

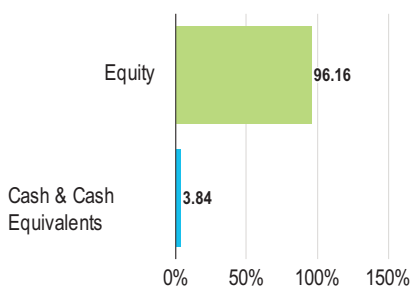
Product Profile

Product Details¹

Fund Assets	\$3,790,077,392.58
Fund Inception Date	10/05/1982
Number of Issuers	71
NASDAQ Symbol	TFFAX
Maximum Sales Charge	0.00
Investment Style	Value
Benchmark	MSCI All Country World ex US Index-NR
Lipper Classification	International Multi-Cap Value
Morningstar Category™	Foreign Large Value
Dividend Frequency	Annually in December

Asset Allocation²

Percent of Total



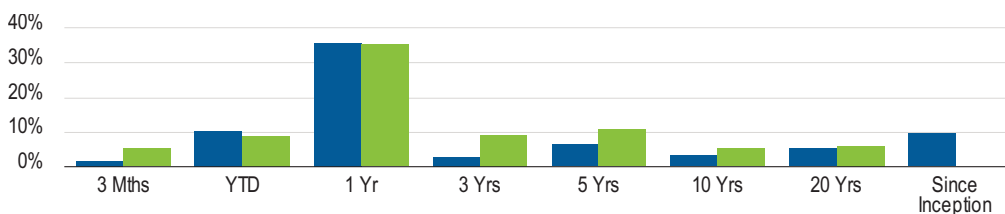
Fund Description

The fund seeks long-term capital growth by investing at least 80% of its net assets in foreign securities, that are predominantly equity securities of companies located outside of the U.S., including developing markets.

Performance Data^{3,4,5}

Average Annual Total Returns⁶ (%)

	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	20 Yrs	Since Inception (10/05/1982)
Advisor Class	2.10	10.84	35.92	3.25	6.84	3.65	5.49	9.73
MSCI All Country World ex US Index-NR	5.48	9.16	35.72	9.38	11.08	5.45	6.46	-



● Advisor Class
● MSCI All Country World ex US Index-NR

Total Annual Operating Expenses—With Waiver:0.85% Without Waiver: 0.94%

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment return and principal value will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

Advisor Class shares are offered only to certain eligible investors as stated in the prospectus. They are offered without sales charges or Rule 12b-1 fees. The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.

The fund has an expense reduction contractually guaranteed through 12/31/2021. Fund investment results reflect the expense reduction; without this reduction, the results would have been lower.

Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Advisor Class	-0.35	12.96	-15.00	17.57	11.99	-6.93	-10.55	27.32	18.89	-12.57
MSCI All Country World ex US Index-NR	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87	15.29	16.83	-13.71

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. Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

4. Net Returns (NR) include income net of tax withholding when dividends are paid.

5. MSCI All Country World ex-US Index-NR reflects the performance of MSCI All Country World ex-US Index (gross returns) from fund inception through 12/31/1998 and the MSCI All Country World ex-US Index-NR thereafter.

6. Periods shorter than one year are shown as cumulative total returns.

Portfolio Manager Insight*

Performance Review

QUARTERLY KEY PERFORMANCE DRIVERS

	Stocks	Sectors	Countries
HELPED	Hitachi, Ltd.	Utilities (Stock Selection)	United States
	ManpowerGroup Inc.	Industrials (Stock Selection)	China (Underweight)
	Isuzu Motors Limited	—	South Africa (Lack of Exposure)
HURT	Komatsu Ltd.	Financials (Stock Selection)	United Kingdom (Stock Selection)
	Takeda Pharmaceutical Co. Ltd.	Information Technology (Stock Selection)	Japan (Overweight)
	TAISEI CORP	Health Care (Stock Selection)	Netherlands (Stock Selection)

- Japanese construction machinery firm Komatsu detracted from relative results. While recent operating results have been positive, concerns about a slowdown in China and weakness in Indonesia, as well as higher costs and lower growth in the company's aftermarket segment, all weighed on the stock. Such issues are well-known and, in our view, already discounted in Komatsu's undemanding valuation. We remain optimistic about the profitability and earnings potential from the firm's mining equipment division, which should far outweigh weakness in Chinese construction, a lower margin business that accounts for only 8% of company revenues. We continue to see numerous potential catalysts for the stock, including accelerating industrial production, healthy residential construction fundamentals, fiscal stimulus and infrastructure, equipment replacement requirements and increasing mining intensity.
- Takeda Pharmaceutical is a large diverse global pharmaceutical company headquartered in Japan. Its shares traded lower in the quarter; however, the company has continued to execute on its strategy, including generating synergies from the acquisition of Shire, deleveraging the balance sheet and developing its pipeline of new drugs.
- Isuzu is a Japanese commercial vehicle manufacturer with a strong presence in Japan and a diverse range of emerging markets. The shares performed well during the quarter following a solid earnings announcement and the release of positive guidance for next year, which indicated that the company expects a strong recovery in commercial vehicle sales. Isuzu plans to substantially increase shareholder returns with the dividend expected to nearly double next year. Management also explained their strategy to transition to a clean energy future by leveraging their technological partnerships with Toyota, Volvo and Honda.

Outlook & Strategy

- We believe the best opportunities going forward will not fall as neatly into the traditional factor labels (i.e., growth, value, quality) that have dominated the narrative this past cycle. Our "compound value" approach combines price discipline with forward-looking fundamental analysis to find opportunities across a range of different types of value. We think the goldilocks environment of good economic growth with moderately elevated inflation and rising interest rates is an unlikely scenario. And in any other scenario value indices are not likely to perform well over the coming years. That is because the "cheapest" half of the market today as defined by value indices comprises many low-quality companies that have taken on excessive debt. Currently, credit markets appear to be acting under the belief they are underwritten by governments.
- We believe the key to investing today is to avoid the "double bubble" of over-indebted "value" and hugely over-priced "growth." In our lifetimes we have not seen a situation like today in which both the value and growth indices appear to be in a bubble. Against this backdrop we have built a framework for thinking about stocks and building portfolios that leverages the benefits of Templeton's proven valuation discipline while also considering other factors that can influence share prices. This is how we build dynamic portfolios with genuine diversification across different types of value.
- As we look forward to the next decade of investing, we envisage a world in which traditional growth, quality and value investing all struggle for traction. It is going to be harder to manufacture growth without the availability of cheap capital, quality investing is going to be more susceptible to multiple erosion, and value investing through the rear-view mirror while ignoring credit risk will become increasingly dangerous.
- We are entering a period in which benefitting from "smart beta" (a type of enhanced index investing) is going to get much harder as serial correlation erodes. We believe our value framework allows us to put price into context with the other drivers of returns and allows us to leverage the diversification available by investing across the whole market. This is the approach that we believe can offer the best risk/reward balance over time as factor persistence wanes and investment opportunities become increasingly idiosyncratic and fundamentally driven.

*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.

Portfolio Characteristics^{7,8,9}

	Portfolio	MSCI All Country World ex US Index-NR
Price to Earnings (12-Month Trailing)	13.64x	18.21x
Price to Book	1.21x	1.98x
Price to Cash Flow	6.23x	10.38x
Market Capitalization (Millions in USD)	101,899	75,752

Portfolio Diversification**Top Ten Holdings**¹⁰

Percent of Total

Top Holdings	Sector	Country	%
SAMSUNG ELECTRONICS CO LTD	Technology Hardware & Equipment	South Korea	3.64
HITACHI LTD	Capital Goods	Japan	3.40
ALIBABA GROUP HOLDING LTD	Retailing	China	3.05
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Semiconductors & Semiconductor Equipment	Taiwan	2.53
BAYER AG	Pharmaceuticals, Biotechnology & Life Sciences	Germany	2.43
TAKEDA PHARMACEUTICAL CO LTD	Pharmaceuticals, Biotechnology & Life Sciences	Japan	2.38
CK HUTCHISON HOLDINGS LTD	Capital Goods	Hong Kong	2.26
BP PLC	Energy	United Kingdom	2.18
KB FINANCIAL GROUP INC	Banks	South Korea	2.14
CK ASSET HOLDINGS LTD	Real Estate	Hong Kong	2.01

7. 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 capitalization 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.

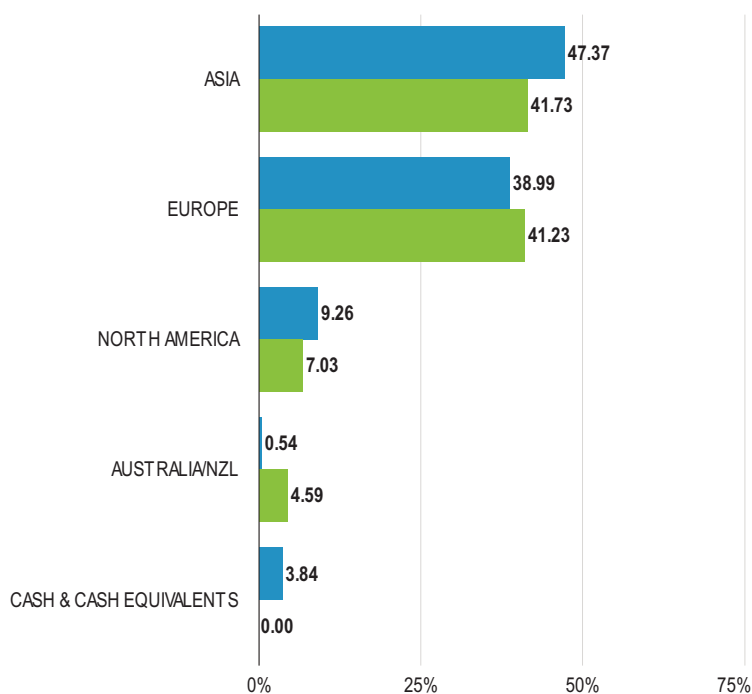
8. Source: FactSet. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted.

9. Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

10. 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 portfolio manager reserves the right to withhold release of information with respect to holdings that would otherwise be included.

Geographic Weightings vs. MSCI All Country World ex US Index-NR^{11,12}

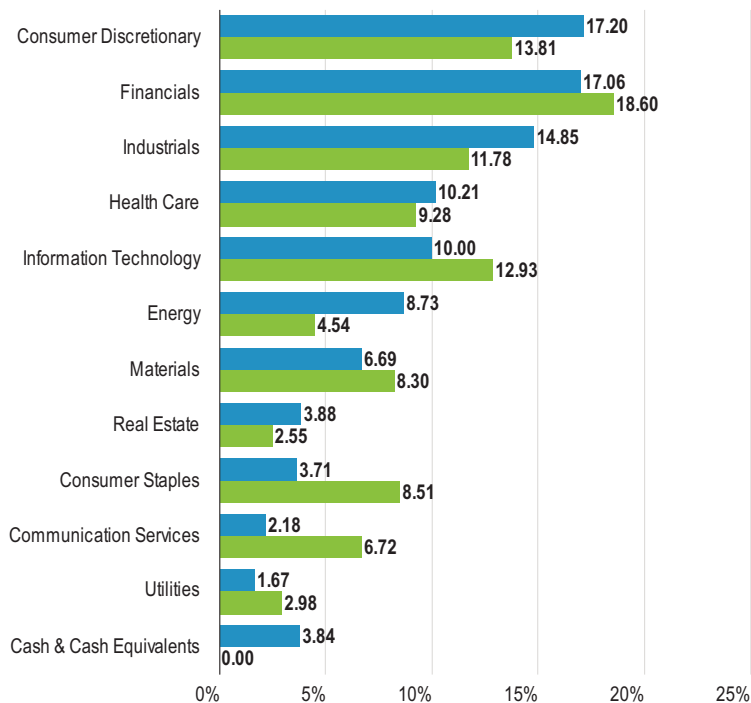
Percent of Total



● Templeton Foreign Fund
● MSCI All Country World ex US Index-NR

Sector Weightings vs. MSCI All Country World ex US Index-NR^{13,14}

Percent of Total



● Templeton Foreign Fund
● MSCI All Country World ex US Index-NR

Performance Statistics

Risk Statistics^{15,16}

	3 Yrs	5 Yrs	10 Yrs
Standard Deviation (%)	19.46	15.99	16.70
Tracking Error (%)	5.08	4.74	5.04
Information Ratio	-1.21	-0.89	-0.36
Beta	1.09	1.06	1.06
Sharpe Ratio	0.11	0.36	0.18

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

Investment Philosophy

Templeton utilizes a disciplined, consistent approach based on three timeless principles of investing:

Value	Patience	Bottom-up stock picking
Our flexible approach is applied within a disciplined framework and seeks to identify companies trading at large discounts to their business value.	Our long-term focus gives us a framework to take advantage of price volatility to reveal potential long-term investment opportunities. Patience allows for potential long-term value recognition.	Our portfolio management process seeks to buy pessimism and sell optimism. We build portfolios spanning regions and sectors made up of securities identified through this process.

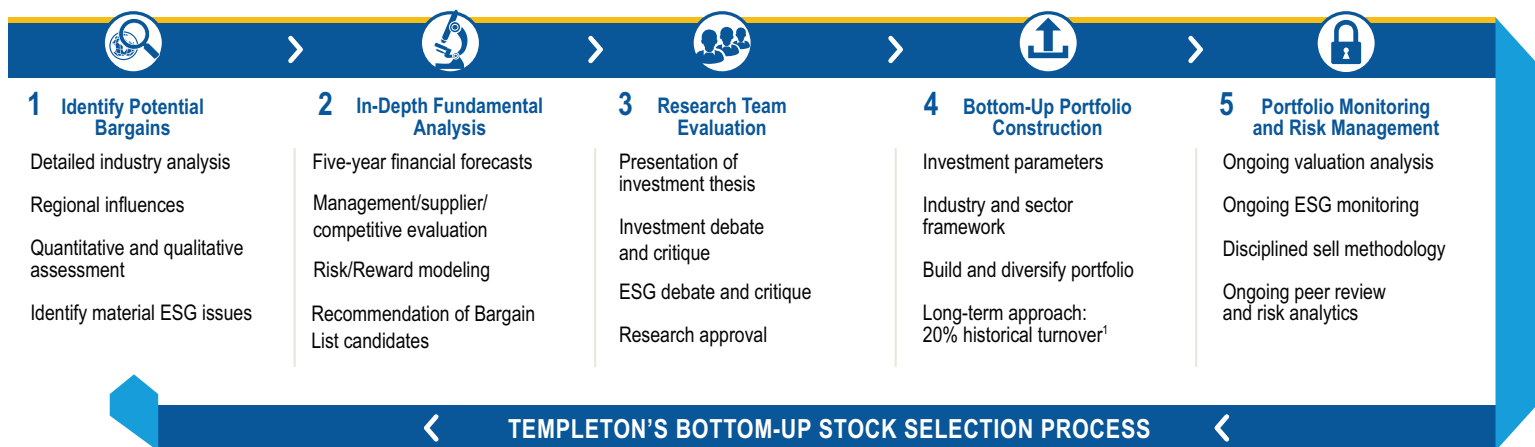
11,13. Percentage may not equal 100% due to rounding. All holdings are subject to change.

12,14. Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

15. Beta, Information Ratio and Tracking Error information are measured against the MSCI All Country World ex US Index-NR.

16. 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).

Investment Process**



**Historical turnover is based on Templeton Global Equity Group’s overall experience, over a five-year period as of most recent quarter end. The turnover is a byproduct of Templeton’s long-term approach to managing portfolios, but various factors, such as a portfolio’s specific investment guidelines and market or economic conditions may cause actual portfolio turnover to vary.

Investment Team

Portfolio Manager	Years with Firm	Years Experience
Christopher James Peel, CFA	13	13
Herbert J Arnett Jr.	25	27
Peter Moeschter, CFA	23	28
Warren Pustam, CFA	8	15

Beta: A measure of the magnitude of a portfolio’s past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.

Information Ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager’s performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark.

Market Capitalization: A determination of a company’s value, calculated by multiplying the total number of company stock shares outstanding by the price per share. Market capitalization is expressed in millions of USD.

Price to Book Value: The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds.

Price to Cash Flow: Supplements price/earnings ratio as a measure of relative value for a stock. For a portfolio, the value represents a weighted average of the stocks it holds.

Price to Earnings (12-mon Trailing): The share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

Sharpe Ratio: To calculate a Sharpe ratio, an asset’s excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset’s standard deviation.

Standard Deviation: A measure of the degree to which returns vary from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that performance will fluctuate from the average return.

Tracking Error: Measure of the deviation of the return of a product compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment is managed, the smaller the tracking error.

What Are The Risks?

All investments involve risks, including possible loss of principal. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments; investments in developing markets involve heightened risks related to the same factors. Currency rates may fluctuate significantly over short periods of time, and can reduce returns. Because the Fund may invest its assets in companies in a specific region, including Europe, it is subject to greater risks of adverse developments in that region and/or the surrounding regions than a fund that is more broadly diversified geographically. Current political uncertainty concerning the economic consequences of the departure of the United Kingdom from the European Union may increase market volatility. Derivatives, including currency management strategies, involve costs and can create economic leverage in the portfolio which may result in significant volatility and cause the fund to participate in losses (as well as enable gains) on an amount that exceeds the fund's initial investment. The fund may not achieve the anticipated benefits, and may realize losses when a counterparty fails to perform as promised. The fund's risk considerations are discussed in the prospectus.

Important Legal Information

Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial professional, call us at (800) DIAL BEN/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

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

a. Effective 01/02/1997, the fund began offering Advisor Class Shares. For periods prior to the fund's Advisor Class inception date, a restated figure is used based on the fund's oldest share class, Class A performance, excluding the effect of Class A's maximum initial sales charge but reflecting the effect of the Class A Rule 12b-1 fees; and b) for periods after the fund's Advisor Class inception date, actual Advisor Class performance is used, reflecting all charges and fees applicable to that class.



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