

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.

Templeton Shariah Global Equity Fund

Class A (acc) USD • ISIN LU0792757196 • A sub-fund of Franklin Templeton Shariah Funds
The management company is Franklin Templeton International Services S.à r.l.

Objectives and Investment Policy

The primary characteristic of a Shariah fund is its compliance with Shariah guidelines based on the principles of Islamic finance. A Shariah fund is required to appoint a Shariah supervisory board which independently ensures that the fund also meets such Shariah guidelines in the management of all of its assets.

Templeton Shariah Global Equity Fund (the "Fund") aims to increase the value of its investments from Shariah-compliant securities over the medium to long term.

The Fund invests mainly in:

- equity and equity-related securities issued by companies of any size located in any country, including emerging markets
- certificates issued typically by a bank or a trust company that give their holders the right to receive securities issued by a foreign or domestic company (Depository Receipts)

The Fund can invest to a lesser extent in:

- Shariah-compliant debt securities, including Sukuk and Shariah-compliant short-term instruments, issued by governments and companies of any size located in any country (limited to 25% of assets)

The investment team uses in-depth analysis to select individual equity securities that it believes are undervalued, based on such factors as their

expected long-term earnings and the value of their business assets.

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 Shariah Funds.

The benchmark of the Fund is the MSCI AC World Islamic Index. The benchmark is indicated for information purposes only, and the Fund manager does not intend to track it. The Fund can deviate from this benchmark.

Terms to Understand

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

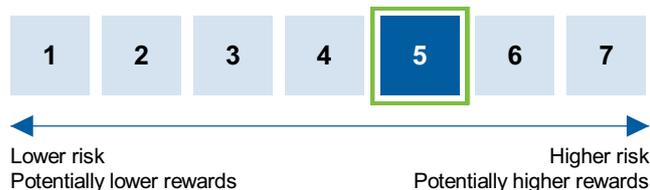
Emerging markets: Countries whose economy, stock market, political situation and regulatory framework are not fully developed.

Shariah-compliant debt securities: Financial securities that comply with Shariah, such as Sukuk, where the holder owns an undivided exposure over an underlying asset, or Murabaha, where a party buys an asset and agrees upon a sale price with a prospective buyer for an agreed upon profit.

Sukuk: Islamic financial securities similar to bonds that comply with Shariah and where the holder owns an undivided exposure over an underlying asset

Short-term instruments: Shariah-compliant securities with defined terms and a short maturity where, for example, a party buys an asset and then agrees upon a sale price with a prospective buyer for an agreed upon profit.

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 invests mainly in Shariah-compliant equity and equity-related securities of companies around the world. 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:

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.

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

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.

Shariah compliance risk: the risk that the restriction to invest only in Shariah-compliant securities may place the Fund at a comparative disadvantage vs. funds that do not have this restriction. Returns to shareholders may also be reduced due to payments to Shariah approved charities to "purify" dividends.

For a full description of all the risks applicable to this Fund, please refer to the section "Risk Considerations" of the current prospectus of Franklin Templeton Shariah 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	5,75%
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	1,90%
------------------------	-------

Charges taken from the Fund under certain specific conditions

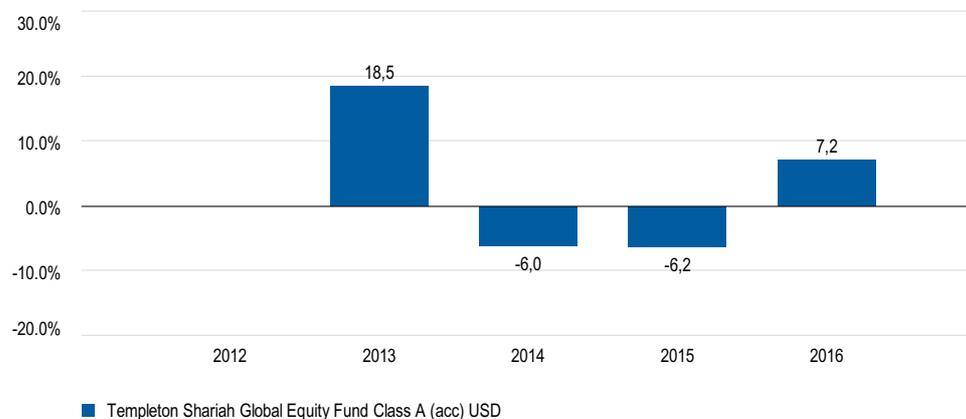
Performance fee	Not applicable
------------------------	----------------

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 December 31, 2016. This figure may vary from year to year.

For detailed information about charges, please refer to the section "Share Classes" as well as Appendix F of the current prospectus of Franklin Templeton Shariah 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 the currency of the present share class.
- The Fund was launched in 2012.

Practical Information

- The Depository Bank of Franklin Templeton Shariah Funds is HSBC Bank plc, Luxembourg Branch
- Copies of the latest prospectus and the latest annual and semi-annual reports of Franklin Templeton Shariah 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 Shariah Funds. The prospectus and the financial reports refer to all sub-funds of Franklin Templeton Shariah Funds. All sub-funds of Franklin Templeton Shariah 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 Shariah 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.

This Fund is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. Franklin Templeton International Services S.à r.l. is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. This key investor information is accurate as at 27/01/2017.