Prepared on 31/08/2023

**This Product Highlights Sheet is an important document.**

- **It highlights the key terms and risks of this investment product and complements the Prospectus[1].**
- **It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.**
- **You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.**
- **If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.**

# Franklin Templeton Investment Funds – Franklin Biotechnology Discovery Fund (the "Fund")

| | | | |
|---|---|---|---|
| **Product Type** | **Investment Company** | **Launch Date** | **03/04/2000** |
| **Investment Manager** | **Franklin Advisers, Inc.** | **Depositary** | **J.P. Morgan SE – Luxembourg Branch** |
| **Management Company** | **Franklin Templeton International Services S.à r.l.** | **Dealing Frequency** | **Daily (Dealing Days only)** |
| **Trustee** | **Nil** | **Expense Ratio for Financial Year ended 30/06/2022** | **Share Class / Range**<br>**A 1.81%**<br>**B~ 3.12%**<br>**C 2.39%**<br>**I 0.96%**<br>**N 2.56%**<br>**W 1.01%**<br>**Z 1.31%** |
| **Capital Guaranteed** | **No** | | |

| PRODUCT SUITABILITY | |
|---|---|
| **WHO IS THE PRODUCT SUITABLE FOR?**<br><br>The Fund is only suitable for investors who:<br>• seek to invest in a Fund compliant with Article 8 of the SFDR;<br>• seek to achieve capital appreciation;<br>• seek to invest in equity securities in the biotechnology sector in the US and around the world; and<br>• plan to hold their investment for the medium to long term.<br>The principal may be at risk. | Further Information<br>Refer to "Fund Information, Objectives and Investment Policies" of the Luxemburg Prospectus. |
| **KEY PRODUCT FEATURES** | |
| **WHAT ARE YOU INVESTING IN?**<br>• You are investing in an open-ended collective investment scheme constituted in Luxembourg as a UCITS that aims to provide you with capital appreciation by a growth investment in equity securities in the biotechnology sector in the US and around the world.<br>• Under normal circumstances, you will receive regular distributions out of income depending on the distribution share classes you are investing in. Any distributions out of the capital of the Fund will reduce the NAV of the Fund. | Refer to "Investment Objective, Focus and Approach of the Funds" section of the Singapore Prospectus, and the "Dividend Policy" section of the Luxembourg Prospectus. |
| **Investment Strategy** | |
| • The Fund will invest principally in equity securities of biotechnology companies and discovery research firms of any size located in the US and other countries.<br>• It may also invest in debt securities of any type of issuers worldwide.<br>• A biotechnology company is one that has at least 50% of its earnings coming from, or at least 50% of its net assets devoted to, biotechnology activities. | Refer to "Investment Objective, Focus and Approach of the Funds" section of the Singapore Prospectus. |

PRODUCT HIGHLIGHTS SHEET

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| The Fund will usually invest more in the US than in any other single country although it may have more than 50% of its net assets in non-US securities.<br>• The Fund's Environmental and/or Social characteristics (within the meaning of Article 8 SFDR) promoted are detailed in Appendix G of the Luxembourg Prospectus attached to the Singapore Prospectus and consist of excluding certain issuers and sectors considered by the Investment Manager as harmful for the society while favoring issuers with a good environmental social and governance (the "ESG") profile, as captured by its proprietary ESG methodology.<br>• The Fund may also, in accordance with the investment restrictions, invest (i) up to 5% of its net assets in securities issued by private companies and Private Investments in Public Equity (PIPEs) and (ii) up to 5% of its net assets in special purpose acquisition companies (SPACs) provided that the contemplated PIPEs and SPACs qualify as transferable securities under paragraphs (1) or (2) a) of Article 41 of the Law of 17 December 2010. | |
| **Parties Involved** | |
| **WHO ARE YOU INVESTING WITH?**<br>• The investment company is Franklin Templeton Investment Funds.<br>• The investment manager is Franklin Advisers, Inc.<br>• The management company is Franklin Templeton International Services S.à r.l.<br>• The depositary is J.P. Morgan SE – Luxembourg Branch.<br>• The Singapore representative is Templeton Asset Management Ltd. | Refer to "Management and Administration" section of the Singapore Prospectus for more information on the role and responsibilities of these entities and what happens if they become insolvent. |
| **KEY RISKS** | |
| **WHAT ARE THE KEY RISKS OF THIS INVESTMENT?**<br>**The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment.** | Refer to the "Risk Factors" section of the Singapore Prospectus and "Risk Considerations" section of the Luxembourg Prospectus. |
| **Market and Credit Risks** | |
| • **Your investments are exposed to equity markets risk -** Your investments may be subject to significant price movements due to the impact of economic, political, market, and issuer-specific factors. | |
| **Liquidity Risks** | |
| • **Your investments are exposed to liquidity risks of the underlying investments -** Under exceptional market conditions the manager may be forced to sell assets of the fund at a discount in order to meet continued redemption requests.<br>• **The Fund is not listed, and you can realize your Shares only on Dealing Days -** There is no secondary market for the Fund. All redemption requests should be submitted in the manner set out in the Prospectus.<br>• **Your realization request may be deferred or suspended** - Redemptions of Shares may be deferred when more than 10% of the value of the Fund's Shares are redeemed or exchanged on any one Dealing Day. Your right to realize Shares may also be temporarily suspended under certain circumstances as described in the Prospectus. | Refer to the sections "Sale of Shares" and "Suspension of Valuation, Issue, Sale and Switching of Shares" of the Singapore Prospectus. |
| **Product-Specific Risks** | |
| • **Your investments are exposed to concentration risk -** The Fund invests primarily in a single sector, market or region, and as a result is subject to higher concentration risk and potentially greater volatility compared to funds following a more diversified policy.<br>• **Your investments exposed to risks associated with small to mid-sized companies -** The Fund will invest in small to mid-sized companies, which tend to have less liquidity and be more sensitive to changes in economic conditions and interest rates than larger, more recognized companies. As a | |

result, the stock prices of small to mid-sized companies tend to fluctuate up and down more than those of larger companies.

- **Your investments are exposed to sustainability risk -** In pursuing a sustainable investment objective, the Fund may underperform its broader investment universe by excluding potential opportunities due to non-financial considerations. Sustainability factors may also contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

## FEES AND CHARGES

**WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?**

Investors should note that subscriptions for Shares through any distributor appointed by the Management Company may incur additional fees and charges.

Refer to the "Fees and Charges" section of the Singapore Prospectus and Appendix E – "Franklin Templeton Investment Funds Charges, Fees and Expenses" of the Luxembourg Prospectus.

**Payable directly by you (as a percentage of your gross investment sum)**

| Share classes | Initial Sales Charge / Entry Charge | Contingent Deferred Sales Charge[2] | Exchange Charge / Switching Fee |
|---|---|---|---|
| A | Currently 5.00% [max. 5.75%] | Currently 0.00% [max 1.00%] | Currently 1.00% [max 1.00%] |
| B~ | N/A | Years since purchase<br>- Less than one year (4.00%)<br>- ≥ 1 year but < 2 year (3.00%)<br>- ≥ 2 year but < 3 year (2.00%)<br>- ≥ 3 year but < 4 year (1.00%)<br>≥ 4 year (Nil) | No switching charge |
| C | N/A | Years since purchase<br>- Less than one year (1.00%)<br>≥ 1 year (Nil) | No switching charge |
| I | N/A | N/A | No switching charge |
| N | Currently 0.00% [max. 3.00%] | N/A | Currently 1.00% [max 1.00%] |
| W | N/A | N/A | No switching charge |
| Z | N/A | N/A | Currently 1.00% [max. 1.00%] |

**Payable by the Fund from invested proceeds to the Management Company, the Depositary and other parties**

| Share classes | Annual Management Charge | Others |
|---|---|---|
| A | 1.50% | • Annual Depositary Fee[3]: 0.01% to 0.14% p.a., or higher if the Fund's investment objective and policy provides for investments in equity securities of issuers in developing countries<br>• Annual Admin Fee[3]: Max 0.20% p.a. plus additional amount per Investor Holding over one year period and a fixed amount per year to cover part of its organisational expenses<br>• Servicing Charge (payable to Principal Distributor) applicable to Class B Shares: 1.06% |
| B~ | 1.75% | |
| C | 2.08% | |
| I | 0.70% | |
| N | 2.25% | |
| W | 0.70% | |

| | | | |
|---|---|---|---|
| Z | 1.00% | • Annual Management Charge retained by management company: 52.5% to 100%<br>• Annual Management Charge paid by management company to financial advisor or distributor (trailer fee)*: 0% to 47.5% (median** = 40%)<br>• Classes I, W and Z Shares: Annual Management Charge is retained by the Management Company as the Management Company does not pay any trailer fees. | |

## VALUATIONS AND EXITING FROM THIS INVESTMENT

**HOW OFTEN ARE VALUATIONS AVAILABLE?**

- Daily valuations are available on Dealing Days.
- The indicative NAV and actual NAV per share of each Fund and Share Class may be obtained from the Singapore representative and will be published on the Singapore representative's website (www.franklintempleton.com.sg) one Singapore Business Day after the relevant Dealing Day.

**HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?**

- To exit the Fund you should complete the relevant sale form, together with such other documents as may be required and submit it to the Singapore representative or through the financial advisor or distributor from whom you purchased the Fund, the Internet or any other sales channels, if applicable. Please ensure that all relevant documents have been submitted.
- Please note that sale of Class B and C Shares may be subject to exit charges.
- Some appointed distributors may offer a cancellation policy whereby you will not incur the sales charges if you sell during the relevant period (the Fund does not offer such cancellation policy). You will however take the risk of a decline in the Fund's NAV since you purchased it and certain administrative fees may apply.
- Sale proceeds will be paid within three Singapore Business Days following the Dealing Day of the receipt and acceptance of the sale request. Sale proceeds from investments using CPF or SRS monies will be returned to your respective CPF or SRS accounts.
- Your exit price is determined as follows:
  - If the Singapore representative receives and accepts the sale request on or before 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares applicable on that day.
  - If the Singapore representative receives and accepts the sale request after 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares at the close of the next Dealing Day.
- The sales proceeds that you will receive will be the exit price multiplied by the number of shares sold, less any charges. The following illustrates the sales proceeds on a sale of 1,000 Class A SGD share class shares at an exit price of S$12.50 and assuming no Contingent Deferred Sales Charge:

| | |
|---|---|
| Exit price x Number of shares sold | = Gross Sales Proceeds |
| S$12.50 x 1,000 | = S$12,500 |
| Gross Sales Proceeds – Exit Charges | = Net Sales Proceeds |
| S$12,500-S$0.00 | = S$12,500 |

Refer to the "Purchase of Shares", "Sale of Shares" and "Obtaining Price Information" sections of the Singapore Prospectus.

## CONTACT INFORMATION

**HOW DO YOU CONTACT US?**

- For account-related matters and product information, kindly contact the financial advisor or distributor from whom you purchased the Fund.
- For product-related queries, kindly contact Templeton Asset Management Ltd at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987, tel: +65 6241 2662, website: www.franklintempleton.com.sg. Our Client Dealer Services Representative is available at tel: +65 6337 3933, email: cdsspr@franklintempleton.com.

| GLOSSARY | | |
|---|---|---|
| **Dealing Day** | : | means each day which is both a Valuation Day and a Singapore Business Day, or otherwise as the Directors may from time to time determine. |
| **Law of 17 December 2010** | : | means the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time. |
| **NAV** | : | means Net Asset Value. |
| **SFDR** | : | means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector. |
| **Singapore Business Day** | : | means a day (except Saturdays, Sundays and public holidays) on which commercial banks are open for business in Singapore. |
| **UCITS** | : | means an undertaking for collective investment in transferable securities. |
| **Valuation Day**[#] | : | means any day on which the New York Stock Exchange (NYSE) is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing). |

[1] The Prospectus is available for collection from Templeton Asset Management Ltd at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987 and its appointed distributors during business hours, or accessible at www.franklintempleton.com.sg.

[2] Based on the lesser of the value of Shares being sold (exclusive of reinvested dividends) or the total cost of Shares when purchased.

[3] Payable to custodian, registrar and transfer, corporate, domiciliary and administrative agent (as applicable).

[~] Class B Shares will no longer be available for subscription with effect from 1 April 2016.

[*] Your financial adviser or distributor is required to disclose to you the amount of trailer fee it receives from the management company.

[**] The median trailer fee is derived based on the trailer fees payable to Singapore distributors of CPF and non-CPF trailer-bearing Share Classes of the Fund.

[#] With effect from 1st January 2024, "Valuation Day" means a day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing). Further information on the applicable Valuation Days for the Fund can be found on the website: http://www.franklintempleton.lu.