



Franklin Templeton Investment Funds Franklin K2 Alternative Strategies Fund

Alternative
LU1212701707
31 August 2023

Fund Fact Sheet

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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
Investment Style	Alternative
Fund Domicile	Luxembourg
Fund Type	UCITS
Subscription	Daily
Redemption	Daily
Minimum Investment	USD 5,000 or the equivalent in the relevant share class currency
Morningstar Category™	EAA Fund Multistrategy EUR
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 Zanolla, 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)

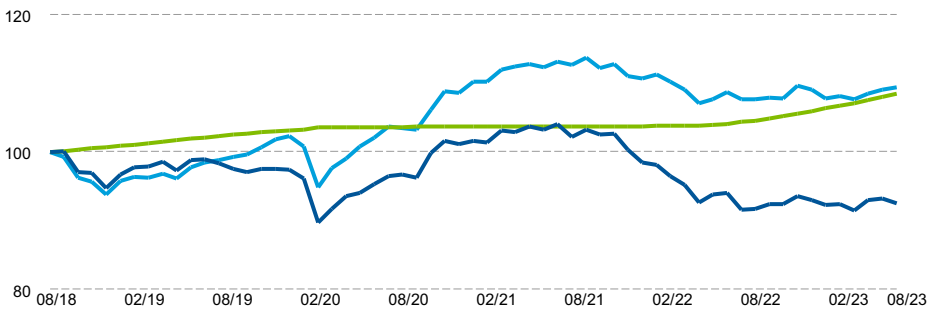
Gross Exposure	228.47
Net Exposure	75.60
Long Exposure	151.27
Short Exposure	-76.67

Performance

Past performance does not predict future returns.

Performance over 5 Years in Share Class Currency (%)

■ Franklin K2 Alternative Strategies Fund A (Ydis) EUR-H1 ■ ICE BofA US 3-Month Treasury Bill Index in USD
■ HFRX Global Hedge Fund Index in USD



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 (Ydis) EUR-H1	-1.59	-9.66	7.84	-1.92	-1.59	0.30	2.98	-0.92	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 Mth	6 Mths	YTD	1 Yr	3 Yrs	Since Incept	3 Yrs	Since Incept
A (Ydis) EUR-H1	-0.75	-0.53	0.11	-1.59	-4.12	-7.00	-1.39	-0.87
ICE BofA US 3-Month Treasury Bill Index in USD	0.45	2.47	3.13	4.25	4.72	11.16	1.55	1.27
HFRX Global Hedge Fund Index in USD	0.33	0.29	1.49	0.67	5.51	10.68	1.81	1.22
Category Average	0.08	0.23	1.54	1.18	6.31	-4.14	2.06	-0.51
Quartile	4	3	3	4	4	3	4	3

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.

The share class shown has adopted a hedging strategy intended to reduce the effect of exchange rate movements between the currency of the Fund's investment strategy and the currency of the share class. The benchmark returns displayed are shown in the reference currency of the Fund's investment strategy (USD), while share class returns are shown in the reference currency of share class (EUR). As a result, the returns shown above reflect the effect of the hedging strategy and one can compare the returns of the Fund (net of fees) relative to its benchmark index without the impact of exchange rate movements on index returns.

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)	
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

Value at Risk (VaR)	-2.69%
Standard Deviation (5 Yrs)	5.44%
Sharpe Ratio (5 Yrs)	-0.28
Alpha (5 Yrs)	N/A
Beta (5 Yrs)	N/A
R-Squared (5 Yrs)	N/A
Correlation (5 Yrs)	N/A
% Maximum Drawdown (5 Yrs)	-12.14%
Drawdown Period:	N/A

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Share Class	Incept Date	NAV	TER (%)	Fees	Dividends		Fund Identifiers		
				Max. Annual Charge (%)	Frequency	Last Paid Date	Last Paid Amount	Bloomberg ID	ISIN
A (Ydis) EUR-H1	24.04.2015	EUR 9.30	2.75	2.55	Ann	N/A	N/A	FTFASAE LX	LU1212701707

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	Relative Value (continued)	% of Invested Capital
Long Short Equity	26.18	Global Macro	24.46
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	Graham Capital Management, L.P.	9.05
Bardin Hill Investment Partners L.P.	6.11	BlueBay Asset Management, LLP	8.00
P. Schoenfeld Asset Management L.P.	4.13	Capital Fund Management SA	5.66
Relative Value	39.12	RV Capital Management Private, Ltd.	1.75
Apollo SA Management, LLC	13.01		
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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Subscriptions to shares of the Fund can only be made on the basis of the current prospectus and where available, the relevant Key Information Document, accompanied by the latest available audited annual report and semi-annual report accessible on our website at www.franklintempleton.lu or which can be obtained, free of charge, from Franklin Templeton International Services, S.à r.l. - Supervised by the Commission de Surveillance du Secteur Financier - 8A, rue Albert Borschette, L-1246 Luxembourg. 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. No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America.

Shares of the Fund are not available for distribution in all jurisdictions and prospective investors should confirm availability with their local Franklin Templeton representative before making any plans to invest. An investment in the Fund entails risks, which are described in the Fund's prospectus and where available, in the relevant Key Information Document. Special risks may be associated with a Fund's investment in certain types of securities, asset classes, sectors, markets, currencies or countries and in the Fund's possible use of derivatives. These risks are more fully described in the Fund's prospectus and where available, in the relevant Key Information Document and should be read closely before investing. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holding at any one time. The Fund's documents are available from www.ftdocuments.com in English, Arabic, French, German, Italian, Polish and Spanish or can be requested via FT's European Facilities Service available at <https://www.eifs.lu/franklintempleton>. In addition, a Summary of Investor Rights is available from www.franklintempleton.lu/summary-of-investor-rights. The summary is available in English. The sub-funds of FTIF are notified for marketing in multiple EU Member States under the UCITS Directive. FTIF can terminate such notifications for any share class and/or sub-fund at any time by using the process contained in Article 93a of the UCITS Directive.

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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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.

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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.

Performance Benchmarks: Effective 1 November 2021, the Fund's benchmark is Euro Short-Term Rate (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.

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.

Fund Measures:

Reference Benchmark: MSCI World Index. The MSCI World Index is solely utilized as a reference benchmark to illustrate difference in behavior between global equity markets and the fund. However, the MSCI World Index is not fully reflective of the risk profile of the fund, which is not limited to investing solely for long global equity market exposures.

Value-at-Risk (VAR): The expected maximum potential one-month loss at a 95% confidence level, calculated based on the Fund's holdings as of the report date using a historical simulation methodology.

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.