



**FRANKLIN TEMPLETON  
INVESTMENTS**

FRANKLIN TEMPLETON INVESTMENT FUNDS  
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**SUBJECT: CHANGE OF NAME AND CLARIFICATION OF INVESTMENT POLICY OF  
FRANKLIN TEMPLETON INVESTMENT FUNDS –  
FRANKLIN U.S. EQUITY FUND**

Luxembourg, July 20<sup>th</sup>, 2018

Dear Shareholder,

The purpose of this letter is to inform you of certain changes impacting the Franklin U.S. Equity Fund, a sub-fund of the Luxembourg SICAV Franklin Templeton Investment Funds (the "Company"), as further described below.

**Change of Name**

With effect from August 1<sup>st</sup>, 2018, the Franklin Templeton Investment Funds – Franklin U.S. Equity Fund will be renamed into Franklin Templeton Investment Funds – Franklin Select U.S. Equity Fund (the "Fund"). The intention of the name change is to better illustrate the concentrated nature of the portfolio of the Fund and the integration of environmental, social and governance considerations into the investment process of the Fund.

**Clarification of investment policy**

With effect from August 1<sup>st</sup>, 2018, the investment policy of the Fund will be clarified to reflect environmental, social and governance factors and analytics that the Franklin Equity Group's investment's team will integrate into their stock selection process. Therefore, the investment policy of the Fund is restated to read as follows:

*"The Fund's investment strategy is to invest principally in US equity securities, including common and preferred stocks, or securities convertible into common stocks, as well as American Depositary Receipts and American Depositary Shares (of companies based outside the US) that are listed on the major US stock exchanges. The Investment Manager employs an active, bottom-up fundamental research process to search for individual securities believed to possess superior risk-return characteristics, taking into account both future growth potential and valuation considerations. This generally includes an assessment by the Investment Manager of the potential impacts of material environmental, social and governance factors on the long-term risk and return profile of a company. The Fund generally seeks to maintain a portfolio consisting of securities of approximately 20-50 companies. This strategy is applied in a diversified manner, enabling the Investment Manager to search in all areas of the US stock market, including any market capitalisation size, sector and industry. The Fund may also, from time to time, invest up to 10% of its net assets in equity securities of companies based outside the US that are not listed on the major US stock exchanges. On an ancillary basis, the Fund may employ hedging techniques and hold cash reserves from time to time. In order to hedge against market or currency risk and/or for efficient portfolio management, the Fund may enter into derivative transactions, such as forwards and futures contracts or options on such contracts."*

There will be no change to the investment strategy, investment allocation or universe of the Fund.

If you require further information please do not hesitate to contact your local Franklin Templeton Investments office or your financial adviser.

Yours sincerely,

Craig Blair, Conducting Officer of Franklin Templeton International Services S.à r.l.,  
Management Company of Franklin Templeton Investment Funds