



**FRANKLIN
TEMPLETON**

Franklin Templeton Investment Funds
Société d'investissement à capital variable
8A, rue Albert Borschette
L-1246 Luxembourg
B.P. 169 L-2011 Luxembourg
tel + (352) 46 66 67-1
fax + (352) 46 66 76
e-mail lucs@franklintempleton.com
www.franklintempleton.lu

Luxembourg, 22 February 2024

Change of name, investment objective and policy and SFDR reclassification of one sub-fund of Franklin Templeton Investment Funds

Dear Shareholder,

We would like to inform you that the board of directors of Franklin Templeton Investment Funds (the “**Company**”) has decided, in light of investors’ demand, to have the Templeton European Dividend Fund (the “**Fund**”) reclassified from Article 6 to Article 8 under the Sustainable Finance Disclosure Regulation (“**SFDR**”) and to create its SFDR related disclosures, in order to better integrate ESG factors into the investment process and to reinforce the Fund’s binding commitments. In addition, the Fund will be renamed “Templeton European Sustainability Improvers Fund” and its investment objectives and policy will be amended as follows:

“Investment Objectives

The Fund's investment objective is ~~to provide a combination of current income and long-term~~ capital appreciation.

Investment Policy

The Fund seeks to achieve its investment objective by investing principally in equity and equity-related securities (including warrants and convertible securities) of companies of any market capitalisation incorporated or having their principal business activities in European countries. In selecting equity investments, the Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics. ~~In particular, the Fund seeks income by investing in stocks the Investment Manager believes offer attractive dividend yields at the time of purchase and the prospect for attractive dividend yields in the future.~~

The Investment Manager also considers Environmental, Social and Governance (ESG) factors as an integral component of its fundamental investment research and decision process. The Environmental and/or Social characteristics (within the meaning of Article 8 SFDR) promoted by the Fund are detailed in the Appendix G.

Since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, the Fund may also on an ancillary basis seek investment opportunities in equity-linked securities of the abovementioned companies as well as equity, equity-linked and equity-related securities of companies which do not fulfil the requirements set out above.

The Fund may also utilise financial derivative instruments for hedging, and efficient portfolio management ~~and investment purposes~~. These financial derivative instruments may ~~be either dealt on Regulated Markets or over the counter, and may include~~, inter alia, swaps, currency forwards ~~and cross forwards~~,

(continued)

futures contracts (including ~~index~~ futures based on equity, equity index, interest rate and currency), ~~or equity and equity index~~ options ~~on such contracts~~, equity-linked notes, as well as options (including covered calls and warrants).

~~The Fund may also make distribution from capital, net realised and net unrealised capital gains as well as income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital."~~

Finally, the SFDR precontractual disclosures for the Fund will be added to Appendix G of the Prospectus, "Dividend Policy risk" will be removed and "Sustainability risk" will be added to the list of risks which are particularly relevant for the Fund under section "Risk Considerations" and the Investor Profile sub-section of the Fund will be updated as follows:

"Considering the investment objectives, as stated above, the Fund may appeal to Investors looking to:

- invest in a Fund compliant with Article 8 of the SFDR
- ~~income and~~ capital appreciation by investing in equity securities of companies located in any European country
- *invest for the medium to long term"*

The above changes will become effective as from 25 March 2024 and will be reflected in an updated version of the Prospectus, a copy of which will be available online or at the registered office of the Company. Upon request of a shareholder, a draft KID and a draft of the SFDR precontractual disclosures of the Fund are available at the registered office of the Company.

Impact

The portfolio's composition of the Fund will be impacted by a slight reduction in the investment universe following its reclassification from Article 6 to Article 8 under the SFDR. The costs and expenses linked to the rebalancing of the portfolio's composition will be borne by the Fund.

Apart from this, the changes detailed above will have no material impact on the way the Fund is managed, its risk profile or SRI nor on the fees charged. All other features of the Fund remain the same.

What you need to do

You do not need to do anything if you are satisfied with the change. You also have the option to switch your shares into other funds of the Company provided that such funds are available for distribution in your country. You may also request a redemption of your investment. Should you wish to proceed with either option, please refer to the latest Prospectus terms. Such requests of switch or redemption will be executed free of charge, provided that they are received at the latest by 25 March 2024.

Please note that "free of any redemption charge" does not apply to the contingent deferred sales charge ("CDSC") for all classes subject to such CDSC, due to the nature of such fee. Accordingly, should you decide to redeem any shares subject to a CDSC, such redemption will be subject to the applicable CDSC as more fully disclosed in the Prospectus.

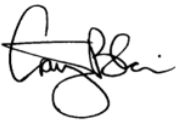
(continued)

Need more information?

Your dedicated Client Service Team will be happy to help with any general questions about Franklin Templeton. Just call your local Client Service Team, visit our website at www.franklintempleton.lu or if you need advice about your investment please speak to a financial adviser.

We thank you for choosing to trust Franklin Templeton with your investments.

Best regards,

A handwritten signature in black ink, appearing to read 'Craig Blair', with a stylized flourish at the end.

Craig Blair, Conducting Officer of Franklin Templeton International Services S.à r.l.
Management Company of Franklin Templeton Investment Funds