

Templeton Asian Smaller Companies Fund

Class W (acc) USD • ISIN LU0871812516 • A sub-fund of Franklin Templeton Investment Funds
The management company is Franklin Templeton International Services S.à r.l.

Objectives and Investment Policy

Templeton Asian Smaller Companies Fund (the “Fund”) investment objective is to seek long-term investment growth, through growth of capital.

Investment Policy

The Fund mainly invests in equities of companies of small market capitalisation that are located in, or derive significant business from, Asia (excluding Japan).

These investments may include depositary receipts. To a lesser extent, the Fund may invest in corporate bonds anywhere in the world and in China A-Shares (notably through Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect) and in China B-Shares.

Derivatives and techniques The Fund may use derivatives for reducing risks (hedging) and costs, and to generate additional income or growth (in accordance with the risk profile of the Fund).

SFDR category Article 8 (promotes environmental and/or social characteristics under EU regulations).

The investment manager applies a proprietary rating methodology using various ESG criteria to assess long-term opportunities and risks. The Fund favours companies with a high or improving profile and excludes or restricts investments in certain industries that are harmful to the environment or society, such as thermal coal, weapons and tobacco. The investment manager engages in dialogue with companies concerning ESG issues.

For more information see www.franklintempleton.lu/12898

Base currency US dollar (USD).

Benchmark(s) MSCI AC Asia ex-Japan Small Cap Index-NR. Used for performance comparison and portfolio reference (including definition of small capitalisation).

The Fund is actively managed and may deviate materially from that of the benchmark(s).

Buying and selling shares

You may normally buy or sell shares on any day the New York Stock Exchange is open for business.

Intended retail investor

Investors who understand the risks of the Fund and plan to invest for at least 5 years. The Fund may appeal to investors who:

- are looking for long-term investment growth
- are interested in exposure to small market capitalisation equities in Asia, as part of a diversified portfolio
- have a high risk profile and can tolerate significant short-term changes in the share price

Product availability The Fund is available to all investors with at least basic investment knowledge, through a wide range of distribution channels, with or without the need for advice.

Terms to Understand

depositary receipts: Certificates of ownership that allow shares to trade in markets where they are not registered.

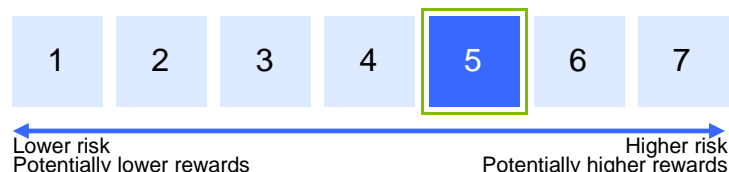
derivatives: Financial instruments whose value is linked to one or more rates, indexes, share prices or other values.

equities: Securities that represent partial ownership of a company.

Share Class Currency: USD

Treatment of Income: The income received from the Fund's investments is accumulated with the result of increasing the value of the shares.

Risk and Reward Profile



What does this indicator mean and what are its limits?

This indicator is designed to provide you with a measure of the price movement of this share class based on historical behavior.

Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

Why is the Fund in this specific category?

The Fund invests mainly in equity securities of smaller companies located in or doing significant business in Asia. Emerging markets have historically

been subject to significant price movements, frequently to a greater extent than equity markets globally. As a result, the performance of the Fund can fluctuate considerably over time.

Risks materially relevant not adequately captured by the indicator:

Chinese Market risk: In addition to typical risks linked to Emerging Markets, investments in China are subject to economic, political, tax and operational risks specific to the Chinese Market. Please also refer to the prospectus for China QFII risk, Bond Connect risk and Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect risk.

Emerging markets risk: the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues.

Foreign Currency risk: the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

Liquidity risk: the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Such risk may be triggered by (but not limited to) unexpected events such as environmental disasters or pandemics. Reduced liquidity may have a negative impact on the price of the assets.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Considerations” section of the current prospectus of Franklin Templeton Investment Funds.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest

Entry charge	Not applicable*
Exit charge	Not applicable

This is the maximum that might be taken out of your money before it is invested.

Charges taken from the Fund over a year

Ongoing charges	1.19%
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Charges taken from the Fund under certain specific conditions

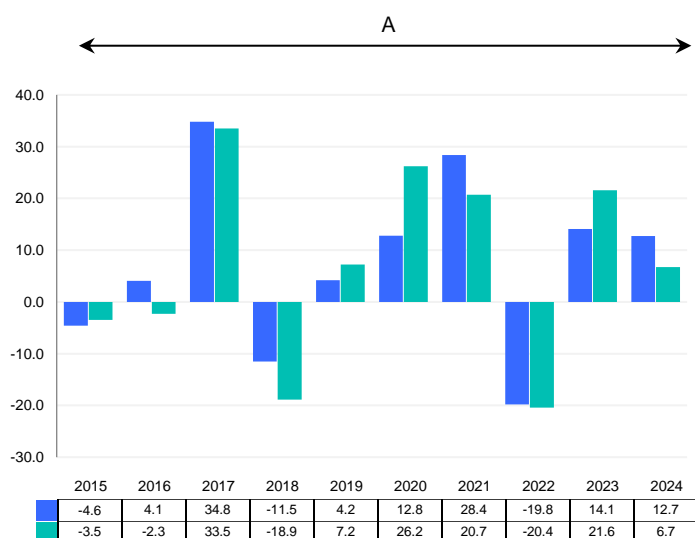
Performance fee	Not applicable
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*This share class is only available through certain financial advisers which may apply their own charges. You may find more information about charges from your financial adviser.

The ongoing charges shown here are an estimate of the charges. We have used estimated figures as previous figures are no longer reliable given the recent modification in the fee structure of the Fund. The UCITS' annual report for each financial year will include detail on the exact charges made.

For detailed information about charges, please refer to the sections “Share Classes” and/or “Performance Fees” (as applicable) as well as Appendix E of the current prospectus of Franklin Templeton Investment Funds.

Past Performance



■ Templeton Asian Smaller Companies Fund Class W (acc) USD
■ MSCI AC Asia ex-Japan Small Cap Index-NR

A: The performance was achieved under circumstances that no longer apply.
 (Benchmark performance is provided for information and indicative purposes only.)

- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges.
- The Fund was launched in 2008 and the present share class on 31/01/2013.
- Past performance is calculated in the currency of the present share class.
- Product performance is not tracking the index.
- The past performance up to the launch date of the share class has been simulated by taking the performance of another existing share class of the Fund, which does not differ materially in the extent of its participation in the assets of the Fund.

Practical Information

- The Custodian of Franklin Templeton Investment Funds is J.P. Morgan SE, Luxembourg Branch.
- Copies of the latest prospectus and the latest annual and semi-annual reports of Franklin Templeton Investment Funds are available in the language of this document, on the website www.ftdocuments.com or may be obtained free of charge from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or your financial adviser.
- The latest prices and other information on the Fund (including other share classes of the Fund) are available from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg, www.fundinfo.com or www.franklintempleton.lu.
- Please note that the taxation regime applicable in the Grand Duchy of Luxembourg may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton International Services S.à r.l. may be held liable solely on the basis of any statement contained in this document that is

misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.

- The present Fund is a sub-fund of Franklin Templeton Investment Funds. The prospectus and the financial reports refer to all sub-funds of Franklin Templeton Investment Funds. All sub-funds of Franklin Templeton Investment Funds have segregated assets and liabilities. As a result, each sub-fund is operated independently from each other.
- You may switch into shares of another sub-fund of Franklin Templeton Investment Funds as further described in the prospectus.
- The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee are available at www.franklintempleton.lu and a paper copy can be obtained free of charge.