

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 K2 Electron Global UCITS Fund

Class EO PF (acc) USD • ISIN LU2039785964 • A sub-fund of Franklin Templeton Alternative Funds

The management company is Franklin Templeton International Services S.à r.l.

Objectives and Investment Policy

The Franklin K2 Electron Global UCITS Fund (the “Fund”) aims to provide a positive return in any market conditions (absolute return) over the medium to long term.

The Fund pursues an actively managed investment strategy and invests mainly in:

- equity and equity-related securities issued by companies of any size in the infrastructure and global utility sectors located in North America, Europe and Asia-Pacific, and to a lesser extent in Latin America, including emerging markets
- derivatives for hedging, efficient portfolio management and investment purposes

The Fund can invest to a lesser extent in:

- cash-settled structured products or exchange traded notes
- units of other mutual funds and exchange-traded security-linked notes (limited to 10% of assets)

The investment team uses fundamental research and sector analysis to select individual securities that it believes will perform unusually well or unusually poorly, and takes long positions on the former and short positions on the latter. Long positions benefit from an increase in the price of the underlying instrument or asset class, while short positions benefit from a decrease in that price.

Benchmarks: MSCI World Utilities Sector Index and HFRX Equity Hedge Index. The benchmarks are used solely as a reference for Investors to compare against the Fund's performance. The Fund is not obliged to hold

any of the benchmarks constituents and may indeed invest up to 100% of its net assets outside these benchmarks.

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

The income received from the Fund's investments is accumulated with the result of increasing the value of the shares.

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

Terms to Understand

Derivatives: Financial instruments whose characteristics and value depend on the performance of one or more underlying assets, typically securities, indexes, currencies or interest rates.

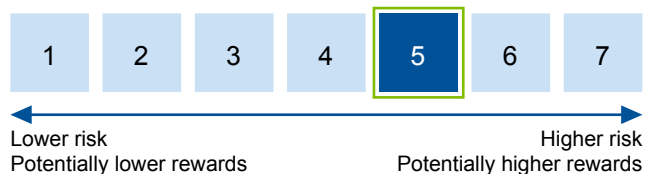
Emerging markets: Countries whose economy, stock market, political situation and regulatory framework are not fully developed.

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

Hedging: A strategy for totally or partially offsetting particular risks such as those arising from fluctuations in share prices, currencies or interest rates.

Long position, short position: A long position benefits when an investment's price goes up; a short position benefits when the price goes down.

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.

As the share class has no sufficient historical data available, simulated data based on a representative portfolio model or benchmark have been used instead.

Why is the Fund in this specific category?

The Fund seeks to achieve its investment objective by investing primarily in equity and equity-related securities of companies active in the global utility sector worldwide, as well as in derivatives. Such securities and investment instruments have historically been subject to price movements that may

occur suddenly due to market or company-specific factors, or fluctuations in currency markets. 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.

Emerging markets risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

Equity risk: prices of equities may be affected by factors such as economic, political, market, and issuer-specific changes. Such changes may adversely affect the value of the equities regardless of company-specific performance.

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.

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

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Considerations” section of the current prospectus of Franklin Templeton Alternative 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	Not applicable
Exit charge	Not applicable

This is the maximum that might be taken out of your money before it is invested.

Charges taken from the Fund over a year

Ongoing charges	1.05%
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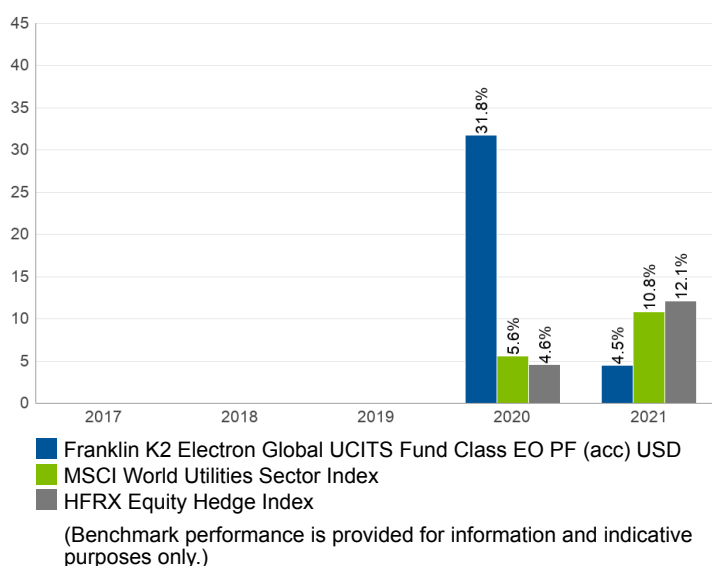
Charges taken from the Fund under certain specific conditions

Performance fee	20.00% a year of any returns the Fund achieves, subject to a High Water Mark principle. 0.78% for the Fund's last financial year.
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The ongoing charges are based on the expenses for the year ending 31 July 2022. This figure may vary from year to year.

For detailed information about charges, please refer to the sections "Share Classes" and/or "Performance Fees" (as applicable) as well as Appendix E of the current prospectus of Franklin Templeton Alternative Funds.

Past Performance



- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges.
- Past performance is calculated in the currency of the present share class.
- The Fund was launched in 2019.
- Product performance is not tracking the index.

Practical Information

- The Custodian of Franklin Templeton Alternative Funds is J.P. Morgan SE, Luxembourg Branch.
- Copies of the latest prospectus and the latest annual and semi-annual reports of Franklin Templeton Alternative Funds are available in the language of this document, on the website www.ftidocuments.com or may be obtained free of charge from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or your financial adviser.
- The latest prices and other information on the Fund (including other share classes of the Fund) are available from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or www.franklintempleton.lu.
- Please note that the taxation regime applicable in the Grand Duchy of Luxembourg may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton International Services S.à r.l. 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 Alternative Funds. The prospectus and the financial reports refer to all sub-funds of Franklin Templeton Alternative Funds. All sub-funds of Franklin Templeton Alternative Funds have segregated assets and liabilities. As a result, each sub-fund is operated independently from each other.
- You may switch into shares of another sub-fund of Franklin Templeton Alternative 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.lu and a paper copy can be obtained free of charge.
- Environmental, social and governance (ESG) criteria are one of the components of management but their weight in the final decision is not defined in advance.