

Notice to investors in the Franklin Templeton Funds range

Changes to your Fund

28 May 2024

Dear Shareholder,

We are writing to you to let you know about some changes that we are making to the sub-funds of the Franklin Templeton Funds range. This letter covers all the changes that we are making to each fund – so not all the information may be directly relevant to your investments. We have indicated below which changes apply to which funds, so please do read this carefully.

What do I need to do?

If you are happy with the changes described in this letter, you do not need to take any action. If you would like to discuss the changes, please contact our Client Service team. You can do this:

- By email to enquiries@franklintempleton.co.uk; or
- By telephone on 0800 305 306, or +44 20 7904 1843 if you are outside the UK; or
- By writing to us at: Franklin Templeton, PO Box 24064, Edinburgh, EH3 1EX.

If you would like to speak to our team on the telephone, lines are open Monday to Friday from 8.30am to 5.30pm.

If you need any additional support to help you understand this letter, or any of our communications, please let the Client Service team know, and they will do their best to help you.

We would also like to remind you that we have several documents available to you which may help you assess your investment choices, including our annual assessment of the value provided by each fund. We recommend that you regularly review your investments and the options open to you, to make sure you are happy with your existing investment choices. You can find all the documents for your funds on our website at www.franklintempleton.co.uk/FTFdocuments.

We cannot give you investment advice so if you need specific support about what action you should take to manage your investments, please talk to an authorised financial adviser.

What is changing?

We are making various changes to the funds. To help you identify whether your fund is changing, how, and when, we have summarised the changes in the below table.

As a quick reminder, when we talk about the “investment objective” of a fund, we are referring to the financial outcome that the fund is trying to achieve. When we talk about the “investment policy” or “investment strategy” of a fund, we are talking about how we will try to achieve that objective – so

(continued)

specifying the type of investments the fund will make, and the considerations that the fund's managers take into account when selecting investments for a fund. Unless we specify otherwise in the full investment objective of a fund (which you will find in the Key Investment Information Document or the prospectus, both of which can be found at the link above), all returns that we aim to achieve are after all fees and costs are deducted. Please remember that no investment objective is guaranteed and all investment involves the risk that you may not get back everything you invested.

Fund(s)	Change	Date the changes will take effect
FTF Brandywine Global Income Optimiser Fund	<p>1. We are changing the way we describe the investment objective of the fund to simplify it. Currently the fund's "primary" aim is to generate income and the fund also seeks to preserve investors' capital. We have simplified this so that the objective is simply to generate income and preserve capital.</p> <p>In addition, the time period over which we assess performance of the fund will change. Currently the fund's performance is measured over a full market cycle (which is typically a three to five year period) but going forward we will assess the fund over periods of five years or more. We think this will be more specific, more appropriate for the fund and more consistent with other funds we manage.</p> <p>2. At the moment, the fund can invest up to 35% of its assets in securities issued by a single government or public issuer. We are increasing this limit so that the fund can invest more than 35% of its assets in securities issued by the governments of the countries which are members of the Organisation for Economic Co-operation and Development. You can find a list of the members here: https://www.oecd.org/about/ in the "our global reach" and "member countries" tabs. This change will help the managers reflect the global nature of the fund and its opportunities set.</p> <p>3. We are amending the Environmental, Social, and Governance ("ESG") section of the investment policy to include some minor edits which we consider explain the fund's ESG process more clearly.</p> <p>4. In addition, we would like to remind you that we updated the benchmark that we use to assess the fund's performance to a more suitable benchmark. That change took effect on 29 March 2024 and more details can be found in our notice to investors about that change, here: www.franklintempleton.co.uk/FTFdocuments in the "additional documents" tab for FTF Brandywine Global Income Optimiser Fund.</p>	28 June 2024
FTF ClearBridge Global Infrastructure Income Fund	<p>1. We are changing the way we describe the investment objective of the fund to simplify it and use more consistent language. For example, instead of saying the fund's primary aim is to generate income and that the fund also seeks to grow in value, we will say the fund aims to generate income and increase in value through investment growth.</p> <p>The performance target of the fund will not change, however, we are clarifying the language we use to describe this in order to make it clearer and easier for investors to understand. We have set out the current and new investment objective language below.</p>	28 June 2024

Current investment objective: “The Fund’s primary aim is to generate income. The Fund also seeks to grow in value by more than the OECD G7 Inflation Index + 5.5%, from a combination of income and investment growth, over five year rolling periods, before all fees and costs are deducted.”

New investment objective: The Fund aims to generate income and increase in value through investment growth. Over periods of five years, the Fund seeks to achieve an average annual return of OECD G7 Inflation Index + 5.5%, before the deduction of all fees and costs.”

2. In addition, we would like to remind you that we added a comparator benchmark to help assess the fund’s performance relative to a market index which is broadly representative of the assets in which the Fund may invest. That change took effect on 29 March 2024 and more details can be found in our notice to investors about that change, here: www.franklintempleton.co.uk/FTFdocuments in the “additional documents” tab for FTF ClearBridge Global Infrastructure Income Fund.

FTF ClearBridge US Equity Income Fund, FTF Templeton Global Total Return Bond Fund	<p>We are changing the way we describe the investment objectives of the funds to simplify them and make them easier to compare with other funds in our fund range. At present, the funds both seek to grow in value via income and investment (or “capital”) growth. This essential objective is not changing, but we are rewording it so that the funds aim to generate income and increase in value through investment growth. In addition, where the ClearBridge fund refers to the objective being measured over “rolling three to five year periods” and the Templeton fund refers to “three to five year periods” we are standardizing this, so that the return sought is over periods of five years or more.</p> <p>In addition, the Templeton fund specifically calls out “currency gains” as a way the fund may increase in value. We are removing this reference and referring just to investment growth more generally, in order to simplify the wording in line with the approach we take for all the funds in this range.</p>	28 June 2024
FTF ClearBridge US Value Fund, FTF Franklin US Opportunities Fund	<p>We are changing the way we describe the investment objectives of the funds to make them more consistent with other funds in the range, which we think will be generally clearer and easier for investors to understand. The majority of each fund’s objective is unchanged, however at present the funds refer to seeking a return over “a full market cycle (typically three to five years)” in the case of the ClearBridge fund, or simply “three to five years” in the case of the Franklin fund. For both funds, we are now changing this to “periods of five years or more”. We will also clarify the language used for both funds, so instead of saying that the fund seeks to grow in value, we will say the fund aims to increase in value through investment growth.</p>	28 June 2024
FTF Franklin Sterling Corporate Bond Fund, FTF Franklin UK Gilt Fund	<p>We are changing the way we describe the investment objectives of the funds to make them more consistent with the other funds in the range, which we think will be clearer and easier for investors to understand. Both funds will retain the references to aiming to achieve income and investment growth although we are rewording this to make it more consistent with how we describe this in other funds in the range.</p> <p>Instead of the funds aiming to outperform their target benchmarks over three-to five year periods, we are clarifying the objective so that investors can expect an average</p>	28 June 2024

	annual return greater than the target benchmark when measured over five year periods. We think this is clearer and easier for investors to measure.	
FTF Martin Currie Asia Unconstrained Fund	We are changing the way we describe the investment objective of the fund to make it simpler and more consistent with the other funds in the range. Instead of specifying that the fund aims to grow in value “through a combination of income and growth over rolling five year periods”, we are simplifying the objective so that the fund simply seeks to “increase in value through investment growth over periods of five years or more”.	28 June 2024
FTF Martin Currie UK Rising Dividends Fund	We are changing the way we describe the investment objective of the fund to make it simpler. Instead of referring to a “growing level of income, together with investment growth over a three to five year period” we are simplifying this to refer solely to increasing in value through investment growth over periods of five years. The remainder of the investment objective remains fundamentally unchanged (including, for the avoidance of doubt, the fund’s existing outperformance target – growing in value by more than the FTSE All-Share Index) which will remain in place.	28 June 2024
FTF Martin Currie Emerging Markets Fund	We are simplifying the objective so that instead of referring to “rolling three year periods” as the period of time over which the fund seeks to grow in value, we will instead refer to “periods of five years”. We think that this is clearer and easier for investors to measure. We will also clarify the language, so instead of saying that the fund seeks to grow in value, we will say the fund aims to increase in value through investment growth.	28 June 2024
FTF Martin Currie European Unconstrained Fund, FTF Martin Currie Global Unconstrained Fund, FTF Martin Currie US Unconstrained Fund, FTF Templeton Global Emerging Markets Fund, FTF Templeton Global Leaders Fund	To be consistent with changes we are making to other funds, we will clarify the language used in the investment objective of each of these funds, so instead of saying that the fund seeks to grow in value, we will say the fund aims to increase in value through investment growth.	28 June 2024
FTF Martin Currie Japan Equity Fund	1. We are simplifying the investment objective so instead of referring to seeking to “grow in value over the long term (five years or more)” we are simply referring to	28 June 2024

seeking to “increase in value through investment growth over periods of five years or more”.

2. We have re-worded part of the investment policy, to clarify that there may be certain periods (sometimes long periods) where the fund is significantly invested in mid and smaller sized companies which are growing. This was always noted as a potential outcome in the investment policy, but we believe that the revised wording is clearer for investors.

FTF Martin Currie UK Equity Income Fund, FTF Martin Currie UK Mid Cap Fund, FTF Martin Currie UK Smaller Companies Fund

1. We are rewording the investment objectives to make them simpler, although the key features of the objectives will remain the same. Instead of referring to delivering the objectives over a three to five year period, we are changing this to refer instead to periods of five years.
2. For the FTF Martin Currie UK Equity Income Fund, we have simplified the investment objective so that instead of referring to a “primary” aim of generating income higher than that of the FTSE All-Share Index (the “Index”), together with investment growth, we are changing this to refer simply to aiming to generate income higher than that of the Index, and increase in value through investment growth.
3. For the FTF Martin Currie UK Mid Cap Fund we will also clarify other language in the investment objective, so instead of saying that the fund seeks to grow in value from a combination of income and investment growth, we will say the fund aims to increase in value through investment growth.
4. For the FTF Martin Currie UK Smaller Companies Fund we will also clarify other language in the investment objective, so instead of saying that the fund seeks to grow in value, we will say the fund aims to increase in value through investment growth.

28 June
2024

FTF Martin Currie UK Managers' Focus Fund

1. We are simplifying the investment objective so that it is simply to increase in value through investment growth by more than the fund's existing performance target – the FTSE All-Share Index. Previously the objective referred to growing in value “from a combination of income and investment growth” which will now be removed.

Instead of the return target being measured over a three to five year period, we are simplifying this to refer only to periods of five years.

2. We are making a change to the investment restrictions that apply to the core investments of the fund. At the moment, the core investment of the fund is in shares of companies listed in the UK which are either incorporated in the UK or do significant business there. This overall group of investments is then further broken down to show how many investments the fund will typically make into large, medium, and smaller companies but we are proposing to remove the breakdown between small, medium, and larger companies from the fund's investment policy. We think that this will give the fund's investment manager more freedom to select investments in companies irrespective of size and will help the fund to achieve its investment objective.

28 June
2024

The fund will remain concentrated (currently the fund typically invests in up to 50 companies) but this is being extended slightly so that the fund will typically invest in between 35 to 60 companies.

3. We have also decided to reduce the annual management charge in respect of two share classes in this fund:

Share class	Existing annual management charge	Annual management charge from 28 June 2024
S	0.55%	0.50%
W	0.75%	0.65%

What is the “annual management charge”?

The annual management charge is the annual fee that the authorised corporate director (which is Franklin Templeton Fund Management Limited) receives from the Fund in order to pay for certain expenses incurred in running the Fund, such as fees for investment management, promoting the Fund, and other operational tasks.

It is not the total of all costs that are charged to the Fund over the year, but it makes up most of the total costs charged over the year.

To give a pounds and pence example, taking the Class W charges noted above, at present for every £1,000 invested in that class, the annual management charge is £7.50. From 28 June 2024, when the annual management charge is reduced to 0.65%, for every £1,000 invested in that class the annual management charge will be £6.50.

FTF Royce US Smaller Companies Fund	We are changing the investment objective so that instead of aiming to grow in value over a period of three years or more, we will instead refer to increasing in value through investment growth over periods of five years or more. In addition, we are adding language to make it clear that the fund’s growth return objective is after all fees and costs are deducted.	28 June 2024
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Will these changes have an impact on the way the funds are managed?

For all funds other than the FTF Martin Currie UK Managers’ Focus Fund and the FTF Brandywine Global Income Optimiser Fund: No. The changes are all intended to clarify the existing objectives of the funds. We have been going through an internal review of all of our UK fund range, and trying to simplify the language used and make key concepts – such as the length of time an objective should be measured against – as consistent in the range as possible.

For the FTF Martin Currie UK Managers’ Focus Fund: The changes will not impact the type of investment the fund can make (i.e. the fund will continue to invest in the shares of companies listed on the UK stock market) or the process that the fund’s managers use to identify the investments which they believe will help the fund achieve its objective. However, the changes will allow the investment manager more freedom to decide how much of the fund’s assets they allocate to the shares of small, medium and large companies. At the moment, there are investment guidelines which split out investment in these companies between small, medium, and large companies. We believe that removing these guidelines, will help the investment manager to meet the fund’s objective.

For the FTF Brandywine Global Income Optimiser Fund: No. Although at times the change could result in the fund investing in more government bonds issued by OECD countries than currently, this will not in our view significantly change the way the fund is managed.

None of these changes will affect the funds' existing risk profiles.

Will the changes result in any additional costs for shareholders in the funds?

For all funds other than the FTF Martin Currie UK Managers' Focus Fund: No.

For the FTF Martin Currie UK Managers' Focus Fund: Yes. In order to make the required changes in the portfolio, the investment manager will need to make some additional trades, which will result in a one-off increase in transaction costs in the immediate term. We estimate that, in total, these trading costs will be in the region of 0.23% which will be paid out of the fund. To give a pounds and pence example, for every £1,000 invested, the cost of the change will be £2.30.

What happens when the changes take effect?

On the date against each change in the table above, the prospectus and Key Investor Information Documents for each affected fund will be updated with the new language, and published on our website at: www.franklintempleton.co.uk/FTFdocuments.

What are my options if I am not happy with the changes?

If you are not happy about the changes, you have options to switch or sell your investments. As a reminder, when we refer to "switching" investments, we mean the ability to exchange your shares in one of our funds for shares in another fund. If you need help in choosing what to do with your investments, please contact a financial adviser.

Remember: before you give anyone your money or personal details, make sure that they are properly authorised to do investment activity. The Financial Conduct Authority – which is the UK's regulator for the investment industry – maintains a list of companies and individuals who hold current licenses for investment activity. The FCA's register can be searched here: <https://www.fca.org.uk/firms/financial-services-register>. Remember that scams can be very convincing, and it is best to double check with a trusted financial adviser if you are not sure.

Please also feel free to contact our Client Service team if you have any questions about the changes. Their information is set out on the front page of this letter.

Yours sincerely,



Martyn Gilbey
Director
Franklin Templeton Fund Management Limited