



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, 26 February 2024

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 Opportunities 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 reflect the ESG methodology applied to the Fund and to translate the pre-existing process into the Company’s prospectus (the “**Prospectus**”) in a methodical and systematic manner.

As a consequence of the above, please note that the following changes will be made to the Prospectus:

- (i) the SFDR precontractual disclosures for the Fund will be added to Appendix G of the Prospectus;
- (ii) the Investor Profile sub-section of the Fund will be updated to state that the Fund may appeal to investors looking to invest in funds compliant with Article 8 of the SFDR;
- (iii) “Sustainability risk” will be added to the list of risks which are particularly relevant for the Fund, under section “Risk Considerations”; and
- (iv) the following paragraph will be added to the Fund’s investment policy to make reference to the Fund’s SFDR precontractual disclosures:

“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.”

The above changes will become effective as from 27 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.

Use of derivatives

In addition, the investment policy of the Fund is enhanced to clarify that the investment manager may use financial derivative instruments for hedging and/or efficient portfolio management purposes, in line with other FTIF funds managed by the same investment management team. In this respect, “Derivatives Instruments risk” is added to the risk considerations of the Fund and the following paragraph is **added** at the end of the Fund’s investment policy:

(continued)

“The Fund may further utilise financial derivative instruments for hedging and efficient portfolio management. These financial derivative instruments may include, inter alia, swaps, currency forwards, futures contracts (including futures based on equity, equity index, interest rate and currency), equity and equity index options, equity linked notes, as well as options (including covered calls and warrants).”

Impact

Since (i) the Environmental, Social and Governance (ESG) considerations were already part of the investment research and process of the Fund and (ii) the use of derivatives for hedging and/or efficient portfolio management purposes was already permitted under the general provisions of the Prospectus, the changes detailed above will have no material impact on the way the Fund is managed, its portfolio's composition, 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 27 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.

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,



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