

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Franklin European Income Fund

**Class A (Mdis) SGD-H1 • ISIN LU1129998339** • A sub-fund of Franklin Templeton Investment Funds  
The management company is Franklin Templeton International Services S.à r.l.

### Objectives and Investment Policy

Franklin European Income Fund (the “Fund”) aims to earn income and, secondarily, to increase the value of its investments over the medium to long term.

The Fund invests mainly in:

- equity and equity-related securities as well as debt securities, issued by governments, government-related entities and corporations located in, or doing significant business in, European countries, including emerging market countries in Europe

The Fund will have a minimum allocation to both debt and equities securities of 35% and a maximum of 65% of its assets.

The Fund can also invest in:

- derivatives for hedging, efficient portfolio management and/or investment purposes
- units of other mutual funds (limited to 10% of assets)

The Fund may also, to a limited extent, invest up to 15% of assets in subordinated debt, which may include hybrid bonds and contingent capital securities, and up to 10% in hybrid bonds and contingent capital securities.

The investment team will tactically allocate the Fund’s assets between equity and fixed income securities across European countries. They will utilise the experience and expertise of the individual Franklin European equity and fixed

income teams to invest in the best opportunities across Europe.

The Fund may distribute income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital.

You may request the sale of your shares on any Luxembourg business day.

For the distribution share class shown in this document, dividend income is distributed to shareholders.

For further information on the Objectives and Investment Policy of the Fund, please refer to the section “Fund Information, Objectives and Investment Policies” of the current prospectus of Franklin Templeton Investment Funds.

The benchmark of the Fund is the Custom 50% Bloomberg Barclays Euro Aggregate + 50% MSCI Europe Index. The benchmark is indicated for information purposes only, and the Fund manager does not intend to track it. The Fund can deviate from this benchmark.

### Terms to Understand

**Equity securities:** Securities that represent an ownership stake in a company.

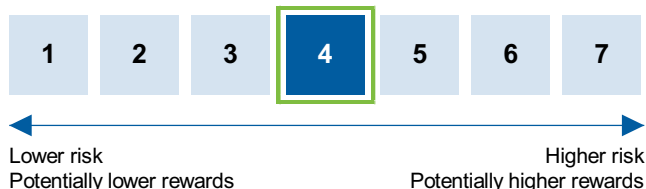
**Debt securities:** Securities representing the issuer’s obligation to repay a loan at a specified date and to pay interest.

**Emerging markets:** Countries whose economy, stock market, political situation and regulatory framework are not fully developed.

**Derivatives:** Financial instruments whose characteristics and value depend on the performance of one or more underlying assets, typically securities, indexes, currencies or interest rates.

**Hedging:** A strategy for totally or partially offsetting particular risks such as those arising from fluctuations in share prices, currencies or interest rates.

### Risk and Reward Profile



#### What does this indicator mean and what are its limits?

This indicator is designed to provide you with a measure of the price movement of this share class based on historical behavior.

Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

As the share class has no sufficient historical data available, simulated data based on a representative portfolio model or benchmark have been used instead.

#### Why is the Fund in this specific category?

The Fund invests mainly in a diversified portfolio of European equity,

equity-related and debt securities. Such securities have historically been subject to price movements that may occur suddenly due to equity market- and bond market-specific factors. As a result, the performance of the Fund can fluctuate over time.

#### Risks materially relevant not adequately captured by the indicator:

**Credit risk:** the risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if the Fund holds low-rated, non-investment-grade securities.

**Currency risk:** the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations.

**Derivatives risk:** the risk of loss in an instrument where a small change in the value of the underlying investment may have a larger impact on the value of such instrument. Derivatives may involve additional liquidity, credit and counterparty risks.

**Liquidity risk:** the risk that arises when adverse market conditions affect the ability to sell assets when necessary. Reduced liquidity may have a negative impact on the price of the assets.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Considerations” section of the current prospectus of Franklin Templeton Investment Funds.

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

<b>Entry charge</b>	5,75%
<b>Exit charge</b>	Not applicable

*This is the maximum that might be taken out of your money before it is invested.*

### Charges taken from the Fund over a year

<b>Ongoing charges</b>	1,70%
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### Charges taken from the Fund under certain specific conditions

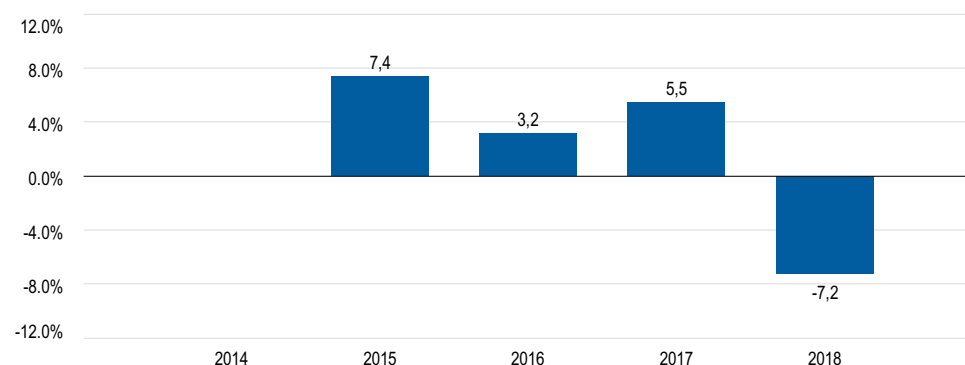
<b>Performance fee</b>	Not applicable
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The entry charges shown are maximum amounts; you may pay less in some cases. For more information, please see your financial adviser.

The ongoing charges are based on the expenses for the year ending December 31, 2018. This figure may vary from year to year.

For detailed information about charges, please refer to the sections "Share Classes" and/or "Performance Fees" (as applicable) as well as Appendix E of the current prospectus of Franklin Templeton Investment Funds.

## Past Performance



■ Franklin European Income Fund Class A (Mdis) SGD-H1

- Past performance is not a guide to future performance.
- The past performance shown here includes all the ongoing charges but not the entry charge.
- Past performance is calculated in the currency of the present share class.
- The Fund was launched in 2014.

## Practical Information

- The Custodian of Franklin Templeton Investment Funds is J.P. Morgan Bank Luxembourg S.A.
- The paying agent of Franklin Templeton Investment Funds in Switzerland is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich.
- The representative of Franklin Templeton Investment Funds in Switzerland is Franklin Templeton Switzerland Ltd., Stockerstrasse 38, 8002 Zurich.
- Copies of the latest prospectus and the latest annual and semi-annual reports of Franklin Templeton Investment Funds are available in the language of this document, on the website [www.ftidocuments.com](http://www.ftidocuments.com) or may be obtained free of charge from Franklin Templeton International Services S.à r.l., 8A, rue Albert Borschette, L-1246 Luxembourg or your financial adviser.
- The latest prices and other information on the Fund, (including other share classes of the Fund) are available from the representative of Franklin Templeton Investment Funds in Switzerland or [www.franklintempleton.ch](http://www.franklintempleton.ch) and on the electronic platform of fund info AG ([www.fundinfo.com](http://www.fundinfo.com)).
- The relevant documents such as the prospectus and the Key Investor Information Document, the articles of association and the annual and semi-annual report can be obtained free of charge from the representative in Switzerland.
- Please note that the taxation regime applicable in the Grand Duchy of Luxembourg may have an impact on your personal tax position. Please consult your financial or tax adviser before deciding to invest.
- Franklin Templeton International Services S.à r.l. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.
- The present Fund is a sub-fund of Franklin Templeton Investment Funds. The prospectus and the financial reports refer to all sub-funds of Franklin Templeton Investment Funds. All sub-funds of Franklin Templeton Investment Funds have segregated assets and liabilities. As a result, each sub-fund is operated independently from each other.
- You may switch into shares of another sub-fund of Franklin Templeton Investment Funds as further described in the prospectus.
- The details of the up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee are available at [www.franklintempleton.lu](http://www.franklintempleton.lu) and a paper copy can be obtained free of charge.

This Fund is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. Franklin Templeton International Services S.à r.l. is authorised in the Grand Duchy of Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. This key investor information is accurate as at 25/01/2019.