to repay a loan at a specified date and to pay interest.

Equity securities: Securities that represent an ownership stake in a company.

Risk and Reward Profile



What does this indicator mean and what are its limits?

This indicator is designed to provide you with a measure of the price movement of this share class based on historical behavior.

Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

Why is the Fund in this specific category?

The Fund invests mainly in equity and debt securities of U.S. companies. Such securities have historically been subject to significant price movements that

may occur suddenly due to market or company-specific factors. As a result, the performance of the Fund can fluctuate considerably over time.

Risks materially relevant not adequately captured by the indicator:

Counterparty risk: the risk of failure of financial institutions or agents (when serving as a counterparty to financial contracts) to perform their obligations, whether due to insolvency, bankruptcy or other causes.

Foreign Currency risk: the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

Derivative Instruments risk: the risk of loss in an instrument where a small change in the value of the underlying investment may have a larger impact on the value of such instrument. Derivatives may involve additional liquidity, credit and counterparty risks.

Liquidity risk: the risk that arises when adverse market conditions affect the ability to sell assets when necessary. 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.

Charges

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.

One-off charges taken before or after you invest

Entry charge	5.00%
Exit charge	Not applicable
<i>This is the maximum that might be taken out of your money before it is invested.</i>	

Charges taken from the Fund over a year

Ongoing charges	1.75%
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Charges taken from the Fund under certain specific conditions

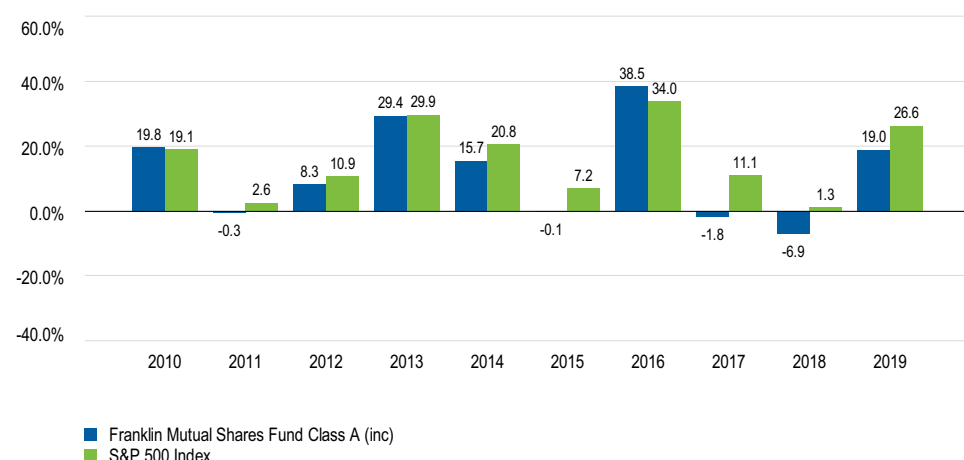
Performance fee	Not applicable
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The entry charges shown are maximum amounts; you may pay less in some cases. For more information, please see your financial adviser.

The ongoing charges are based on the expenses for the year ending 31 December 2019. This figure may vary from year to year.

For detailed information about charges, please refer to the "Fees and Charges" section of the current prospectus of Franklin Templeton Funds.

Past Performance



- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges but not the entry charge.
- Past performance is calculated in GBP
- The Fund was launched in 2003.
- The Fund's performance is compared to the S&P 500 Index as it is widely available and reflects investments in the US stock market.

Practical Information

- The Depositary of Franklin Templeton Funds is The Bank of New York Mellon (International) Limited.
- You can obtain further information about the Fund, copies of its prospectus and the latest annual and semi-annual reports of Franklin Templeton Funds from the website www.franklintempleton.co.uk or free of charge from Franklin Templeton Fund Management Limited, Cannon Place, 78 Cannon Street, London EC4N 6HL or your financial adviser. These documents are each available in English.
- The latest prices and other practical information on the Fund (including information about the other share classes of the Fund) are available from Franklin Templeton Fund Management Limited, Cannon Place, 78 Cannon Street, London EC4N 6HL or www.franklintempleton.co.uk.
- Please note that the United Kingdom taxation regime may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton Fund Management Limited 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 of the Fund.

- The present Fund is a sub-fund of Franklin Templeton Funds. The prospectus and the annual and semi-annual reports refer to all sub-funds of Franklin Templeton Funds. All Funds of Franklin Templeton Funds have segregated assets and liabilities. As a result, each Fund is operated independently from each other.
- You may exchange shares with another sub-fund of Franklin Templeton Funds as further described in the prospectus.
- The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, are available at www.franklintempleton.co.uk and a paper copy can be obtained free of charge.