

Product Details¹

Fund Assets	€746,193,151.05
Fund Inception Date	26/04/1991
Number of Issuers	51
Bloomberg	TEMDGGI LX
ISIN	LU0029873410
Base Currency	EUR
Investment Style	Value
Benchmark	MSCI All Country World Index-NR
Morningstar Category™	Sector Equity Ecology

Asset Allocation²

Percent of Total	%
Equity	94.59
Cash & Cash Equivalents	5.41
Fixed Income	0.00

Overall Morningstar Rating™³

Fund Description

The Fund seeks capital appreciation by investing in equity securities of companies throughout the world which recognise and adapt to the long-term financial risks and opportunities presented by climate change and resource depletion.

Performance Data^{4,5}
Performance Net of Management Fees as at 30/11/2020 (Dividends Reinvested) (%)⁶

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (26/04/1991)
A (Ydis) EUR	13.51	14.10	12.18	15.39	6.91	5.19	8.80	6.14
Net of Sales Charge - A (Ydis) EUR	7.84	8.40	6.58	9.62	5.10	4.12	8.25	5.96
MSCI All Country World Index-NR EUR	9.38	6.04	4.25	6.01	8.87	8.11	10.33	7.36

Cumulative Performance (%)

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (26/04/1991)
A (Ydis) EUR	13.51	14.10	12.18	15.39	22.20	28.79	132.49	484.02
Net of Sales Charge - A (Ydis) EUR	7.84	8.40	6.58	9.62	16.09	22.35	120.86	454.82
MSCI All Country World Index-NR EUR	9.38	6.04	4.25	6.01	29.04	47.71	167.37	717.82

Portfolio Manager Insight
Performance Review
ONE-MONTH KEY PERFORMANCE DRIVERS

	Stocks	Sectors	Countries
HELPED	Albemarle Corporation	Materials (Stock Selection)	United States (Stock Selection)
	Azure Power Global Ltd.	Industrials (Stock Selection, Overweight)	Netherlands (Overweight)
	Arcadis NV	Information Technology (Stock Selection)	India (Stock Selection)
HURT	Giant Manufacturing Co., Ltd.	Financials (Lack of Exposure)	Sweden (Stock Selection)
	Kellogg Company	Energy (Stock Selection, Underweight)	Taiwan (Overweight)
	E.ON SE	—	United Kingdom (Underweight)

- From the fund's solutions category, the renewable energy theme continued to perform particularly well, led by India-based Azure Power Global. Shares of the solar power producer rose during the reporting period after the company cut its fiscal second-quarter loss on increased revenue. The announcement came despite a notable increase in operational spend, due primarily to higher plant maintenance costs. Overall output rose during the preceding three months as several plants came online after commissioning delays due to the coronavirus pandemic.
- Relative performance in the transitioning category was supported primarily by our investment in US-based specialty chemicals company Albemarle. Shares of Albemarle, the world's largest extractor of lithium salts used in lithium-ion rechargeable batteries, surged during November

1. All holdings are subject to change. Holdings of the same issuers have been combined.

2. Percentage may not equal 100% due to rounding. All holdings are subject to change.

4. MSCI All Country World Index-NR reflects performance of the MSCI All Country World Index (gross returns) from fund inception through 31 December 2000 and MSCI All Country World Index-NR thereafter.

5. Net Returns (NR) include income net of tax withholding when dividends are paid.

after the company reported quarterly earnings expectations and full-year 2020 guidance that surpassed expectations. Broadly, investor optimism regarding a COVID vaccine has supported defensive materials stocks such as Albemarle, while continued interest in electric vehicles has further buoyed the share prices of lithium producers.

- Amongst the fund's very few relative detractors, our investment in Taiwanese bicycle maker Giant Manufacturing, from the solutions category, hampered overall results slightly. Shares of Giant, the largest bicycle manufacturer in the world, took a break from their recent rally amidst reports of a bike shortage ahead of the Christmas holiday. Demand for bicycles skyrocketed during the early stages of the pandemic and a global aluminium shortage has prevented manufacturers such as Giant from filling the backlog of orders.

Outlook & Strategy

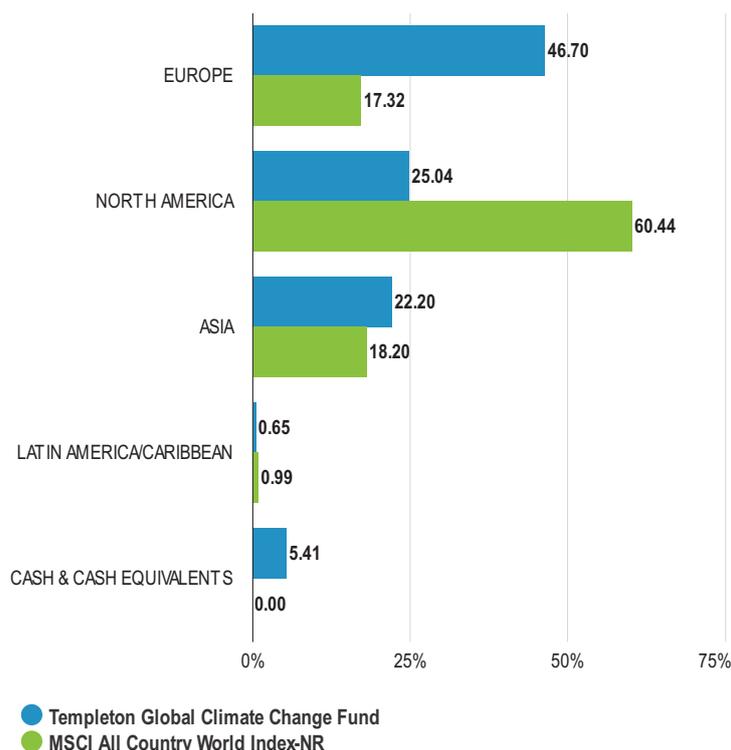
- The fund focuses on three types of companies: 1) those providing solutions to reducing carbon emissions; 2) those transitioning to a lower carbon environment; and 3) those whose business is likely to prove resilient to the effects of climate change. Within this opportunity set, we apply Templeton's fundamental value discipline to look for what we consider climate change bargains.
- November was a banner month for gauges of global stocks. Risk assets responded favourably to positive vaccine progress and political developments during the month. The market had long since retraced most of March's COVID plunge, so instead of pulling stocks out of a trough the vaccine news propelled several major indices to new all-time highs. Yet even if the vaccine could immediately bring us back to pre-crisis conditions (which it can't), stocks weren't exactly cheap in January 2020 and global growth wasn't thriving. In many regards, current conditions seem an unlikely backdrop for all-time highs. Instead, we attribute the market's ebullience to many investors' faith in stimulus and their readiness to pull forward future gains to the maximum extent possible to compensate for present hardship.
- Our understanding of the COVID situation led us to expect a vaccine in the final months of 2020, and we prepared for such a development over the course of the year by increasing cyclical exposures, primarily to industrials and "away-from-home" stocks in the eye of the coronavirus storm. We focused on companies with the fortitude to withstand a temporary crisis and avoided businesses for which the challenges appeared to be more structural in nature.
- We believe investors eventually will become more realistic about the shape and trajectory of this recovery, and our focus on fundamentals and value is intended to position the portfolios for an environment where price once again matters. In the meantime, given the opposing forces of fundamental frailty on the one hand and liquidity-driven momentum on the other, we are focusing on diversification and sensible portfolio construction in order to manage risks and deliver high-conviction ideas appropriate for a range of intermediate-term outcomes.

Portfolio Characteristics^{7,8}

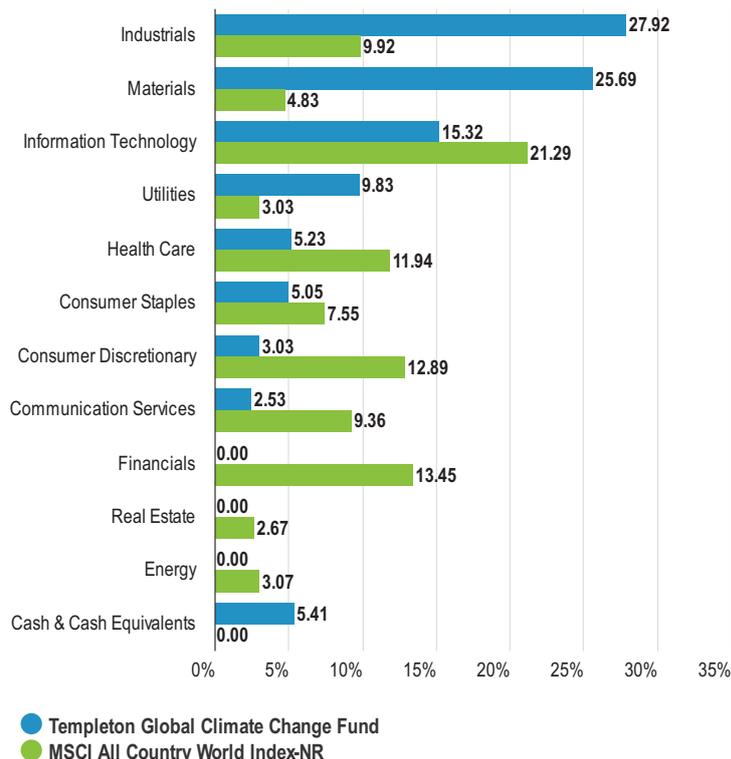
	Portfolio	MSCI All Country World Index-NR
Price to Earnings (12-Month Trailing)	24.78x	26.40x
Price to Book	2.34x	2.64x
Price to Cash Flow	10.20x	14.74x
Market Capitalisation (Millions in EUR)	47,715	209,472
Dividend Yield	1.85%	1.88%

Portfolio Diversification

Geographic Weightings vs. MSCI All Country World Index-NR⁹
Percent of Total



Sector Weightings vs. MSCI All Country World Index-NR⁹
Percent of Total



Top Ten Holdings¹⁰

Percent of Total

Top Holdings	Sector	Country	%
ALBEMARLE CORP	Materials	United States	4.11
CROWN HOLDINGS INC	Materials	United States	3.36
AZURE POWER GLOBAL LTD	Utilities	India	3.35
PRYSMIAN SPA	Capital Goods	Italy	3.34
SIGNIFY NV	Capital Goods	Netherlands	3.33
CORTEVA INC	Materials	United States	3.09
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Semiconductors & Semiconductor Equipment	Taiwan	2.84
UMICORE SA	Materials	Belgium	2.83
INFINEON TECHNOLOGIES AG	Semiconductors & Semiconductor Equipment	Germany	2.66
FIRST SOLAR INC	Semiconductors & Semiconductor Equipment	United States	2.65

Supplemental Performance Statistics¹¹**Supplemental Risk Statistics¹²**

	3 Yrs	5 Yrs	10 Yrs
Standard Deviation (%)			
Templeton Global Climate Change Fund	18.19	15.67	14.31
MSCI All Country World Index-NR	15.99	13.50	12.13
Tracking Error (%)	5.47	5.12	4.98
Information Ratio¹³	-0.37	-0.58	-0.31
Beta	1.06	1.07	1.08
Sharpe Ratio			
Templeton Global Climate Change Fund	0.41	0.37	0.63
MSCI All Country World Index-NR	0.59	0.65	0.87

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Maarten Bloemen	19	34
Tina Sadler, CFA	23	25

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 invests mainly in equity securities of companies throughout the world which recognise and adapt to the long-term financial risks and opportunities presented by climate change and resource depletion. Such securities have historically been subject to significant price movements that may occur suddenly due to market or company-specific factors. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods. Other significant risks include: foreign currency risk, derivatives instruments risk, emerging markets 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.

11. Net Returns (NR) include income net of tax withholding when dividends are paid.

12. Beta, Information Ratio and Tracking Error information are measured against the MSCI All Country World Index-NR.

13. Information Ratio is a way to evaluate a manager's ability to outperform a benchmark in relation to the risk that manager is assuming, with risk defined as deviation from the benchmark. This measure is calculated by dividing the portfolio's excess return (portfolio return less the benchmark return) by the tracking error (derived by taking the standard deviation of the monthly differences between the portfolio return and the benchmark return over time).

Important Legal Information

Templeton Global Climate Change Fund is a sub-fund of the Luxembourg-domiciled Franklin Templeton Investment Funds (FTIF).

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Performance figures are not based on audited financial statements and assume reinvestment of interest and dividends. When comparing the performance of Franklin Templeton Investment Funds (the "Fund") with a benchmark index, it is important to note that the securities in which the Fund invests may be substantially different than those represented by the benchmark index. Furthermore, an investment in Franklin Templeton Investment Funds represents an investment in a managed investment company in which certain charges and expenses, including management fees, are applicable. These charges and expenses are not applicable to indices. Lastly, please note that indices are unmanaged and are not available for direct investment. Certain data and other information shown have been supplied by outside sources. While we consider that information to be reliable, we give no assurance that such data and information is accurate or complete.

The indices include a greater number of securities than those held in the Fund.

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6. Source for all information is Franklin Templeton Investments. Benchmark related data provided by FactSet. Fund performance computed in share class currency, on NAV-NAV basis and dividends reinvested. Net of Sales Charge figures are after 5% sales charge. Past performance is no guarantee of future results. Portfolio holdings are subject to change. Periods greater than one year are shown as average annual total returns. Other commissions, taxes and other relevant costs paid by investor are not included.

7. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. This methodology may cause small differences between the portfolio's reported characteristics and the portfolio's actual characteristics. In practice, Franklin Templeton's portfolio managers invest in the class or type of security which they believe is most appropriate at the time of purchase. The market capitalisation figures for both the portfolio and the benchmark are at the security level, not aggregated up to the main issuer. Source: FactSet. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted. All holdings are subject to change.

8. The dividend yield quoted here is the yield on securities within the portfolio and should not be used as an indication of the income received from this portfolio. **Past performance is not an indicator or a guarantee of future performance.**

9. Percentage may not equal 100% due to rounding. All holdings are subject to change.

10. Holdings of the same issuers have been combined. Top ten holdings information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. The information provided is not a recommendation to purchase, sell, or hold any particular security. The securities identified do not represent the fund's entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in the fund, or that securities sold will not be repurchased. The portfolio manager reserves the right to withhold release of information with respect to holdings that would otherwise be included.

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