



Luxembourg, 15th November 2019

Subject: Amendments to the investment policies of several sub-funds of Franklin Templeton Investment Funds

Dear Shareholders,

The purpose of this letter is to inform you of a change to the investment policies and main risks of several sub-funds of the Luxembourg SICAV Franklin Templeton Investment Funds (the “Company”), in which you own shares.

1. The investment policies of the sub-funds listed in the table below are amended to enable the investment managers to invest in Mainland China through the Bond Connect or directly (also referred to as CIBM direct). Bond Connect is a mutual market access scheme allowing overseas investors to trade in bonds circulated on the China Interbank Bond Market (CIBM). The maximum exposure, subject to local rules and regulations, is indicated in the table below. Such changes will take effect on 16th December 2019.

Sub-Funds	Investment in Mainland China through the Bond Connect or directly (also referred to as CIBM direct)	Addition of “Chinese Market risk” and/or	Addition of “China Bond Connect risk”
Franklin Global Fundamental Strategies Fund	up to 30%		✓
Franklin Strategic Income Fund	up to 10%	✓	✓
Franklin U.S. Low Duration Fund	up to 5%	✓	✓
Templeton Global Balanced Fund	less than 30%		✓
Templeton Global Bond (Euro) Fund	up to 30%	✓	✓
Templeton Global Bond Fund	less than 30%	✓	✓
Templeton Global High Yield Fund	less than 30%	✓	✓
Templeton Global Income Fund	less than 30%		✓
Templeton Global Total Return Fund	less than 30%	✓	✓

To this respect, the sentence “*The Fund may invest [X]¹% of its net assets in Mainland China through the Bond Connect or directly (also referred to as CIBM direct).*” is added to the investment policies of the sub-funds. “Chinese Market risk” and/or “China Bond Connect risk” have also been added to the list of main risks pertaining to the Sub-funds, as indicated in the above table.

- 2 The investment policies of the below sub-funds were amended to increase the maximum exposure to investments in Mainland China through the Bond Connect or directly (also referred to as CIBM direct) as indicated in the table below:

Sub-Funds	Investment in Mainland China through the Bond Connect or directly (also referred to as CIBM direct)
Templeton Asian Bond Fund	increase from 10% to 40% of the fund’s net assets
Templeton Emerging Markets Dynamic Income Fund	increase from 10% to less than 30% of the fund’s net assets
Templeton Emerging Markets Bond Fund	increase from 10% to less than 30% of the fund’s net assets
Templeton Emerging Markets Local Currency Bond Fund	increase from 10% to 30% of the fund’s net assets

¹ Please refer to the appropriate exposure listed in the table above.

Details of Bond Connect are contained in the current prospectus of the Company dated 25th January 2019 accompanied by the addendum dated April 2019 (the “Prospectus”). The above described changes will be reflected in an updated version of the Prospectus, a copy of which will be available soon online or at the registered office of the Company, upon request.

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If you do not agree with the above changes, you may request, free of charge until 16th December 2019, the redemption of your shares of the Sub-Funds or the exchange of such shares into shares of other sub-funds of the Company, details of which are disclosed in the current Prospectus (provided that such sub-funds have obtained recognition for marketing in your jurisdiction).

The Company comprises a wide range of sub-funds catering for many different objectives. Exchanges of your existing holding may be made into other sub-funds within the Company. On receipt of your instructions, we will execute the exchange for you in accordance with the provisions of the current Prospectus, free of any charge.

If you do not wish to exchange your shares and would like to redeem and receive a cash payment, the redemption will be made in accordance with the provisions of the current Prospectus, free of charge. Please return your instructions to your local Franklin Templeton office or to Franklin Templeton International Services S.à r.l. 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.

You should consult your professional advisers as to the possible tax or other consequences of buying, holding, transferring or selling any of the Company’s shares affected by the changes described above, under the laws of your country of citizenship, residence and domicile.

If you require further information please do not hesitate to contact your local Franklin Templeton office or your financial adviser.

Yours sincerely,

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