

Prepared on 18/10/2019

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹
- It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

Franklin Templeton Investment Funds
– Franklin European Total Return Fund (the "Fund")

Product Type	Investment Company	Launch Date	29/08/2003										
Investment Manager	Franklin Templeton Investment Management Limited and Franklin Advisers, Inc.	Custodian	J.P. Morgan Bank Luxembourg S.A.										
Management Company	Franklin Templeton International Services S.à r.l.												
Trustee	Nil	Dealing Frequency	Daily (Dealing Days only)										
Capital Guaranteed	No	Expense Ratio for Financial Year Ended 30/06/2019	<table> <tr> <td>Share Class</td> <td>Range</td> </tr> <tr> <td>A</td> <td>0.95%</td> </tr> <tr> <td>I</td> <td>0.55%</td> </tr> <tr> <td>N</td> <td>1.65%</td> </tr> <tr> <td>W</td> <td>0.60%</td> </tr> </table>	Share Class	Range	A	0.95%	I	0.55%	N	1.65%	W	0.60%
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PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek a high level of income and capital preservation, and to a lesser extent, capital growth;
- seek to invest in debt securities and derivative instruments from European governments or corporate issuers; and
- plan to hold their investment for the medium to long term.

The principal may be at risk.

Further Information

Refer to “Fund Information, Objectives and Investment Policies” of the Luxembourg Prospectus.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in an open-ended collective investment scheme constituted in Luxembourg as a UCITS that aims to provide you with a high level of income and capital preservation, and to a lesser extent, capital growth, by investing in debt securities and derivative instruments from European governments or corporate issuers.
- Under normal circumstances, you will receive regular distributions out of income depending on the distribution share classes you are investing in. Any distributions may also be made out of the capital, net unrealized capital gains and income gross of expenses of the Fund will reduce in the NAV of the Fund.

Refer to “Investment Objective, Focus and Approach of the Funds” section of the Singapore Prospectus, and the “Dividend Policy” section of the Luxembourg Prospectus.

¹ The Prospectus is available for collection from Templeton Asset Management Ltd at 7 Temasek Boulevard, # 38-03 Suntec Tower One, Singapore 038987 and its appointed distributors during business hours, or accessible at www.franklintempleton.com.sg

Investment Strategy	
<ul style="list-style-type: none"> • The Fund will invest primarily in debt securities and debt obligations of governments, government-related entities and corporations with registered offices in Europe. • It may also invest, amongst others, in (i) debt securities denominated in any currency from issuers of any type located outside Europe, including emerging markets, or (ii) debt obligations of governments and supranational entities, or (iii) mortgage and asset-backed securities, or (iv) securities in default (limited to 10% of its net assets) (securities are said to be in default when the issuers are not currently making interest payments). • The Fund may use derivatives for hedging and/or efficient portfolio management. 	<p>Refer to “Investment Objective, Focus and Approach of Funds” section of the Singapore Prospectus.</p>
Parties Involved	
<p>WHO YOU ARE INVESTING WITH?</p> <ul style="list-style-type: none"> • The investment company is Franklin Templeton Investment Funds. • Franklin Templeton Investment Management Limited and Franklin Advisers, Inc. • The management company is Franklin Templeton International Services S.à r.l. • The custodian is J.P. Morgan Bank Luxembourg S.A. • The Singapore representative is Templeton Asset Management Ltd. 	<p>Refer to “Management and Administration” section of the Singapore Prospectus for more information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT? The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment.</p>	<p>Refer to the “Risk Factors” section of the Singapore Prospectus and “Risk Considerations” section of the Luxembourg Prospectus.</p>
Market and Credit Risks	
<p>Your Investments are exposed to debt securities risk.</p> <ul style="list-style-type: none"> • Debt securities are sensitive to changes in interest rates, widening of credit spreads and defaults risk of issuers. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. <p>Your investments are exposed to currency risks.</p> <ul style="list-style-type: none"> • The Fund is exposed to the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations. 	
Liquidity Risks	
<p>Your investments are exposed to liquidity risks of the underlying investments.</p> <ul style="list-style-type: none"> • Under exceptional market conditions the manager may be forced to sell assets of the fund at a discount in order to meet continued redemption requests. <p>The Fund is not listed, and you can realize your units only on Dealing Days.</p> <ul style="list-style-type: none"> • There is no secondary market for the Fund. All redemption requests should be submitted in the manner set out in the Prospectus. <p>Your realization request may be deferred or suspended.</p> <ul style="list-style-type: none"> • Redemptions of Shares may be deferred when more than 10% of the value of the Fund’s Shares are redeemed or exchanged on any one Dealing Day. Your right to realize units may also be temporarily suspended under certain circumstances as described in the Prospectus. 	<p>Refer to the sections “Sale of Shares” and “Suspension of Valuation, Issue, Sale and Switching of Shares” of the Singapore Prospectus.</p>
Product-Specific Risks	

<p>You are exposed to regional market risk.</p> <ul style="list-style-type: none"> The Fund invests primarily in a single region, and as a result is subject to higher concentration risk and potentially greater volatility compared to funds following a more diversified policy. <p>You are exposed to derivative risk.</p> <ul style="list-style-type: none"> The Fund or Underlying Fund may invest in financial derivative instruments which may be purchased on regulated markets or over-the-counter and may have less liquidity and more volatility than conventional assets, exposing the Fund or Underlying Fund to higher risks and potential losses. When financial derivatives contracts are traded over the counter, the Fund may find itself exposed to risks arising from the solvency of its counterparties and from their ability to respect the conditions of these contracts. <p>You are exposed to counterparty risk.</p> <ul style="list-style-type: none"> When entering into over-the-counter bilateral contracts for derivatives used for hedging purposes, the Fund may find itself exposed to risks arising from the solvency of its counterparties and from their ability to respect the conditions of these contracts. 																																								
FEES AND CHARGES																																								
<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p>Investors should note that subscriptions for Shares through any distributor appointed by the Management Company may incur additional fees and charges.</p> <p>Payable directly by you (as a percentage of your gross investment sum)</p> <table border="1"> <thead> <tr> <th>Share classes</th> <th>Initial Sales Charge /Entry Charge</th> <th>Contingent Deferred Sales Charge²</th> <th>Exchange Charge/ Switching Fee</th> </tr> </thead> <tbody> <tr> <td>Share Class A</td> <td>Currently 5.00% [max. 5.00%]</td> <td>Currently 0.00% [max. 1.00%]</td> <td>Currently 1.00% [max. 1.00%]</td> </tr> <tr> <td>Share Class I</td> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Share Class N</td> <td>Currently 3.00% [max. 3.00%]</td> <td>Nil</td> <td>Currently 1.00% [max. 1.00%]</td> </tr> <tr> <td>Share Class W</td> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table> <p>Payable by the Fund from invested proceeds to the Management Company, Custodian and other parties</p> <table border="1"> <thead> <tr> <th>Share classes</th> <th>Annual Investment Management Fee</th> <th>Annual Maintenance, & Servicing Charges³</th> <th>Others⁴</th> </tr> </thead> <tbody> <tr> <td>Share Class A</td> <td>0.40%</td> <td>Maintenance: Up to 0.30%</td> <td rowspan="4"> <ul style="list-style-type: none"> Annual Custodian Fee: 0.01% to 0.14% p.a. Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one-year period Annual Investment Management Fee retained by management company = 52.5% to 100% Annual Investment Management Fee paid by management company to financial adviser or </td> </tr> <tr> <td>Share Class I</td> <td>0.35%</td> <td>Nil</td> </tr> <tr> <td>Share Class N</td> <td>0.40%</td> <td>Maintenance: 1.00%</td> </tr> <tr> <td>Share Class W</td> <td>0.35%</td> <td>Nil</td> </tr> </tbody> </table>			Share classes	Initial Sales Charge /Entry Charge	Contingent Deferred Sales Charge ²	Exchange Charge/ Switching Fee	Share Class A	Currently 5.00% [max. 5.00%]	Currently 0.00% [max. 1.00%]	Currently 1.00% [max. 1.00%]	Share Class I	Nil	Nil	Nil	Share Class N	Currently 3.00% [max. 3.00%]	Nil	Currently 1.00% [max. 1.00%]	Share Class W	Nil	Nil	Nil	Share classes	Annual Investment Management Fee	Annual Maintenance, & Servicing Charges ³	Others ⁴	Share Class A	0.40%	Maintenance: Up to 0.30%	<ul style="list-style-type: none"> Annual Custodian Fee: 0.01% to 0.14% p.a. Annual Admin Fee: Max. 0.20% p.a. plus additional amount per Investor Holding over one-year period Annual Investment Management Fee retained by management company = 52.5% to 100% Annual Investment Management Fee paid by management company to financial adviser or 	Share Class I	0.35%	Nil	Share Class N	0.40%	Maintenance: 1.00%	Share Class W	0.35%	Nil	<p>Refer to the “Fee and Charges” section of the Singapore Prospectus and the “Servicing and Maintenance Charges” section and Appendix E – “Franklin Templeton Investment Funds Charges, Fees and Expenses” of the Luxembourg Prospectus.</p>
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² Based on the lesser of the value of Shares being sold (exclusive of reinvested dividends) or the total cost of Shares when purchased.

³ Payable to principal distributor, based on the applicable average net asset value.

⁴ Payable to custodian, registrar and transfer, corporate, domiciliary and administrative agent (as applicable).

* Your financial adviser or distributor is required to disclose to you the amount of trail fee it receives from the management company.

			distributor (trailer fee)* = 0% to 47.5%												
VALUATIONS AND EXITING FROM THIS INVESTMENT															
<p>HOW OFTEN ARE VALUATIONS AVAILABLE?</p> <ul style="list-style-type: none"> • Daily valuations are available on Dealing Days. • The indicative NAV and actual NAV per share of each Fund and Share Class may be obtained from the Singapore representative and will be published on the Singapore representative’s website (www.franklintempleton.com.sg) one Singapore Business Day after the relevant Dealing Day. <p>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?</p> <ul style="list-style-type: none"> • To exit the Fund you should complete the relevant sale form, together with such other documents as may be required and submit it to the Singapore representative or through the financial advisor or distributor from whom you purchased the Fund, the Internet or any other sales channels, if applicable.. • Some appointed distributors may offer a cancellation policy whereby you will not incur the sales charges if you sell during the relevant period (the Fund does not offer such cancellation policy). You will however take the risk of a decline in the Fund’s NAV since you purchased it and certain administrative fees may apply. • Sale proceeds will be paid within three Singapore Business Days following the Dealing Day of the receipt and acceptance of the sale request. • Your exit price is determined as follows: <ul style="list-style-type: none"> - If the Singapore representative receives and accepts the sale request on or before 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares applicable on that day. - If the Singapore representative receives and accepts the sale request after 4 p.m. on a Dealing Day, you will be paid a price based on the net asset value of the Shares at the close of the next Dealing Day. • The following illustrates the sales proceeds on a sale of 1,000 Class A SGD share class shares at an exit price of S\$12.50 and assuming no Contingent Deferred Sales Charge: <table border="0" style="margin-left: 20px;"> <tr> <td>Exit price x Number of shares sold</td> <td>=</td> <td>Gross Sales Proceeds</td> </tr> <tr> <td>S\$12.50 x 1,000</td> <td>=</td> <td>S\$12,500</td> </tr> <tr> <td>Gross Sales Proceeds – Exit Charges</td> <td>=</td> <td>Net Sales Proceeds</td> </tr> <tr> <td>S\$12,500-S\$0.00</td> <td>=</td> <td>S\$12,500</td> </tr> </table> 			Exit price x Number of shares sold	=	Gross Sales Proceeds	S\$12.50 x 1,000	=	S\$12,500	Gross Sales Proceeds – Exit Charges	=	Net Sales Proceeds	S\$12,500-S\$0.00	=	S\$12,500	<p>Refer to the “Purchase of Shares”, “Sale of Shares” and “Obtaining Price Information” sections of the Singapore Prospectus.</p>
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CONTACT INFORMATION															
<p>HOW DO YOU CONTACT US?</p> <ul style="list-style-type: none"> • For account-related matters and product information, kindly contact the financial advisor or distributor from whom you purchased the Fund. • For product-related queries, kindly contact Templeton Asset Management Ltd at 7 Temasek Boulevard, #38-03 Suntec Tower One, Singapore 038987(Address), +65 6241 2662 (tel.), www.franklintempleton.com.sg (website). Client Dealer Services Representative is available at +65 6337 3933 (tel.), +65 6332 2296 (fax.), cdsspr@franklintempleton.com (email). 															
GLOSSARY															
<p>“Dealing Day” means each day which is both a Valuation Day and a Singapore Business Day, or otherwise as the Directors may from time to time determine.</p> <p>“NAV” means Net Asset Value.</p> <p>“Singapore Business Day” means a day (except Saturdays, Sundays and public holidays) on which commercial banks are open for business in Singapore.</p> <p>“UCITS” means an undertaking for collective investment in transfer securities.</p> <p>“Valuation Day” means any day on which the New York Stock Exchange (NYSE) is open or any full day on which banks in Luxembourg are open for normal business (other than during a suspension of normal dealing)</p>															

PRODUCT HIGHLIGHTS SHEET