

Product Details¹

Fund Assets	\$3,077,360,825.99
Fund Inception Date	16/04/1991
Number of Issuers	59
Bloomberg	TEMFREI LX
ISIN	LU0029875118
Base Currency	USD
Investment Style	Blend
Benchmark	MSCI AC Asia ex-Japan 10/40 Index-NR - Linked
Morningstar Category™	Asia ex-Japan Equity

Asset Allocation²

Percent of Total	%
Equity	100.43
Cash & Cash Equivalents ³	-0.43
Fixed Income	0.00

Fund Description

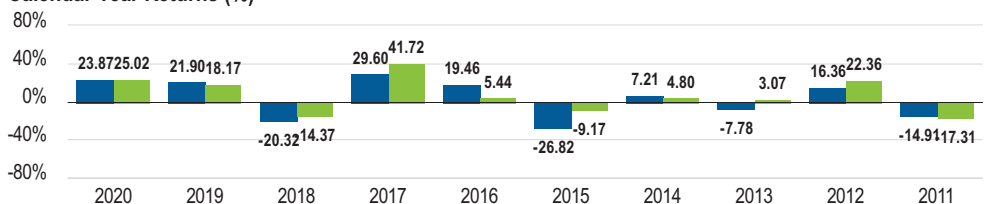
The Fund aims to achieve long-term capital appreciation by investing primarily in equity securities listed in Asia (excluding Australia, New Zealand and Japan).

Performance Data^{4,5}
Discrete Annual Performance (%) as at 31/08/2021

	8/20-8/21	8/19-8/20	8/18-8/19	8/17-8/18	8/16-8/17
A (Ydis) USD	11.46	19.90	-5.15	-4.33	27.78
MSCI AC Asia ex-Japan 10/40 Index-NR - Linked USD	17.61	21.62	-6.34	2.76	24.83

Performance Net of Management Fees as at 31/08/2021 (Dividends Reinvested) (%)^{a,b}

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (30/06/1991)
A (Ydis) USD	2.23	-8.58	-4.32	11.46	8.22	9.16	3.04	5.39
MSCI AC Asia ex-Japan 10/40 Index-NR - Linked	2.29	-5.50	0.68	17.61	10.24	11.44	7.44	7.78

Calendar Year Returns (%)


- A (Ydis) USD
- MSCI AC Asia ex-Japan 10/40 Index-NR - Linked

Past performance is not an indicator or a guarantee of future performance.

Portfolio Manager Insight
Performance Review
ONE-MONTH KEY PERFORMANCE DRIVERS

	Stocks	Sectors	Countries
HELPED	Guangzhou Tinci Materials Technology Co., Ltd	Communication Services (Stock Selection)	Hong Kong (Stock Selection)
	Sea Ltd. (Singapore) Sponsored ADR Class A	Materials (Stock Selection)	Indonesia (Stock Selection, Overweight)
	Techtronic Industries Co., Ltd.	Health Care (Stock Selection)	Taiwan (Stock Selection)
HURT	Alibaba Group Holding Ltd.	Consumer Discretionary (Stock Selection)	South Korea (Stock Selection)
	Samsung Electronics Co., Ltd.	Information Technology (Stock Selection)	India (Stock Selection)
	Ping An Insurance (Group) Company of China, Ltd. Class H	Financials (Stock Selection)	Thailand (Stock Selection)

- All holdings are subject to change. Holdings of the same issuers have been combined.
- Percentage may not equal 100% due to rounding. All holdings are subject to change.
- The negative cash position reflects a temporary position that is a result of a delay in securities settlement transactions.
- The benchmark performance shown is derived from a combination of the MSCI All Country Asia ex-Japan Index from the fund's inception to 31 December 2000, MSCI All Country Asia ex-Japan-NR from 1 January 2001 to 30 November 2020, and MSCI All Country Asia ex-Japan 10/40-NR thereafter.
- Net Returns (NR) include income net of tax withholding when dividends are paid.

- Chinese e-commerce company Alibaba Group fell on the stock market. China continued to tighten its oversight of the internet industry, proposing new rules targeting anti-competitive behaviour, algorithm usage and other practices. We remain confident in the strength of Alibaba's e-commerce ecosystem. It has also been actively exploring new business opportunities in cloud computing and other areas.
- Shares of South Korean semiconductor and consumer electronics company Samsung Electronics lost ground amidst market worries of a slowdown in memory chip demand. Nonetheless, our near-term outlook remains constructive as we expect servers and smartphones to drive robust chip demand. We also think that Samsung has the flexibility to adjust its capacity expansion plans if demand shifts, which should protect its profitability.
- Conversely, China-based Guangzhou Tinci Materials Technology's share price soared. The battery electrolyte producer posted better-than-expected first-half 2021 earnings and projected strong growth ahead. We believe that Guangzhou Tinci's competitive advantages should position it to benefit from robust demand for batteries needed for electric vehicles and energy storage.

Outlook & Strategy

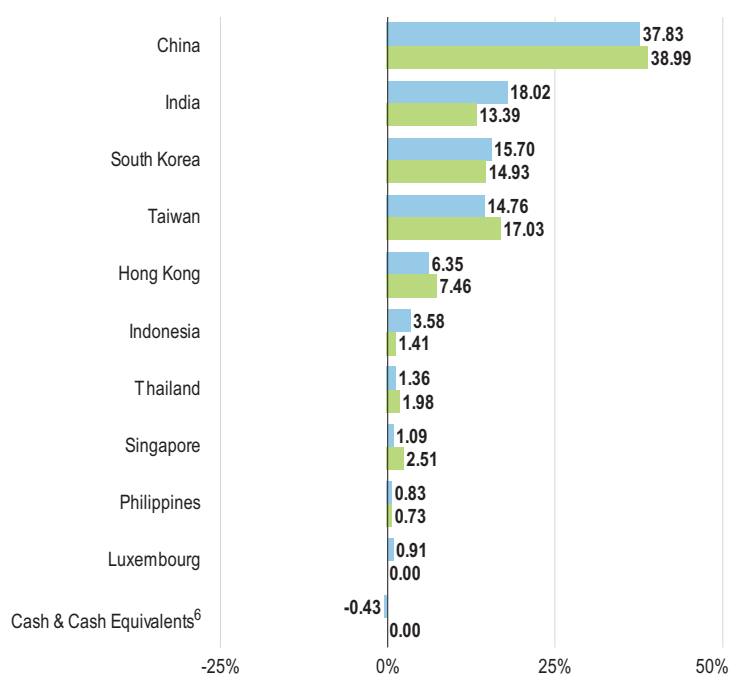
- Outbreaks triggered by the COVID-19 Delta variant have resulted in new lockdowns and hindered economic normalisation in parts of Asia in the short term. However, we have seen countries accelerate vaccination efforts and vaccine manufacturers increase their capacities, leading us to believe that most economies are on the path to normalisation.
- Expectations of a US Federal Reserve tapering have heightened market volatility. Amongst other investor concerns is a potential increase in US interest rates, which could trigger a strengthening of the US dollar. Nonetheless, Asia's macroeconomic fundamentals have improved significantly in recent decades, and we believe that most markets are likely to remain resilient in the face of various challenges.
- In China, tighter regulations have coincided with a slowdown in economic momentum and a resurgence in COVID-19 cases. We have been evaluating the regulatory changes considering the government's longer-term strategic goals such as national security, common prosperity and decarbonisation. We have also held extensive discussions with companies and industry experts on these issues. Our analysis continues to support the investment case for many companies leading in their industries.
- At a broader level, we think that the structural prospects for Asian equities remain favourable. We have a positive long-term outlook for the semiconductor industry, and we see sustainable earnings power in the region's leading chip companies. A global decarbonisation trend is likely to benefit select Asian companies in the renewable energy and electric vehicle industries. Accelerating digitalisation could also be a tailwind for technology-driven companies in India and Southeast Asia, which should further invigorate Asia's investment landscape.

Portfolio Characteristics^{c,d}

	Portfolio	MSCI AC Asia ex-Japan 10/40 Index-NR
Price to Earnings (12-Month Trailing)	20.40x	16.39x
Price to Book	3.06x	1.97x
Price to Cash Flow	13.77x	11.95x
Market Capitalisation (Millions in USD)	234,908	109,023
Dividend Yield	1.28%	1.86%

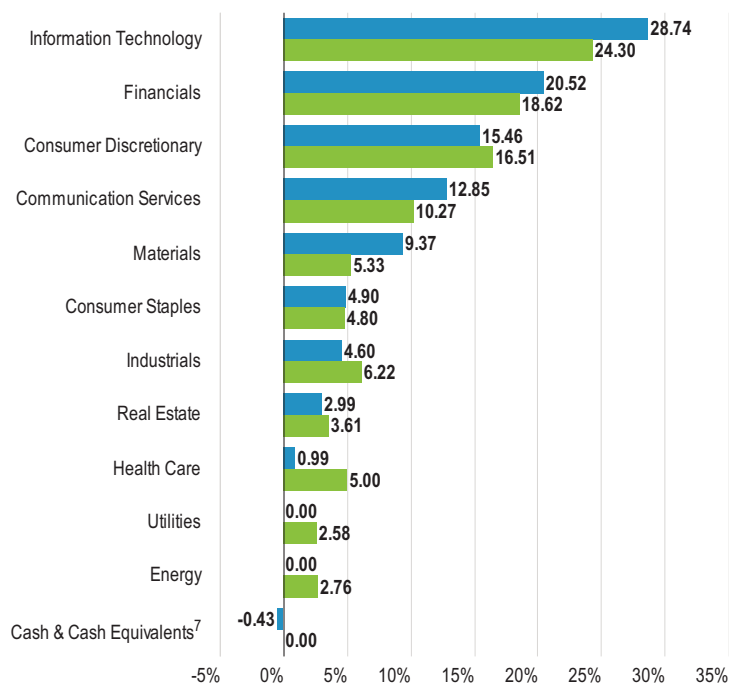
Portfolio Diversification

Geographic Weightings vs. MSCI AC Asia ex-Japan 10/40 Index-NR^e
Percent of Total



● Templeton Asian Growth Fund
● MSCI AC Asia ex-Japan 10/40 Index-NR

Sector Weightings vs. MSCI AC Asia ex-Japan 10/40 Index-NR^e
Percent of Total



● Templeton Asian Growth Fund
● MSCI AC Asia ex-Japan 10/40 Index-NR

Top Ten Holdings^e

Percent of Total

Top Holdings	Sector	Country	%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Semiconductors & Semiconductor Equipment	Taiwan	10.84
SAMSUNG ELECTRONICS CO LTD	Technology Hardware & Equipment	South Korea	9.69
TENCENT HOLDINGS LTD	Media & Entertainment	China	7.62
ALIBABA GROUP HOLDING LTD	Retailing	China	6.85
AIA GROUP LTD	Insurance	Hong Kong	4.60
ICICI BANK LTD	Banks	India	3.49
CHINA MERCHANTS BANK CO LTD	Banks	China	2.87
NAVER CORP	Media & Entertainment	South Korea	2.81
MEDIATEK INC	Semiconductors & Semiconductor Equipment	Taiwan	2.28
PING AN INSURANCE GROUP CO OF CHINA LTD	Insurance	China	2.23

6,7. The negative cash position reflects a temporary position that is a result of a delay in securities settlement transactions.

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

Performance Statistics

Risk Statistics⁸

	3 Yrs	5 Yrs	10 Yrs	Since Inception
Standard Deviation (%)				
Templeton Asian Growth Fund	19.83	16.85	17.42	-
MSCI AC Asia ex-Japan 10/40 Index-NR - Linked	18.41	15.90	16.53	22.38
Tracking Error (%)	4.30	5.08	6.56	-
Information Ratio⁹	-0.47	-0.45	-0.67	-
Beta	1.05	1.01	0.98	-
Sharpe Ratio				
Templeton Asian Growth Fund	0.36	0.48	0.14	-
MSCI AC Asia ex-Japan 10/40 Index-NR - Linked	0.50	0.65	0.41	0.24

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Sukumar Rajah	27	30
Eric Mok, CFA	23	23

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 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 significantly over relatively short time periods. Other significant risks include: foreign currency risk, emerging markets risk, liquidity 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.

8. Beta, Information Ratio and Tracking Error information are measured against the MSCI AC Asia ex-Japan 10/40 Index-NR - Linked.

9. 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

This document does not constitute legal or tax advice nor is it investment advice or an offer for shares of Franklin Templeton Investment Funds (the "Fund"). Subscriptions to shares of the Fund can only be made on the basis of the current prospectus and, where available, the relevant Key Investor Information Document, accompanied by the latest available audited annual report and the latest semi-annual report accessible on our website www.ftdocuments.com or which can be obtained, free of charge, from Franklin Templeton International Services, S.à r.l. - 8A, rue Albert Borschette, L-1246 Luxembourg.

Past performance is not an indicator or a guarantee of future performance. 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. Investment in the Fund entails risks which are described in the Fund's prospectus and, where available, in the relevant Key Investor Information Document or any other relevant offering document. Special risks may be associated with a Fund's investment in certain types of securities, asset classes, sectors, markets, currencies or countries and in the Fund's possible use of derivatives. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holdings at any one time. Currency fluctuations may affect the value of overseas investments. When investing in a fund denominated in a foreign currency, your performance may also be affected by currency fluctuations. Where a Fund invests in emerging markets, this investment can be more risky than an investment in developed markets. No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America.

The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

In addition, it should not be assumed that any securities mentioned were or will prove to be profitable. Stocks mentioned in this report are not a solicitation to purchase those stocks, and are examples of some stocks which performed well. Not all stocks in the portfolio performed as well. For the most current information on the fund, please contact your Franklin Templeton marketing representative.

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.

References to indexes are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. The indices include a greater number of securities than those held in the Fund. An index is unmanaged and one cannot invest directly in an index. The performance of the index does not include the deduction of expenses and does not represent the performance of any Franklin Templeton fund. **Past performance is not an indicator or a guarantee of future performance.**

CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

Source: FactSet. Important data provider notices and terms available at www.franklintempletondatasources.com.

- a. Source for all information is Franklin Templeton. Benchmark related data provided by FactSet. **Past performance is not an indicator or a guarantee of future performance.** Periods greater than one year are shown as average annual total returns. Fund performance data include reinvested dividends, and is net of management fees. Sales charges, other commissions, taxes and other relevant costs to be paid by the investor are not included. The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.
- b. 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.
- c. 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. All holdings are subject to change.
- d. 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.**
- e. Portfolio Information plus Rounding



Franklin Templeton International Services, S.à r.l.
8A, rue Albert Borschette
L-1246 Luxembourg
franklintempleton.lu

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