

Product Details¹

Fund Assets	\$1,094,160,261.17
Fund Inception Date	28/02/1991
Number of Issuers	71
Bloomberg	TEMEMKI LX
ISIN	LU0029874905
Base Currency	USD
Investment Style	Blend
Benchmark	MSCI Emerging Markets Index-NR
Morningstar Category™	Global Emerging Markets Equity

Asset Allocation²

Percent of Total	%
Equity	97.98
Cash & Cash Equivalents	2.02
Fixed Income	0.00

Overall Morningstar Rating™ a

Fund Description

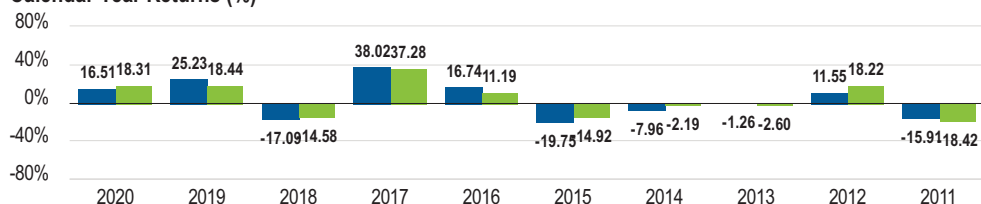
Long-term capital growth by investing mainly in equity securities of emerging market companies, or those companies which derive a significant proportion of their revenues or profits from emerging economies.

Performance Data^{3,4}
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	16.63	16.24	-2.88	-1.39	26.46
MSCI Emerging Markets Index-NR USD	21.12	14.49	-4.36	-0.68	24.53

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

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (28/02/1991)
A (Ydis) USD	-0.04	-7.75	-0.19	16.63	9.60	10.43	3.68	5.37
MSCI Emerging Markets Index-NR	2.62	-4.12	2.84	21.12	9.86	10.40	4.85	8.32

Calendar Year Returns (%)


- A (Ydis) USD
- MSCI Emerging Markets Index-NR

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	Materials (Stock Selection)	Russia (Stock Selection)
	Yandex NV Class A	Health Care (Stock Selection)	—
	China Resources Cement Holdings Limited	—	—
HURT	Alibaba Group Holding Ltd.	Consumer Discretionary (Stock Selection)	South Korea (Stock Selection, Overweight)
	Samsung Electronics Co., Ltd.	Financials (Stock Selection)	India (Stock Selection, Underweight)
	Soulbrain Co., Ltd.	Consumer Staples (Stock Selection)	China (Stock Selection)

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.
3. MSCI Emerging Markets Index-NR reflects performance of the MSCI Emerging Markets Index (gross returns) from fund inception through 31 December 2000 and the MSCI Emerging Markets Index-NR thereafter.
4. 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. In our view, Alibaba's e-commerce ecosystem remains one of the best in China and is highly cash generative. The company is also a leader in the country's fast-growing cloud industry.
- 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 outlook remains constructive as we expect servers and smartphones to drive robust chip demand. Moreover, tight supply in foundry capacity should benefit Samsung.
- Conversely, shares of China-based Guangzhou Tinci Materials Technology 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

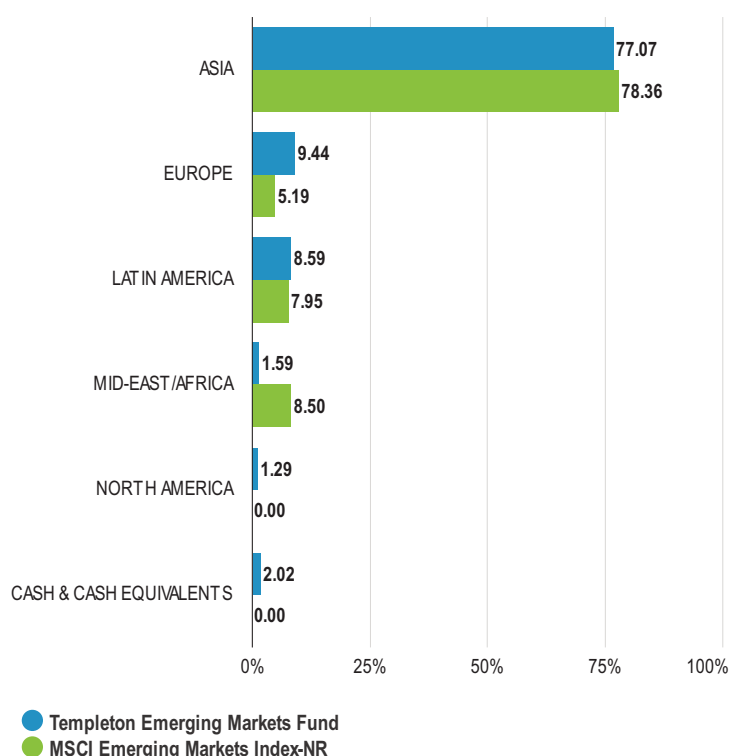
- Outbreaks triggered by the COVID-19 Delta variant have resulted in new lockdowns and hindered economic normalisation in some EMs in the short term. However, we have seen countries accelerate vaccination efforts and vaccine manufacturers increase their capacities, leading us to believe that most economies 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. This could be negative for EMs with macro vulnerabilities, although there are much fewer significant emerging economies in this situation today. Indeed, a pickup in US interest rates has not necessarily hurt EM equities in the past. In our view, rising rates are generally associated with a better economic growth outlook, which should broadly support equities.
- 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 see value in diversifying our exposure across sectors within China, and we are seeking investment opportunities in areas that the government has prioritised, where companies display sustainable earnings power and trade at a discount to our assessment of their intrinsic worth.
- Overall, we believe that EMs are likely to remain resilient in the face of various challenges, supported by a largely healthier debt profile compared with developed markets, as well as banking systems that have mostly withstood stress from the pandemic. We expect further progress in the technology and consumption trends that have become the new economic drivers for many EMs.

Portfolio Characteristics^{d,e}

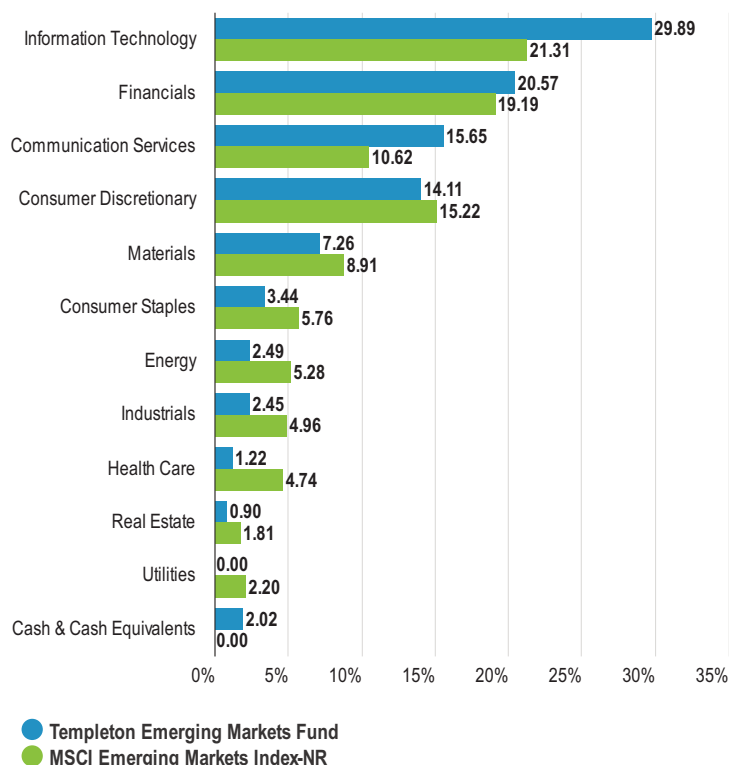
	Portfolio	MSCI Emerging Markets Index-NR
Price to Earnings (12-Month Trailing)	14.78x	14.90x
Price to Book	1.92x	1.97x
Price to Cash Flow	8.40x	9.22x
Market Capitalisation (Millions in USD)	215,426	82,450
Dividend Yield	1.88%	2.03%

Portfolio Diversification

Geographic Weightings vs. MSCI Emerging Markets Index-NR^f
Percent of Total



Sector Weightings vs. MSCI Emerging Markets Index-NR^f
Percent of Total



Top Ten Holdings^g

Percent of Total

Top Holdings	Sector	%
SAMSUNG ELECTRONICS CO LTD	Technology Hardware & Equipment	10.16
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Semiconductors & Semiconductor Equipment	10.02
ALIBABA GROUP HOLDING LTD	Retailing	6.79
TENCENT HOLDINGS LTD	Media & Entertainment	6.72
ICICI BANK LTD	Banks	4.54
NAVER CORP	Media & Entertainment	4.49
MEDIATEK INC	Semiconductors & Semiconductor Equipment	3.13
LG CORP	Capital Goods	2.37
SBERBANK OF RUSSIA PJSC	Banks	2.27
LUKOIL PJSC	Energy	2.21

Performance Statistics

Risk Statistics⁵

	3 Yrs	5 Yrs	10 Yrs	Since Inception
Standard Deviation (%)				
Templeton Emerging Markets Fund	20.64	17.32	17.50	21.05
MSCI Emerging Markets Index-NR	18.95	16.38	17.49	21.71
Tracking Error (%)	3.77	3.43	4.45	8.28
Information Ratio⁶	-0.07	0.01	-0.26	-0.36
Beta	1.07	1.04	0.97	0.90
Sharpe Ratio				
Templeton Emerging Markets Fund	0.41	0.54	0.18	0.14
MSCI Emerging Markets Index-NR	0.46	0.57	0.24	0.27

5. Beta, Information Ratio and Tracking Error information are measured against the MSCI Emerging Markets Index-NR.

6. 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).

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Investment Team

Portfolio Manager	Years with Firm	Years Experience
Chetan Sehgal, CFA	26	29
Andrew Ness	2	26

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 the equity securities of emerging markets around the world, which 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 time. Other significant risks include: emerging markets risk, foreign currency 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.

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.ftidocuments.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.**

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

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b. 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.

c. 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.

d. 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.

e. 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.**

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

g. 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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