



Luxembourg, 17th February 2020

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.

The investment policies of the below listed sub-funds (the "Funds") are amended to increase the maximum exposure to investments in China A-Shares and China B-Shares from 10% to 20%, effective as from March 18, 2020:

1. Templeton Asian Growth Fund
2. Templeton Asian Smaller Companies Fund
3. Templeton BRIC Fund
4. Templeton China Fund
5. Templeton Emerging Markets Dynamic Income Fund
6. Templeton Emerging Markets Fund
7. Templeton Emerging Markets Smaller Companies Fund

To this respect, the following sentence will be amended as follows:

*"The Fund may invest up to ~~10%~~**20%** of its net assets in aggregate in China A-Shares (through Shanghai-Hong Kong Stock Connect, or Shenzhen-Hong Kong Stock Connect, **through qualified foreign institutional investor (QFII) portfolios, UCIs and/or any permissible means available to the Fund under prevailing laws and regulations**) and in China B-Shares."*

The "China QFII risk" has been added to the list of main risks pertaining to the Funds, where needed.

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If you do not agree with the above changes, you may request, free of charge until March 18, 2020, the redemption of your shares of the 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". The signature is fluid and cursive, with a large initial "C" and "B".

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