



Luxembourg, 9 October 2020

Dear Shareholder,

Closure of Franklin Templeton Investment Funds – Franklin Global Small-Mid Cap Fund

After careful analysis and review, the Board of Directors (the “Board”) of Franklin Templeton Investment Funds (“FTIF”) has decided, in accordance with article 28 of FTIF’s articles of incorporation, to close Franklin Templeton Investment Funds - Franklin Global Small-Mid Cap Fund (the “Sub-Fund”) effective 11 January 2021 (the “Liquidation Date”). The Board believes that it is no longer in the interest of the shareholders to keep the Sub-Fund open, given its relatively small size.

From the Liquidation Date, the Sub-Fund’s investment objective and policy are no longer applicable and the assets of the Sub-Fund will be put into liquidation.

What you need to do

You do not need to do anything if you are satisfied with the decision, we will automatically close your account upon Liquidation Date. You also have the option to switch your shares into other funds of FTIF provided that such funds are available for distribution in your country. You may also request a redemption of your investment ahead of the Liquidation Date. 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 4 January 2021. (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).

The Board estimates that, under normal market conditions, the liquidation proceeds shall be returned to you within 10 business days from the Liquidation Date.

Need more information?

Please contact us or refer to the “Additional notes” page included with this letter which will provide you with additional information about the liquidation.

Your dedicated Franklin Templeton Client Services Team will be happy to help with any general questions about Franklin Templeton. However, if you need advice about your investment please speak to a financial adviser.

Yours faithfully,

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

Additional notes for your information:

- To facilitate the liquidation, no new or additional shares can be purchased beyond 4 January 2021.
- Closing costs will be reflected in the net asset value of the Sub-Fund (costs incurred between the date of the Board's decision to close the Sub-Fund and the Liquidation Date).
- You should consult a professional adviser on any potential tax consequences of buying, holding, transferring, or selling your shares under the applicable laws for instance, of your country of citizenship, residence and domicile.
- In the event the liquidation proceeds cannot be returned to you, they will be deposited on your behalf with the *Caisse de Consignation* in Luxembourg. The proceeds will be available for claim at the *Caisse de Consignation* for a period of 30 years, after which they will become property of the state of Luxembourg. Your dedicated Franklin Templeton Client Service Team will be happy to help with that.