Impact Report: Templeton Global Climate Change Fund

Third Quarter, 2025

A sub-fund of Franklin Templeton Investment Funds, a Luxembourg-registered SICAV ("FTIF").
This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID/KIID before making any final investment decisions.
For UK Investors: This product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.

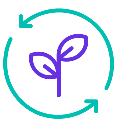
Investing in a sustainable future through two powerful themes

Investment objective and policy

To seek long-term investment growth, mainly through growth of capital, while contributing to climate change mitigation and adaptation. The Fund aims to contribute to the Paris Climate Agreement's long-term global warming target of 1.5 degrees primarily through investments in solutions to reduce greenhouse gas (GHG) emissions, and secondarily through investments in companies aligning their business with this low carbon scenario.

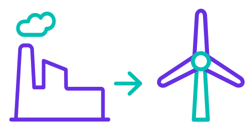
The Fund mainly invests in equities of companies that provide solutions for the mitigation and/or adaptation of climate change risk and companies which are in the process of making their business models more resilient to long-term risks presented by climate change and resource depletion. These investments may be from anywhere in the world. To a lesser extent, the Fund may invest in convertible securities or debt securities.

Investable universe



Solutions

Companies with majority of revenues from products and services that seek to reduce emissions, improve resource efficiency, and/or protect against the physical consequences of climate change.



Transitioning

Companies with exposure to solutions offerings that are either growing into solutions companies over time or enabling solutions companies through adjacent products.

Portfolio Invested
Templeton Global Climate Change Fund (% of equity)
As of 30 September 2025

Climate Change Solutions	**61.7%**
Energy Efficiency	22.4%
Renewable Energy	11.8%
Sustainable Transportation	10.0%
Waste & Water Management	9.8%
Sustainable Agriculture & Forestry	7.7%

Transitioning	**38.3%**
Transition Enablers	26.1%
Emerging Solutions	12.2%

Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklintempleton.lu. Please review all of the fund's objectives and characteristics before investing.

Top 10 Holdings

As at 30 September 2025

Company	%	Contribution to Sustainable Investment Objective
Microsoft Corp	7.8	**Emerging solutions:** Provides global scale cloud services that reduce the reliance on local servers, significantly reducing power consumption.
Alphabet	5.0	**Transition enabler:** Highly efficient data centers and cloud-based apps save energy, carbon neutral since 2007, 100% renewable avoids one of the fastest growing sources of emissions.
SSE	4.9	**Renewable energy:** Increasing investment in renewable power generation and strategic focus on electric distribution networks.
Eversource Energy	4.5	**Transition enabler:** Transmission & Distribution company investing to modernize and expand the electricity grid, supporting increased renewable energy capacity
Thermo Fisher Scientific	4.0	**Transition enabler:** Provides water, air and soil-quality testing, emissions monitoring, environmental toxicology, biofuels and biodegradable polymers.
Smurfit Westrock Plc	3.6	**Water & waste management**: A leading supplier of sustainable packaging solutions using renewable, recyclable, recycled and biodegradable materials.
ING Groep	3.5	**Transition enabler:** Among the highest green to brown finance ratio of major banks, strong and improving policies on fossil fuel finance and among the few major banks with continual reductions in brown finance.
Rayonier Inc	3.4	**Sustainable agriculture & forestry:** Provides sustainably certified forest products and carbon sequestration
Crown Holdings	3.2	**Water & waste management:** Aluminum cans with high recycled content, requiring 95% lower energy than virgin aluminum, and permanently recyclable, long shelf life, reduced food waste. Target for 100% renewable energy will further reduce lifecycle emissions.
Autodesk Inc	3.2	**Energy efficiency:** Software optimizing product design, manufacturing, building design and construction, reducing material usage and energy consumption.
Total	**43.1**	

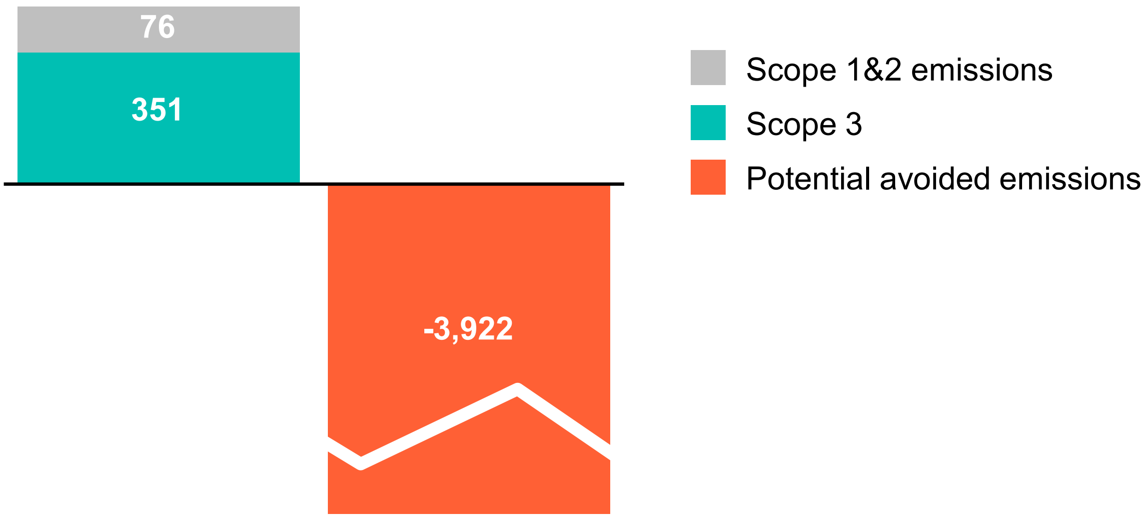
Information is historical and may not reflect current of future portfolio characteristics. All portfolio holdings are subject to change. The information provided is not a recommendation to purchase, sell or hold any particular security. The securities or issuers listed do not represent the entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in the portfolio, or that securities sold will not be repurchased. In addition, it should not be assumed that any securities or issuers listed were or will prove to be profitable.

Progressing towards our sustainability objective

Avoided emissions estimated to be more than 7x the fund carbon footprint

Carbon Footprint Vs. Avoided Emissions Estimates

t CO_2e per USD 1 million enterprise value including cash
As of 30 September 2025



t CO_2e per USD 1 Million EVIC*6	Carbon Footprint (Scope 1&2)	Carbon Footprint (Scope 3)	Potential Avoided Emissions*
MSCI All Country World	39	292	
T. Global Climate Change Fund	76	353	-3,922
Solutions	**55**	**212**	**-3,542**
Renewable Energy	7	27	-2,174
Energy Efficiency	9	80	-1,047
Sustainable Transportation	10	33	-180
Sustainable Agriculture & Forestry	2	14	-104
Water & Waste management	27	58	-37
Transitioning	**21**	**141**	**-380**
Emerging Solutions	16	105	-56
Transition Enablers	5	36	-324

Source: MSCI, company reports, Templeton estimates. There is no assurance that any estimate may be realized. We use the concept of avoided emissions to estimate the CO_2e reduction impact. Avoided emissions are emissions that would have been released if a particular action or intervention had not taken place. Emissions can be avoided through the use of a more efficient product or service, though this is conditional to consumer or market behavior. Data is collected from companies or estimated where we have sufficient data. We do not attempt to adjust for potential double-counting, for example, when a company producing a wind turbine counts avoided emissions from its use, while the electric utility generating wind power also claims these avoided emissions. However, we also understate avoided emissions for several companies because they do not report any estimates and we have insufficient data to produce our own estimates.

Carbon Footprint Scope 1,2,3: Greenhouse gas emissions are classified into three scopes. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. The carbon footprint measures a portfolio's normalized carbon per amount invested, allowing an investor to calculate their share of the emissions.

*Normalized carbon footprint based on Enterprise Value including Cash (EVIC) value of the underlying.

Progressing towards our sustainability objective

Though the carbon footprint exceeds the benchmark's, the climate change solutions are estimated to result in avoided emissions 14x the funds total carbon intensity and more than 9x the total carbon footprint. Portfolio companies demonstrate a declining trend in carbon intensity, supported by robust emissions reduction efforts.

Impact Metrics (estimates) As of 30 September 2025	**Templeton Global Climate Change Fund**	**MSCI ACWI Index**
Carbon Footprint – Scope 1 & 2 (tCO_2e/US$1M EVIC)	**75.6**	**39.3**
Carbon Footprint – Scope 3 (tCO_2e/US$1M EVIC)	**353.2**	**292.4**
Potentially Avoided Carbon Emissions Footprint (tCO_2e/US$1M EVIC)	**-3,922**	**N/A**
Weighted Average Carbon Intensity – Scope 1 & 2 (tCO_2e/US$1M sales)	**131.1**	**113.0**
Weighted Average Carbon Intensity – Scope 3 (tCO_2e/US$1M sales)	**620.2**	**727.3**
Potentially Avoided Weighted Average Emissions Intensity (tCO_2e/US$1M sales)	**-10,802.0**	**N/A**
Five-year Annual Weighted Average Carbon Intensity Reductions Achieved (tCO_2e/US$1M sales)	**-41.6%**	**-27.7%**
Annual Carbon Reduction Target of Companies Invested (weighted average)	**-8.3%**	**-5.5%**
Companies with Quantitative Greenhouse Gas Emissions Reduction Targets	**94.7%**	**72.4%**
Renewable Energy Generated (MWh/US$1M EVIC)	**24.1**	**4.7**
EU Taxonomy-aligned revenues (%)	**10.4%**	**N/A**

Source: MSCI, company reports, Templeton estimates. The MSCI All Country World Index is used because it is the strategy's benchmark index. 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. We use the concept of avoided emissions to estimate the CO2e reduction impact. Avoided emissions are emissions that would have been released if a particular action or intervention had not taken place. Emissions can be avoided through the use of a more efficient product or service, though this is conditional to consumer or market behavior. Data is collected from companies or estimated where we have sufficient data. We do not attempt to adjust for potential double-counting, for example, when a company producing a wind turbine counts avoided emissions from its use, while the electric utility generating wind power also claims these avoided emissions. However, we also understate avoided emissions for several companies because they do not report any estimates and we have insufficient data to produce our own estimates.
Carbon Intensity: The measure of greenhouse gas (GHG) emissions, emitted per unit of sales in US dollars, or how efficient the portfolio is in terms of emissions per unit of output.
MWh: Megawatt Hours. Equal to 1,000 kilowatts of electricity used continuously for one hour. tCO2e/US$1M sales = tonnes of CO2 (estimated) for every US$1 million in sales.
Carbon Intensity Scope 1,2,3: Greenhouse gas emissions are classified into three scopes. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Promoting net-zero emissions alignment

The strategy targets decreasing greenhouse gas intensity and emissions reduction targets, engaging with companies to encourage them to align their business models with science based long-term goals of net-zero emissions, set emission reduction targets and disclose their climate change strategies.

Target Status As of 30 September 2025	**Percent of Financed Emissions**	**Percent of Equity***
Targets validated by the Science Based Targets initiative (SBTi) and/or TPI**	68.8%	66.7%
Committed to set targets validated by SBTi	10.9%	2.8%
Targets validated / updated in 2024 or 2025	18.6%	23.5%
Has emissions targets, but not validated or committed to become validated	20.3%	28.8%
No emissions reduction targets	0.1%	1.7%

Source: MSCI, company reports. Financed emissions reflects scope 1 & 2 emissions per million US$ of enterprise value including cash (carbon footprint). Financed emissions are the greenhouse gas (GHG) emissions linked to the investment and lending activities of financial institutions like investment managers, banks and insurers. It's essentially the carbon footprint of a firm's investments or loans.

*Percent of equity includes portfolio holdings excluding liquid assets (cash and equivalents) held for liquidity purposes, as well as derivatives held for hedging purposes.

**The Science Based Targets initiative is a collaboration between the CDP (Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature. It was established in 2015 to help companies to set emission reduction targets in line with climate sciences and Paris Agreement goals. The Transition Pathway Initiative Centre (TPI) based at the London School of Economics and Political Science is an independent, authoritative source of research and data into the progress being made by the financial and corporate world in making the transition to a low-carbon economy. For companies in high emitting sectors, TPI assesses the alignment of emissions targets with the UN Paris Agreement goals.

Case Study: Rayonier Inc.

- Climate change theme: Sustainable Agriculture & Forestry
- Provides sustainable certified forest products and carbon sequestration
- Company owns, maintains, and protects large areas of land that absorb carbon from the atmosphere
- Operational carbon intensity is one of the lowest among peers

Domicile	United States
Sector	Real Estate
Industry	Specialized REITs
Market Capitalization	Mid-cap

The majority of Rayonier's revenues come from timber sales, with revenues also coming from the sale of carbon credits. We see the company as a net positive for the environment – Rayonier's timberlands absorb significantly more carbon than its operations emit, and this also lets it capitalise on these assets with an environmental angle. The company has seen growing demand for its land assets from corporates seeking to offset their carbon emissions, and this is where we identify the upside potential in using the land for solar power farms or real estate development, as well as carbon capture and storage (CCS) leases.

While US policy around renewables is continually evolving, we are constructive on these technologies' role in meeting power demand, particularly with continued growth in AI and data centre driven demand for power. Annually, nearly 300,000 acres of land are converted to solar farms in the US, and around 43,000 acres in Rayonier's US South portfolio are under option for potential solar development, which is attractive to solar developers because of the favouable weather conditions in the Southern states as well as the proximity of Rayonier's assets to transmission infrastructure.

Recent Engagements	Meeting	Topics
March 2025	CEO, CFO	Business Strategy, Forestry and Land Use, Natural Resource Usage
February 2025	IR	Business Strategy, Forestry and Land Use, Natural Resource Usage
December 2024	IR	Business Strategy

Sources: Rayonier Sustainability Report 2024 - Rayonier.com; Solar Powers a Sustainable Energy Future | Rayonier; rayonier_region_south_texas.jpg (2419×1613)

Case Study: Rayonier Inc.

The company can also provide CCS, whereby CO2 is captured from the atmosphere and injected into rocks underground for permanent storage. Rayonier has 154,000 acres of ‘pore space’ to be used for CCS and is in discussions for additional acreage across it US South portfolio. This solution is particularly attractive as it effectively allows Rayonier to run two sustainability solutions on the same plane of land; CCS happens below ground, and the acreage on the surface can continue to be used for growing trees.

Rayonier’s forests generate ‘Carbon Credits’ i.e. tradeable tokens used in voluntary carbon offset markets. As corporates make pledges to meet net zero emissions, the growing demand for carbon offsets to meet these credits will benefit companies like Rayonier.

Climate change is a significant risk for timber asset operators, as the changing conditions associated with it affect the trees’ growth and ability to withstand disease, which has a knock-on effect on the yields and sustainability of the forestry operation. Operationally, the company’s research team has evaluated two scenarios; a high-emissions scenario projecting 3.5C of global temperature increase by 2100, and a low-emissions scenario which sees a global temperature increase below 2C. On the other hand, climate change presents new opportunities for Rayonier to monetise its assets by helping other industries reduce emissions through the ways described above.

Operating in forestry, the Environmental and Social pillars are significant areas of focus, particularly matters regarding biodiversity and emissions, as well as employee safety and wellbeing.

On the environmental front, Rayonier recognises that many animal species use its forests as habitat, and as such treats around a third of its land base as an area managed for conservation rather than for intense timber production. On the land that is managed for timber, the company minimises its adverse impact by documenting the species found on its timberlands and scheduling forest management activities outside of peak migration and breeding seasons to avoid disruption. The company became a signatory of the Climate Pledge in 2023, which commits it to achieving net-zero emissions through its supply chain by 2040, a decade ahead of the Paris Agreement target. Though Rayonier’s operational emissions are significantly lower than the carbon sequestered by its timberland, there are still areas where improvements can be made to reduce its operational carbon footprint, and the company has partnered up with universities to conduct studies on harvest and trucking efficiency in its US operations. In 2024 it also conducted an energy audit, which identified areas to improve efficiency on leased and owned property like HVAC control and insulation upgrades, as well as sites on which solar panels would be developed in late 2025 to offset internal energy use.

In terms of employee welfare, all of the firm’s employees’ complete safety training, no company-wide fatalities have been recorded since 2023, and its total recordable incident rate is consistently below the forestry industry level. looking forward, the company is working with OSHA (Occupational Safety and Health Administration) to achieve certification through the OSHA Voluntary Protection Programs. Since the company relies on contractors for many high-risk functions like harvesting and site preparation, contractors are held to high standards also, and all contractors working with Rayonier are required to have an active safety programme in place before working on company property. Relative to peers, Rayonier also offers significantly higher average remuneration per employee, has a lower employee turnover, and a higher ratio of female employees in the workforce.

Sources: Rayonier Sustainability Report 2024 - Rayonier.com; Solar Powers a Sustainable Energy Future | Rayonier; rayonier_region_south_texas.jpg (2419×1613)

Carbon Intensity: Sector

Holdings as of 30 September 2025

The fund is overweight higher carbon sectors, Utilities and Materials, where the team has uncovered opportunities to invest in climate change solutions. However, within these sectors, the fund is invested in much lower carbon companies relative to the broad market. Within Utilities, the fund focuses on renewable energy and has constraints on fossil fuel-based power. Within Materials, the fund avoids carbon intensive thermal coal mining.

Sector	Templeton Global Climate Change Fund		MSCI ACWI Index	
	Weight (%)	Weighted Average Carbon Intensity tCO2e/$1M Sales	Weight (%)	Weighted Average Carbon Intensity tCO2e/$1M Sales
Utilities	13.2	254.0	2.6	1,607.7
Materials	17.6	236.0	3.6	473.5
Energy	0.0	0.0	3.5	473.5
Real Estate	3.5	1.8	1.9	81.6
Industrials	21.7	101.7	10.7	78.6
Consumer Discretionary	2.0	106.5	10.6	39.0
Consumer Staples	2.8	418.6	5.3	38.7
Information Technology	24.8	76.0	27.2	28.8
Health Care	4.2	17.7	8.5	16.8
Communication Services	5.2	8.9	8.8	15.9
Financials	5.0	0.2	17.3	11.0

Source: MSCI ESG Manager, Carbon PA Report. Carbon Intensity measures the carbon efficiency of a company as total carbon emissions normalized by total sales. At a portfolio level, carbon intensity is the ratio of portfolio carbon emissions normalized by the investor's claims on sales. This method expresses portfolio carbon efficiency and allows investors to know how many emissions per dollar of sales are generated from their investment. It includes Scope 1 and Scope 2 emissions. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

A methodical ESG approach guided by a clear vision

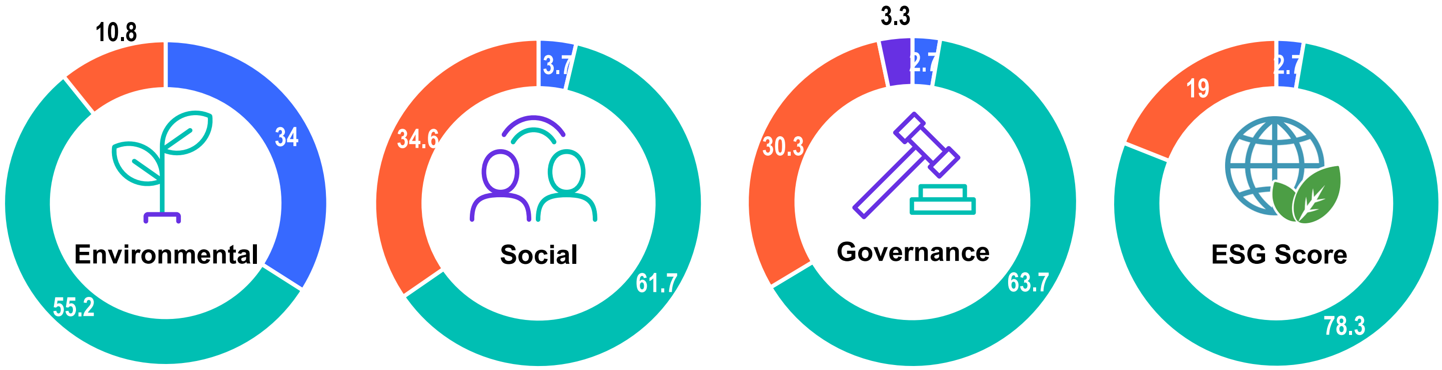
We believe that when companies manage stakeholder relationships effectively, they can be more successful at managing risk and capturing opportunities and can be better positioned for potential long-term success.

When making investments, we only consider companies that we believe are good stewards of their impact on social and environmental development. We have regular dialogue with companies, monitor material ESG issues, and vote proxies in alignment with our custom sustainability policy.

Templeton research analysts assign ESG ratings to all companies under their coverage. The score provides the investment team with an overall indication of the analyst's assessment of company exposure to and management practices of ESG risks and opportunities relative to industry peers, and the potential for ESG factors to influence returns. Our ESG ratings are assigned for Environmental factors, Social factors and Governance factors, which are weighted based on industry relevance to produce an overall ESG rating. They consist of five levels from 1 (best) to 5 (worst). We supplement our proprietary analysis with ESG metrics and ratings from multiple sources to help us challenge or validate our views and monitor emerging issues.

Proprietary ESG Ratings

Templeton Global Climate Change Fund (% of portfolio)
As of 30 September 2025



OVERALL RATING	Environmental	Social	Governance	ESG Score
	1.8	2.3	2.3	2.2

Please refer to the Templeton Stewardship and Sustainability Report for more information on our ESG approach: https://franklintempletonprod.widen.net/content/0v61urf9ld/pdf/tgeg-sustainable-investing-report-en.pdf

For portfolio data on the principal adverse impact indicators, in accordance with the European Union Sustainable Finance Disclosure Regulation (SFDR), please refer to the European ESG Template (EET) published by Franklin Templeton International Services S.à r.l.: https://www.franklintempleton.lu/invest-with-us/regulatory-templates

Hypothetical for illustrative purposes only. Some of the factors that are considered when rating/scoring an issuer are subjective and, consequently, the investment manager's or a third party's scoring may not always accurately assess the sustainability practices of an issuer.
ESG: Environmental, Social, and Governance. These are criteria used to evaluate companies and countries on their sustainability behaviors.

Ratings from ESG data providers

In addition to our own ESG ratings, we provide ratings from MSCI and Sustainalytics as a comparison to a broad market index. The fund is bound to maintain a weighted average ESG rating higher than the average ESG rating of the companies in the investment universe, defined as MSCI ACWI IMI, based on the MSCI ESG Rating, measured numerically by the MSCI ESG score. As of 30 September 2025, the fund's score of 7.54 exceeded the average for MSCI ACWI IMI of 5.54.

We do not target companies with high MSCI ratings, but our aim to invest in companies that are good stewards of their impact on environmental and/or social development and avoidance of companies doing significant harm to environmental or social objectives is expected to result in favorable ratings based on third party ESG data providers' methodologies.

As of 30 September 2025 Rating	Templeton Global Climate Change Fund	MSCI ACWI Index
MSCI ESG Rating	**AA**	A
MSCI Industry-Adjusted Score	**7.54**	6.57
MSCI Environmental Score	**6.46**	6.60
MSCI Social Score	**5.65**	5.14
MSCI Governance Score	**6.24**	5.63
MSCI Controversy Score	**4.79**	3.74

As of 30 September 2025 Rating	Templeton Global Climate Change Fund	MSCI ACWI Index
Sustainalytics ESG Risk Rating	**18.47**	20.91

MSCI ESG Ratings and scores aim to measure a company's management of financially relevant ESG risks and opportunities. MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.

ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). MSCI's Industry Adjusted Scores and E/S/G pillar scores range from 0 to 10. Industry Adjusted Scores correspond to a rating between best (10/AAA) and worst (0/CCC).

MSCI ESG Controversies scores are based on MSCI's assessment of an issuer's significant social, environmental, and governance impacts and compliance with international norms and principles.

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. The ratings range from 0 to 100, with 0 being the lowest risk.

Source: MSCI ESG Manager, Sustainalytics.

Develop insights and promote positive change

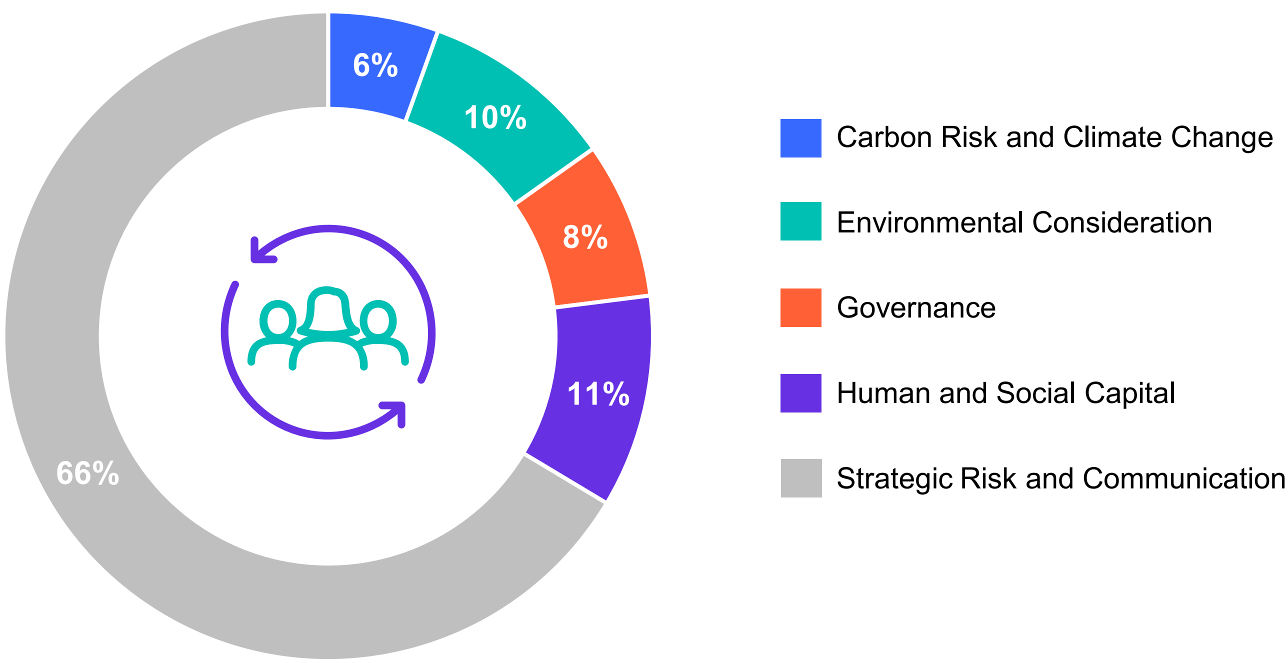
Engagements with company management have two primary objectives:

1. **Develop insights** into material financial, human and natural capital issues that could influence our investment thesis
2. **Promote positive change** that could lead to improved outcomes for shareholders and society

Engagement Summary

1 Year (1 October 2024 – 30 September 2025)

Number of Engagements	**74**
Number of Topics Covered	**217**



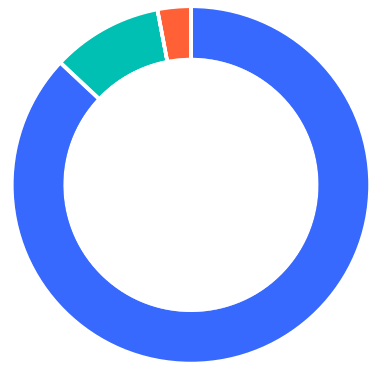
Please refer to the Templeton Stewardship and Sustainability Report for more information on our engagement and voting activities:
https://franklintempletonprod.widen.net/content/0v61urf9ld/pdf/tgeg-sustainable-investing-report-en.pdf

Source: Templeton Equity Database, Engagement Tracker.

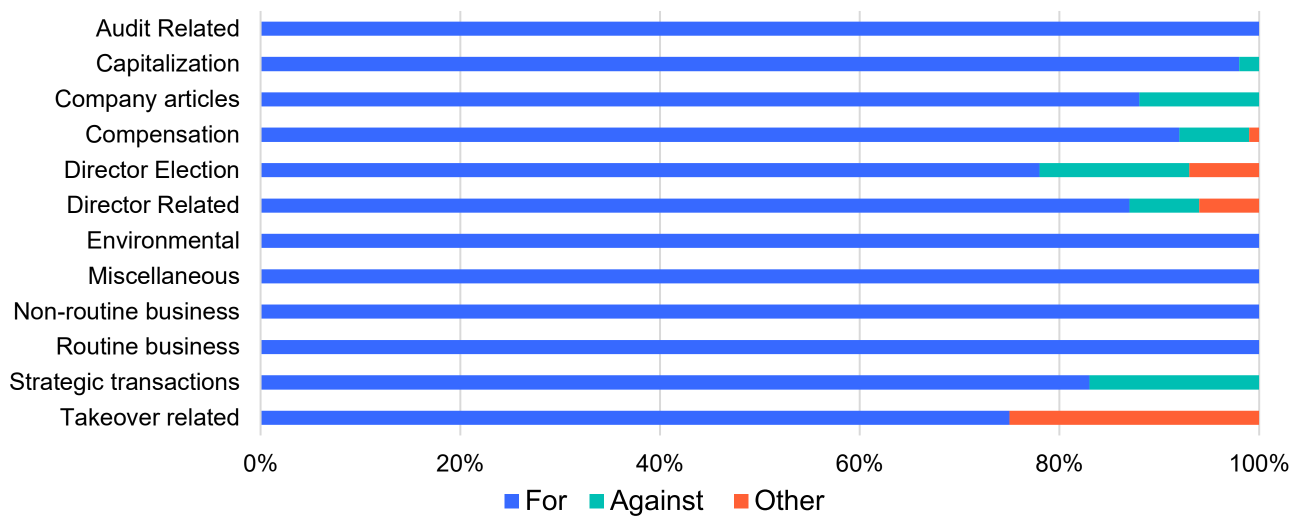
Voting – exercising rights and responsibilities

- Analysts and fund managers vote proxies, taking time to consider company proposals, and, where relevant, engage with management.
- Leverage voting research from Templeton's custom policy reports, Institutional Shareholder Services (both benchmark and sustainability policy), Glass Lewis and Franklin Templeton stewardship specialists.
- Voting decisions ultimately based on our own research, in line with shareholder interests and in accordance with our fiduciary duties.

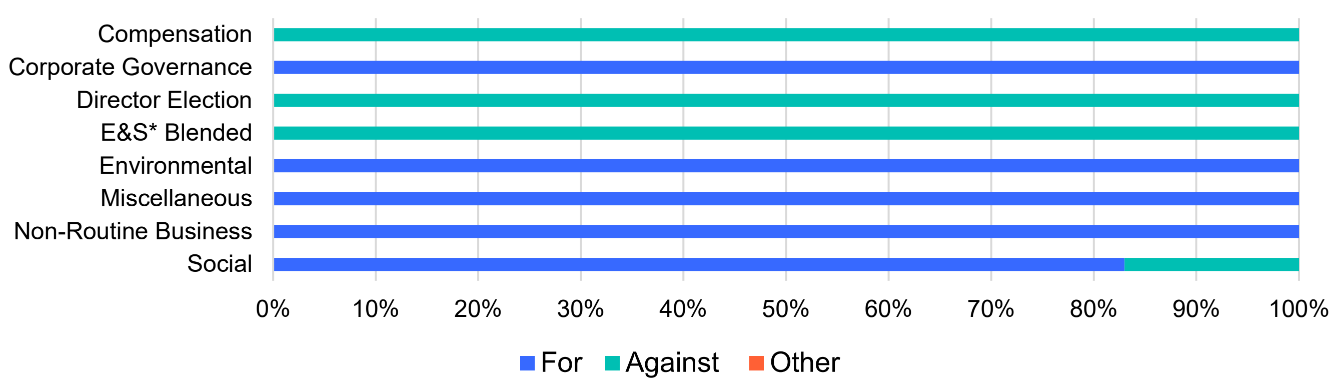
2024 Templeton Global Climate Change Strategy voting actions



Management Proposals – Our Votes Cast Per Category



Shareholder Proposals – Votes Cast Per Category



Source: As of 31 December 2024. Templeton, Institutional Shareholder Services (ISS) Proxy Exchange. Glass, Lewis & Co. is a major American proxy advisory services company.
*E&S = Environmental & Social.

Contributing to the UN Sustainability Development Goals

The United Nation's Sustainable Development Goals (SDG) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

The SDGs provide clear guidelines and targets for countries and governments, although companies and investors can play a vital role to help achieve these goals.

Portfolio Invested

Templeton Global Climate Change Fund (% of equity)
As of 30 September 2025

7 Affordable and Clean Energy	12 Responsible Consumption and Production	15 Life on Land	6 Clean Water and Sanitation	2 Zero Hunger	9 Industry, Innovation and Infrastructure	3 Good Health and Well-Being	13 Climate Action
69.2%	9.9%	4.9%	2.7%	3.2%	4.6%	4.2%	1.3%

Source: Templeton internal assessment of the primary climate related SDG targeted in the selection process. For illustrative purposes only. This is not intended to be a comprehensive list of every possible investment theme or opportunity this portfolio may pursue. Total might not add up to 100% due to rounding.

Periodic assessment for 2024

A description of how the fund has attained its ESG focus during the assessment period:

The sustainable investment objective is considered as attained if:

1. The fund invests in companies that reduce emissions, improve resource efficiency and limit the physical consequences of climate change. Page 2 of this report indicates the fund's exposure to climate change mitigation and adaptation solutions providers and transitioning companies.

2. The fund's portfolio carbon impact is aligned with the Paris Climate Agreement. Pages 4, 5 and 9 of this report provide our estimates of the avoided emissions resulting from climate solutions provided by companies in the fund and the fund's carbon intensity trajectory. The avoided emissions significantly exceed the emissions from providing the solutions, and the portfolio carbon intensity is projected to maintain a downward trajectory.

3. All portfolio companies have been assessed to ensure they do not cause significant harm to any environmental or social investment objective.

   (a) the actual proportion of underlying investments that are commensurate with the fund's ESG focus;

   97.3% of the portfolio's NAV is in sustainable investments, including EU Taxonomy alignment of 15.0% as of 31 December 2024. The fund commits to a minimum 90% of sustainable investments with an environmental objective, and a minimum 5% EU Taxonomy alignment. A maximum of 10% of the portfolio's NAV may be set aside, in liquid assets (ancillary liquid assets, bank deposits, money market instruments and money market funds) held for liquidity purposes that, by their nature, cannot be aligned with the sustainable objective of the fund as well as derivatives held solely for hedging purposes which do not qualify as sustainable investments.

(b) the actual proportion of the investment universe that was eliminated or selected as a result of the fund's ESG-related screening;

As of 31 December 2024, ESG-related negative screening resulted in the removal of 13% of the universe by weight and 12% by number of securities. ESG-related positive screening related to the climate change theme resulted in the removal of an additional 60% of the universe by weight and 77% by number of securities. The strategy uses the MSCI All Country World IMI Index, which has approximately 9000 securities, as a universe proxy.

(c) a comparison of the performance of the fund's ESG factors against the designated reference benchmark (if any);

The fund does not use a reference benchmark to attain its sustainable investment objective.

(d) actions taken by the fund in attaining the fund's ESG focus (e.g. shareholder engagement activities, proxy voting records of the ESG fund with respect to its investee companies, etc.); and

Page 12 of this report includes a summary of the fund's engagement activities. The fund engaged or exercised voting rights for all holdings in sectors with elevated sustainability risks (as defined by the Towards Sustainability Quality Standard), which includes power generation and mineral resource extraction, 16.5% of the fund as of 31 December 2024.

e) a description of the basis of the assessment performed referred to in paragraph (a) above, including any estimations and limitations.

Please refer to the fund's sustainability related disclosures on our website—Section G: Methodologies, Section H: Data sources and processing, and Section I: Limitations to methodologies and data:

https://franklintempletonprod.widen.net/s/p2gn8gm9bn/disclosuresfdr-templetonglobalclimatechangefund-1339-en-gb

Glossary

Carbon emissions represent the amount of carbon compound, such as carbon dioxide (CO_2), released into the atmosphere for the year. Scope 1 emissions: Direct emissions from owned or controlled sources. Scope 2 emissions: Indirect emissions from the generation of purchased energy used by the company. Scope 3 emissions: Indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

The portfolio **carbon footprint** reflects the tonnes of carbon emissions generated per million US$ of enterprise value including cash, allowing investors to measure their exposure to emissions for each dollar of equity or debt capital invested.

Carbon Emissions Per $Million Enterprise Value including Cash (EVIC)

$$\left(\frac{\sum_n^i \frac{\$\ investment_i}{Issuer's\ EVIC_i} * Issuer's\ emissions_i}{Portfolio\ mkt\ value_i} \right) * 1{,}000{,}000$$

Weighted average carbon intensity measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' carbon intensity (emissions/sales). Although efficiency at the company level is best measured using industry-specific measures of output (e.g. emissions per MWh of power generated), sales are use as a common output across industries.

Weighted Average Carbon Intensity (tons CO2e / $M sales)

$$\sum_n^i Portfolio\ Weight_i \ * \ \frac{Issuer's\ emissions_i}{Issuer's\ sales_i}$$

Avoided emissions are carbon emissions that would have been released if a particular action or intervention had not taken place, often referred to as Scope 4. Emissions can be avoided through the use of a more efficient product or service, though this is conditional to consumer or market behavior. Data is collected from companies or estimated where we have sufficient data. Similar to Scope 3, we do not attempt to adjust for potential double-counting, for example, when a company producing a wind turbine counts avoided emissions from its use, while the electric utility generating wind power also claims these avoided emissions. However, we also understate avoided emissions for several companies because they do not report any estimates and we have insufficient data to produce our own estimates.

Similar to carbon emissions, the **avoided carbon footprint** measures avoided emissions per US$ million enterprise value including cash (EVIC) in the strategy, allowing investors to measure their exposure to avoided emissions for each dollar of equity or debt capital invested.

Avoided Carbon Emissions Per $Million Enterprise Value including Cash (EVIC)

$$\left(\frac{\sum_n^i \frac{\$\ investment_i}{Issuer's\ EVIC_i} * Issuer's\ avoided\ emissions_i}{Portfolio\ mkt\ value_i} \right) * 1{,}000{,}000$$

Weighted average avoided emissions intensity measures avoided emissions per $US million in sales generated by portfolio companies for the year.

Weighted Average Avoided Carbon Intensity (tons CO2e / $M sales)

$$\sum_n^i Portfolio\ Weight_i \ * \ \frac{Issuer's\ emissions_i}{Issuer's\ sales_i}$$

Renewable energy footprint measure Energy from a source that are naturally replenished. Renewable resources include sunlight, wind, the movement of water, geothermal heat, and waste-to-energy. MWh: Megawatt Hours. Equal to 1,000 kilowatts of electricity used continuously for one hour.

Renewable Energy Per $Million Enterprise Value including Cash (EVIC)

$$\left(\frac{\sum_n^i \frac{\$\ investment_i}{Issuer's\ EVIC_i} * Generation\ (MWh)_i}{Portfolio\ mkt\ value_i} \right) * 1{,}000{,}000$$

FUND FACTS

Investment Objective: To seek long-term investment growth, mainly through growth of capital, while contributing to climate change mitigation and adaptation. The Fund aims to contribute to the Paris Climate Agreement's long-term global warming target of 1.5 degrees primarily through investments in solutions to reduce greenhouse gas (GHG) emissions, and secondarily through investments in companies aligning their business with this low carbon scenario. **Investment Policy:** The Fund mainly invests in equities of companies that provide solutions for the mitigation and/or adaptation of climate change risk and companies which are in the process of making their business models more resilient to long-term risks presented by climate change and resource depletion. To a lesser extent, the Fund may invest in convertible securities or debt securities. **Benchmark(s):** MSCI All Country World Index-NR and MSCI ACWI Investable Market Index-NR. Used for performance comparison only. The Fund is actively managed and may deviate materially from that of the benchmark(s). **Product availability:** The Fund is available to all investors with at least basic investment knowledge, through all distribution channels, with or without the need for advice. **Investor profile:** Investors who understand the risks of the Fund and plan to invest for at least 5 years. The Fund may appeal to investors who: 1. Are looking for a growth-oriented investment that pursues a sustainable investment objective; 2. Are interested in a thematic exposure to equity markets as part of a diversified portfolio and 3. Have a high-risk profile and can tolerate significant short-term changes in the share price.

What Are the Key Risks?

Fund invests mainly in equity securities of companies across all sectors worldwide that are good stewards of their impact on social and environmental development. Such securities have historically been subject to significant price movements that may occur suddenly due to market or company-specific factors. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods. **Derivative Instruments 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. **Emerging markets risk:** the risk related to investing in countries that have less developed political, economic, legal and regulatory systems, and that may be impacted by political/economic instability, lack of liquidity or transparency, or safekeeping issues. **Foreign Currency risk:** the risk of loss arising from exchange-rate fluctuations or due to exchange control regulations. **Sustainability risk:** The fund's integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the fund and may also cause the fund to sell investments that will continue to perform well. A sustainability risk could materialise due to an environmental, social or governance event or condition which may impact the fund's investments and negatively affect the returns of the fund. 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.

IMPORTANT DISCLOSURES

The accuracy of carbon intensity estimates, avoided emissions and other environmental estimates depends on the quality of the data. If the data is incomplete, outdated, or inaccurate, the estimates may be unreliable. Estimates in this report use certain assumptions and methodology which may yield different results from other third parties or investment managers. Environmental impact estimates may also be subject to variability and uncertainty due to factors such as changes in production processes, weather patterns, or other factors that affect emissions.

This fund meets the requirements under Article 9 of the EU Sustainable Finance Disclosure Regulation (SFDR); the fund has an objective to make sustainable investments as defined in SFDR. Further information in relation to the sustainability-related aspects of the Fund can be found at www.franklintempleton.lu/SFDR. Please review all of the fund's objectives and characteristics before investing..

Effective 5 March 2018, Templeton Global (Euro) Fund was renamed Templeton Global Climate Change Fund and modified its investment strategy to focus primarily on global companies which recognise and adapt to the long-term financial risks and opportunities presented by climate change and resource depletion.

This material is intended to be of general interest only and should not be construed as investment advice. It does not constitute legal or tax advice and it is not an offer for shares or an invitation to apply for shares of the Luxembourg-domiciled SICAV Franklin Templeton Investment Funds (the "Fund" or "FTIF"). For the avoidance of doubt, if you make a decision to invest, you will be buying shares in the fund and will not be investing directly in the underlying assets of the fund.

Franklin Templeton ("FT") provides no guarantee or assurance that the Fund's investment objective will be attained. 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. Past performance does not predict future returns. Currency fluctuations may cause the value of a Fund's investments to diminish or increase.

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Subscriptions to shares of the Fund should only be made on the basis of the Fund's current Prospectus, and, where available, the relevant KID/KIID, accompanied by the latest available audited annual report and the latest semi-annual report if published thereafter. These documents can be found on our website at www.franklinresources.com/all-sites, obtained, free of charge, from your local FT representative or can be requested via FT's European Facilities Service which is available at www.eifs.lu/franklintempleton. The Fund's documents are available in English, Arabic, French, German, Italian, Polish and Spanish.

In addition, a Summary of Investor Rights is available from www.franklintempleton.lu/summary-of-investor-rights. The summary is available in English.

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