

Franklin Templeton Investment Funds

Templeton Emerging Markets Local Currency Bond Fund

Global Fixed Income LU1774666629 30 June 2022

Fund Fact Sheet

For Professional Client Use Only. Not for distribution to Retail Clients.

| Fund Overview | |
|------------------------|--|
| Base Currency for Fund | USD |
| Total Net Assets (USD) | 8 million |
| Fund Inception Date | 20.02.2018 |
| Number of Holdings | 52 |
| Benchmark | JP Morgan GBI-EM Global Diversified Index |
| Investment Style | Multi Sector |
| Morningstar Category™ | Other Bond |
| EU SFDR Category | Article 8 |

Summary of Investment Objective

The Fund aims to maximize total investment return, consisting of a combination of interest income, capital appreciation and currency gains by investing principally in a portfolio of local currency-denominated fixed and floating rate debt securities and debt obligations issued by government/ government-related entities located in developing or emerging market countries that the Investment Manager believes exhibit a higher level of or are progressing towards greater sustainability practices at time of purchase.

Fund Management

Michael Hasenstab, PhD: United States Calvin Ho, PhD: United States Vivian Guo: United States Jaap Willems: Singapore

Asset Allocation (Market Value)



Performance

Past performance does not predict future returns.

Performance Since Inception in Share Class Currency (%)

■ Templeton Emerging Markets Local Currency Bond Fund ■ JP Morgan GBI-EM Global Diversified Index in USD I (acc) EUR-H1



| Discrete Annual Performance in Share Class Currency (%) | | | | | | | | | | |
|---|--------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| | 06/21 | 06/20 | 06/19 | 06/18 | 06/17 | 06/16 | 06/15 | 06/14 | 06/13 | 06/12 |
| | 06/22 | 06/21 | 06/20 | 06/19 | 06/18 | 06/17 | 06/16 | 06/15 | 06/14 | 06/13 |
| I (acc) EUR-H1 | -15.81 | 1.08 | -10.73 | 3.79 | N/A | N/A | N/A | N/A | N/A | N/A |
| Benchmark in USD | -19.28 | 6.57 | -2.82 | 8.99 | N/A | N/A | N/A | N/A | N/A | N/A |

Performance in Share Class Currency (%)

| | Cumulative | Cumulative | | | | | Annualised | |
|------------------|------------|------------|--------|--------|--------|--------|------------|--------|
| | | | | | | Since | | Since |
| | 1 Mth | 6 Mths | YTD | 1 Yr | 3 Yrs | Incept | 3 Yrs | Incept |
| (acc) EUR-H1 | -6.96 | -10.94 | -10.94 | -15.81 | -24.04 | -29.20 | -8.75 | -7.62 |
| Benchmark in USD | -4.45 | -14.53 | -14.53 | -19.28 | -16.41 | -17.85 | -5.80 | -4.41 |
| Benchmark in EUR | -2.09 | -7.03 | -7.03 | -8.44 | -8.94 | -3.02 | -3.07 | -0.70 |

| Calendar Year Performance in Share Class Currency (%) | | | |
|---|-------|-------|-------|
| | 2021 | 2020 | 2019 |
| I (acc) EUR-H1 | -6.58 | -6.79 | 1.11 |
| Benchmark in USD | -8.75 | 2.69 | 13.47 |
| Benchmark in EUR | -1.82 | -5.79 | 15.56 |

The fund's returns may increase or decrease as a result of changes to foreign exchange rates.

The value of shares in the fund and income received from it can go down as well as up, and investors may not get back the full amount invested. All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. The fund offers other share classes subject to different fees and expenses, which will affect their performance.

The share class shown has adopted a hedging strategy intended to reduce the effect of exchange rate movements between the currency of the Fund's investment strategy and the currency of the share class. The benchmark returns displayed are shown in the reference currency of the Fund's investment strategy (USD), while share class returns are shown in the reference currency of share class (EUR). As a result, the returns shown above reflect the effect of the hedging strategy and one can compare the returns of the Fund (net of fees) relative to its benchmark index without the impact of exchange rate movements on index returns.

| Fund Measures | |
|----------------------------|------------|
| Average Credit Quality | BBB+ |
| Average Duration | 1.86 Years |
| Average Weighted Maturity | 2.17 Years |
| Yield to Maturity | 8.56% |
| Standard Deviation (3 Yrs) | 9.31% |
| Sharpe Ratio (3 Yrs) | -0.87 |
| Tracking Error (3 Yrs) | N/A |
| Information Ratio (3 Yrs) | N/A |

Share Class Information

| | | | | Fees | Dividends | | | Fund Identifiers | |
|----------------|-------------|----------|------------|-------------|-----------|----------------|-----------|------------------|--------------|
| | | | TER (%) | Max. Annual | | | Last Paid | | |
| Share Class | Incept Date | NAV | 31.05.2022 | Charge (%) | Frequency | Last Paid Date | Amount | Bloomberg ID | ISIN |
| I (acc) EUR-H1 | 20.02.2018 | EUR 7.08 | 0.90 | 0.70 | N/A | N/A | N/A | TELIEH1 LX | LU1774666629 |

The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund.

Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

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Composition of Fund

| Templeton Emerging Markets Local Currency Bond Fund | JP Morgan GBI-FM Global Diversified Index |
|---|---|
| | |

| _ rempleten _ menging markete _ coar carroney _ cond r and co | morgan oz. | _ | 0.000 |
|---|------------|-----|----------|
| Geographic (Market Value) | 9 | 6 c | of Total |
| Indonesia | 15.56 | 1 | 10.00 |
| India | 11.55 | 1 | 0.00 |
| Brazil | 11.48 | 1 | 10.00 |
| Colombia | 10.49 | 1 | 4.49 |
| South Korea | 8.39 | 1 | 0.00 |
| Chile | 8.31 | 1 | 2.07 |
| Ghana | 6.02 | 1 | 0.00 |
| Thailand | 5.97 | 1 | 10.00 |
| Argentina | 3.87 | 1 | 0.00 |
| Others | -3.10 | 1 | 63.45 |
| Cash & Cash Equivalents | 21.47 | 1 | 0.00 |
| Currency (Notional Exposure) | % | O | f Total |
| Indian Rupee | 22.24 | Ī | 0.00 |
| Chinese Renminbi | 17.72 | Ī | 0.00 |
| Indonesian Rupiah | 15.56 | Ī | 10.00 |
| Chilean Peso | 15.30 | Ī | 2.07 |
| Colombian Peso | | i | 4.49 |
| Brazilian Real | | Ī | 10.00 |
| South Korean Won | 8.39 | 1 | 0.00 |
| Ghanaian Cedi | 6.02 | 1 | 0.00 |
| U.S. Dollar | -26.06 | 1 | 0.00 |
| Others | 14.46 | 1 | 73.45 |
| Duration Contribution by Currency | | | Yrs |
| Indian Rupee | 0.52 | ı | 0.00 |
| Indonesian Rupiah | 0.41 | • | 0.53 |
| Colombian Peso | 0.32 | • | 0.21 |
| Brazilian Real | 0.25 | • | 0.20 |
| Chilean Peso | 0.15 | • | 0.12 |
| South Korean Won | 0.09 | | 0.00 |
| Argentine Peso | 0.07 | | 0.00 |
| Thailand Baht | 0.06 | • | 0.64 |
| Ghanaian Cedi | 0.04 | • | 0.00 |
| Others | | ï | 3.12 |
| | | | |

| Sector (Market Value) | | % (| of Total |
|---|-------|--------------|----------|
| Local Curr. Govt/Agency Bonds: Investment Grade | 60.27 | ,,, | 76.96 |
| Local Curr. Govt/Agency Bonds: Non-Investment Grade | 21.31 | ' | 23.04 |
| Non-Local Curr. Sovereign Bonds: Non-Investment Grade | 0.06 | <i>'</i> | 0.00 |
| Derivatives: Currency Derivatives | | + | 0.00 |
| Cash & Cash Equivalents | 21.47 | + | 0.00 |
| Cash & Cash Equivalents | 21.47 | ' | 0.00 |
| Credit Quality (Market Value) | c | % (| of Total |
| AA | 8.39 | 1 | 3.22 |
| AA- | 0.00 | 1 | 11.18 |
| A+ | 8.31 | 1 | 2.07 |
| Ā | 0.00 | 1 | 16.68 |
| A- | 0.00 | Ī | 19.44 |
| BBB+ | 5.97 | 1 | 17.57 |
| BBB | 15.56 | 1 | 3.13 |
| BBB- | 22.04 | 1 | 3.18 |
| BB+ | 0.00 | 1 | 10.29 |
| BB | 0.00 | 1 | 10.00 |
| BB- | 11.47 | Ī | 0.16 |
| B+ | 0.00 | 1 | 0.93 |
| В | 0.00 | 1 | 1.65 |
| B- | 6.02 | 1 | 0.00 |
| CCC+ | 0.06 | Ī | 0.00 |
| CCC | | i | 0.00 |
| Not Rated | 0.00 | i | 0.49 |
| Not Applicable | -3.10 | i | 0.00 |
| Cash & Cash Equivalents | 21.47 | i | 0.00 |
| odon a odon Equitationio | 2/ | • | 5.00 |

Portfolio Data Derivatives Disclosures

Market value figures reflect the trading value of the investments. Notional exposure figures are intended to estimate the portfolio's exposure, including any hedged or increased exposure through certain derivatives held in the portfolio (or their underlying reference assets). Average Duration, Average Weighted Maturity, Yield to Maturity and Duration Contribution by Currency reflect certain derivatives held in the portfolio (or their underlying reference assets). Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

What Are the Key Risks?

The value of shares in the Fund and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations. Currency fluctuations may affect the value of overseas investments. The Fund seeks to achieve its objective by investing primarily in a diversified portfolio of local currency-denominated fixed and floating rate debt securities and debt obligations of any maturity or credit rating category. Such assets and investment instruments have historically been subject to price movements due to such factors as general stock market volatility, sudden changes in interest rates, changes in the financial outlook or fluctuations in currency markets. As a result, the performance of the Fund can fluctuate over time. Other significant risks include: counterparty risk, credit risk, foreign currency risk, derivative instruments risk, emerging markets risk, Chinese market risk. For full details of all of the risks applicable to this Fund, please refer to the "Risk Considerations" section of the Fund in the current prospectus of Franklin Templeton Investment Funds

Important Information

This fund has been classified as Article 8 under the Regulation on sustainability related disclosures in the financial services sector (EU) 2019/2088. These are Funds which have an ESG integration approach and, in addition, have binding environmental and/or social characteristics in their investment process.

Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklinresources.com/countries. Please review all of the fund's objectives and characteristics before investing.

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For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the Fund and will not be investing directly in the underlying assets of the Fund. Benchmark related data provided by FactSet, as of the date of this document, unless otherwise noted.

<u>Performance:</u> References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

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Important Information (continued)

Fund Measures: The average credit quality (ACQ) rating may change over time. The portfolio itself has not been rated by an independent rating agency. The letter rating, which may be based on bond ratings from different agencies (or internal ratings for unrated bonds, cash and equivalents), is provided to indicate the average credit rating of the portfolio's underlying investments and generally ranges from AAA (highest) to D (lowest). For unrated bonds, cash and equivalents, ratings may be assigned based on the ratings of the issuer, the ratings of the underlying holdings of a pooled investment vehicle, or other relevant factors. The ACQ is determined by assigning a sequential integer to all credit ratings AAA to D, taking a simple, asset-weighted average of investments by market value and rounding to the nearest rating. The risk of default increases as a bond's rating decreases, so the ACQ provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. The ACQ is provided for informational purposes only. Derivative positions are not reflected in the ACQ.

Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio.

Composition of Fund: Ratings shown are assigned by one or more Nationally Recognised Statistical Rating Organisations ('NRSRO'), such as Standard & Poor's, Moody's and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from all three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. The Not Rated category consists of rateable securities that have not been rated by an NRSRO. The Not Applicable category consists of nonrateable securities (e.g., equities). Cash includes equivalents, which may be rated.