

# Templeton Foreign Fund



Value | Fact Sheet as of December 31, 2022

## Investment Overview

The fund seeks long-term capital growth by investing at least 80% of its net assets in foreign securities, that are predominantly equity securities of companies located outside of the U.S., including developing markets.

## Average Annual Total Returns (%)

|               | Without Sales Charges |       |       |       |           | With Sales Charges |       |       |       |           | Inception Date |
|---------------|-----------------------|-------|-------|-------|-----------|--------------------|-------|-------|-------|-----------|----------------|
|               | 1-Yr                  | 3-Yr  | 5-Yr  | 10-Yr | Inception | 1-Yr               | 3-Yr  | 5-Yr  | 10-Yr | Inception |                |
| Advisor Class | -3.27                 | 0.51  | -0.51 | 3.13  | 9.12      | -3.27              | 0.51  | -0.51 | 3.13  | 9.12      | 10/5/1982      |
| Class A       | -3.59                 | 0.27  | -0.74 | 2.87  | 8.92      | -8.90              | -1.59 | -1.86 | 2.29  | 8.77      | 10/5/1982      |
| Class C       | -4.36                 | -0.47 | -1.49 | 2.10  | 4.51      | -5.31              | -0.47 | -1.49 | 2.10  | 4.51      | 5/1/1995       |
| Class R       | -3.89                 | 0.01  | -1.00 | 2.62  | 8.49      | -3.89              | 0.01  | -1.00 | 2.62  | 8.49      | 10/5/1982      |
| Class R6      | -3.17                 | 0.68  | -0.35 | 3.31  | 9.45      | -3.17              | 0.68  | -0.35 | 3.31  | 9.45      | 10/5/1982      |
| Benchmark     | -16.00                | 0.07  | 0.88  | 3.80  | —         | -16.00             | 0.07  | 0.88  | 3.80  | —         | —              |

## Cumulative Total Returns (% Without Sales Charge)

|               | 3-Mo  | YTD    | 2022   | 2021 | 2020  | 2019  | 2018   | 2017  | 2016  | 2015  | 2014   | 2013  |
|---------------|-------|--------|--------|------|-------|-------|--------|-------|-------|-------|--------|-------|
| Advisor Class | 23.94 | -3.27  | -3.27  | 5.33 | -0.35 | 12.96 | -15.00 | 17.57 | 11.99 | -6.93 | -10.55 | 27.32 |
| Class A       | 23.74 | -3.59  | -3.59  | 5.07 | -0.49 | 12.46 | -15.00 | 17.08 | 11.63 | -7.09 | -10.80 | 27.17 |
| Class C       | 23.58 | -4.36  | -4.36  | 4.47 | -1.34 | 11.62 | -15.68 | 16.27 | 10.88 | -7.91 | -11.41 | 26.12 |
| Class R       | 23.70 | -3.89  | -3.89  | 4.96 | -0.83 | 12.34 | -15.39 | 16.91 | 11.42 | -7.46 | -10.96 | 26.86 |
| Class R6      | 23.90 | -3.17  | -3.17  | 5.51 | -0.11 | 13.04 | -14.84 | 17.83 | 12.09 | -6.69 | -10.37 | 27.57 |
| Benchmark     | 14.28 | -16.00 | -16.00 | 7.82 | 10.65 | 21.51 | -14.20 | 27.19 | 4.50  | -5.66 | -3.87  | 15.29 |

**Performance data quoted represents past performance, which does not guarantee future results.** Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit [www.franklintempleton.com](http://www.franklintempleton.com).

The fund began offering Advisor Class shares on 1/2/1997, the fund began offering R Class shares on 1/2/2002, and the fund began offering R6 Class shares on 5/1/2013. Performance quotations have been calculated as follows: (a) for Advisor Class periods prior to 1/2/1997, a restated figure is used based on the fund's Class A performance; for R Class periods prior to 1/2/2002, a restated figure is used based on the fund's Class A performance; for R6 Class periods prior to 5/1/2013, a restated figure is used based on the fund's Class Advisor performance. The performance was adjusted to take into account differences in class-specific operating expenses and maximum sales charges. (b) For periods after share class offering, performance for the specific share class is used, reflecting the expenses and maximum sales charges applicable to that class.

## Share Class Details

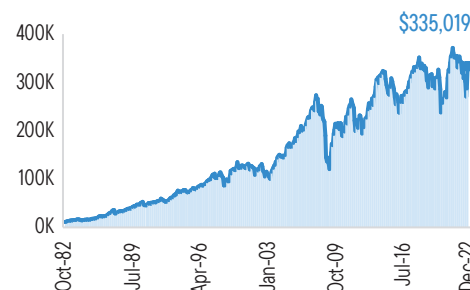
|               | CUSIP       | Ticker | Sales Charges (%) |      | Expenses (%) |      |
|---------------|-------------|--------|-------------------|------|--------------|------|
|               |             |        | Max               | CDSC | Gross        | Net  |
| Advisor Class | 880 196 506 | TFFAX  | 0.00              | —    | 0.91         | 0.85 |
| Class A       | 880 196 209 | TEMTX  | 5.50              | —    | 1.16         | 1.10 |
| Class C       | 880 196 407 | TEFTX  | 0.00              | 1.00 | 1.91         | 1.85 |
| Class R       | 880 196 803 | TEFRX  | 0.00              | —    | 1.41         | 1.35 |
| Class R6      | 880 196 878 | FTFGX  | 0.00              | —    | 0.81         | 0.74 |

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 12/31/2023 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

There is a 1% CDSC on any Class C shares you sell within 12 months of purchase.

## Growth of \$10,000

Advisor Class Shares—Inception through December 31, 2022  
Excluding Effects of Sales Charges



## Fund Overview

|                            |                               |
|----------------------------|-------------------------------|
| Dividend Frequency, if any | Annually                      |
| Morningstar Category       | Foreign Large Value           |
| Lipper Classification      | International Multi-Cap Value |
| Turnover (fiscal yr)       | 29%                           |

## Benchmark(s)

MSCI All Country World ex US Index-NR

## Fund Characteristics

|                                       | Fund           |
|---------------------------------------|----------------|
| Total Net Assets                      | \$2.54 Billion |
| Number of Issuers                     | 54             |
| Average Market Cap (Millions USD)     | \$68,050       |
| Price to Book                         | 1.00x          |
| Price to Earnings (12-Month Trailing) | 9.09x          |

## Risk Statistics (3-Year—Advisor Class)

|                        | Fund  | Benchmark |
|------------------------|-------|-----------|
| Beta                   | 1.11  | —         |
| R-Squared              | 0.87  | —         |
| Sharpe Ratio           | -0.01 | -0.03     |
| Standard Deviation (%) | 22.79 | 19.26     |
| Alpha (%)              | 1.04  | —         |
| Information Ratio      | 0.05  | —         |
| Tracking Error         | 8.33  | —         |

## Top Equity Issuers (% of Total)

|                                      | Fund |
|--------------------------------------|------|
| BP PLC                               | 5.15 |
| SHELL PLC                            | 4.79 |
| SAMSUNG ELECTRONICS CO LTD           | 3.14 |
| STANDARD CHARTERED PLC               | 2.97 |
| BAYERISCHE MOTOREN WERKE AG          | 2.77 |
| PROSUS NV                            | 2.50 |
| AIA GROUP LTD                        | 2.45 |
| HOUSING DEVELOPMENT FINANCE CORP LTD | 2.44 |
| SUMITOMO MITSUI FINANCIAL GROUP INC  | 2.43 |
| BAYER AG                             | 2.35 |

## Geographic Allocation (% of Total)

|                         | Fund  | Benchmark |
|-------------------------|-------|-----------|
| United Kingdom          | 23.93 | 9.76      |
| Germany                 | 13.27 | 5.21      |
| Japan                   | 12.16 | 14.03     |
| China                   | 7.93  | 9.16      |
| South Korea             | 7.36  | 3.21      |
| Netherlands             | 7.21  | 2.72      |
| France                  | 5.28  | 7.57      |
| Switzerland             | 1.96  | 6.48      |
| Other                   | 18.54 | 41.86     |
| Cash & Cash Equivalents | 2.35  | 0.00      |

## Sector Allocation (% of Total)

|                         | Fund  | Benchmark |
|-------------------------|-------|-----------|
| Financials              | 23.43 | 20.99     |
| Consumer Discretionary  | 21.05 | 11.35     |
| Energy                  | 14.31 | 6.01      |
| Information Technology  | 11.47 | 10.75     |
| Industrials             | 9.89  | 12.26     |
| Materials               | 5.57  | 8.38      |
| Health Care             | 5.08  | 9.82      |
| Consumer Staples        | 3.90  | 8.89      |
| Other                   | 2.95  | 11.54     |
| Cash & Cash Equivalents | 2.35  | 0.00      |

## Portfolio Management

|                       | Years with Firm | Years of Experience |                      | Years with Firm | Years of Experience |
|-----------------------|-----------------|---------------------|----------------------|-----------------|---------------------|
| Christopher Peel, CFA | 15              | 15                  | Peter Moeschter, CFA | 25              | 30                  |
| Herbert J Arnett Jr.  | 27              | 28                  | Warren Pustam, CFA   | 9               | 17                  |

## What should I know before investing?

All investments involve risks, including possible loss of principal. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments; investments in developing markets involve heightened risks related to the same factors. Currency rates may fluctuate significantly over short periods of time, and can reduce returns. Because the fund may invest its assets in companies in a specific region, including Europe, it is subject to greater risks of adverse developments in that region and/or the surrounding regions than a fund that is more broadly diversified geographically. Derivatives, including currency management strategies, involve costs and can create economic leverage in the portfolio which may result in significant volatility and cause the fund to participate in losses (as well as enable gains) on an amount that exceeds the fund's initial investment. The fund may not achieve the anticipated benefits, and may realize losses when a counterparty fails to perform as promised. The manager's portfolio selection strategy is not solely based on ESG considerations, and therefore the issuers in which the fund invests may not be considered ESG-focused companies. Integrating ESG considerations into the investment process is not a guarantee that better performance will be achieved. The fund's risk considerations are discussed in the prospectus.

## Glossary

**Beta** A measure of the fund's volatility relative to the market, as represented by the stated Index. A beta greater than 1.00 indicates volatility greater than the market. **R-squared** measures the strength of the linear relationship between the fund and its benchmark. R-squared at 1 implies perfect linear relationship and zero implies no relationship exists. **Sharpe Ratio** refers to a risk-adjusted measure calculated using standard deviation and excess returns to determine reward per unit of risk. The higher the ratio, the greater the risk-adjusted performance. **Standard Deviation** measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return. **Alpha** is the annualized percentage difference between a portfolio's actual returns and its expected performance given its level of market risk, as measured by beta. **Information Ratio** In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark. **Tracking Error** measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Turnover** is a measure of the fund's trading activity which represents the portion of the fund's holdings that has changed over a twelve-month period through the fiscal year end. There is no assurance that the fund will maintain its current level of turnover. **Price to Book** The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds. **Price to Earnings (12-Month Trailing)** is the share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

## Important Information

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**Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at [www.franklintempleton.com](http://www.franklintempleton.com). Please read it carefully.**