

**MODERN SLAVERY ACT 2015 STATEMENT**  
**FINANCIAL YEAR ENDING 30 SEPTEMBER 2022**

This statement is made by Franklin Templeton Global Investors Limited (“**FTGIL**”) on behalf of itself and relevant Franklin Templeton group UK subsidiaries that are subject to the requirements of section 54 of the UK Modern Slavery Act 2015 (the “**Act**”) in respect of the financial year ended 30 September 2022.

These subsidiaries are:

- a) Franklin Templeton Investment Management Limited (“**FTIML**”); and
- b) Franklin Templeton Fund Management Limited (“**FTFML**”),

(the “**UK Companies**”).

Our ultimate parent company is Franklin Resources, Inc., which is headquartered in San Mateo, California USA, and we form part of its group of companies. In this statement, references to “**Franklin Templeton**” mean Franklin Resources, Inc. and its subsidiaries, and references to “**we**”, “**our**” or “**us**” mean the entities making this statement.

This statement sets out the steps taken to mitigate the risk of modern slavery and human trafficking taking place within any part of our business and our supply chains.

**Our business**

FTGIL is a private limited company which provides support and administration services to the Franklin Templeton group. Franklin Templeton is a global investment management organisation serving clients in over 165 countries. It is one of the largest asset managers in the world, with around \$1.3 trillion in assets under management as at the financial year end on 30 September 2022, and offices in more than 30 countries.

Services provided by FTGIL to Franklin Templeton include legal, compliance, human resources, accounting, fund administration and IT support. FTGIL has a number of subsidiaries, including the UK Companies.

FTIML is a private limited company which provides investment management and advisory services to investors globally through investment products which include various Franklin Templeton sponsored funds and, on a managed account basis, to a range of institutional clients globally.

FTFML is a private limited company that acts as the authorised corporate director of and manages UK UCITS funds and managed accounts.

We acknowledge our responsibilities in respect of the Act and the prevention of modern slavery and human trafficking. In addition, we take steps to seek to ensure transparency within our organisation and with our suppliers of goods and services in relation to the prevention of modern slavery and human trafficking.

## **Supply Chains**

We contract with a number of direct and indirect suppliers of goods and services, including suppliers of IT, office equipment and cleaning services, as well as professional services from lawyers, accountants and other advisers and consultants. We also contract for services required to support staff in our various offices and have agreements in place with third-party payroll providers, pension fund managers, providers of private healthcare, employee benefits and other associated services required to support our employees. In addition, FTIML contracts with a number of financial services firms in relation to the distribution of Franklin Templeton products and the provision of its services. FTFML similarly contracts with a number of financial services firms in relation to the investment management, administrative and depositary and custody services provided to the UK UCITS funds and managed accounts that it manages.

Due to the nature of the goods and services supplied, the majority of suppliers in our supply chain are not located in countries or sectors that are considered to be at high risk of exposure to human trafficking or slavery.

## **Policies in Relation to Modern Slavery and Human Trafficking**

We are committed to ensuring that none of our members of staff and none of the vendors they contract with, have any involvement in human trafficking and modern slavery. This commitment reflects our core values to put clients first, build relationships, achieve quality results and work with integrity. This approach is supported by our Anti-Bribery Policy which outlines the principles that Franklin Templeton follows to achieve zero-tolerance against bribery and corruption, as well as our Code of Ethics and Business Conduct which requires our staff to uphold the highest level of ethical conduct in their day-to-day business. Additionally, our employee policies further reflect our commitment to acting ethically and with integrity in all our business relationships.

We also have whistleblowing procedures in place to encourage the reporting of unethical or illegal conduct to internal teams, as well as a confidential Compliance and Ethics Hotline run by external specialists and these procedures offer the protection of whistle-blowers.

## **Due Diligence**

### Employees

Recruitment at Franklin Templeton is conducted through an online application system either directly by the candidate or via a third-party supplier such as a Franklin Templeton contracted recruitment company. Applications for all roles (permanent, temporary and contract) are reviewed and appropriately experienced candidates are invited for interview. Reference and background checks are carried out on all prospective employees, using a third-party specialist company, and proof of the right to work in the UK is mandatory before an offer will be made.

Franklin Templeton base salary levels and benefit provision are set with reference to appropriate market benchmarking data (third-party industry surveys), which are regularly reviewed. We also take into account any mandated minimum pay levels, fair pay and any other relevant legislation when setting base salary levels and benefit provisions. All salary payments are made directly to each employee's personal bank account.

### Vendors

All direct vendors that we use, many of which are financial and professional services organisations that are themselves subject to strict regulation, are considered to be at a low

risk of exposure to human trafficking and modern slavery. We endeavour to include appropriate terms in our contracts to ensure vendor compliance with the Act. All key staff involved in recruitment and vendor sourcing are made aware of our policy.

### **Supplier adherence to our values and our assessment of risk**

We have a zero-tolerance approach to modern slavery and human trafficking. Those in our supply chain and our contractors are required to comply with these values. Given the nature of the services that we offer, we consider that the risk of modern slavery or human trafficking in our business and its supply chain is low.

### **Training**

To seek to ensure all our staff uphold the highest level of ethical conduct in their day-to-day business, we offer mandatory training in Anti-Money Laundering and Anti-Corruption to employees when they join the organisation.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 30 September 2022. The board of directors of the UK Companies, as well as the board of directors of FTGIL, have reviewed and approved this statement in March 2023. The boards of the UK Companies have authorised FTGIL to sign and issue this statement on their behalf and, accordingly, William Jackson has signed this statement for and on behalf of FTGIL, for itself and for the UK Companies.

Date of approval: 21 March 2023

Signed by William Jackson, Director of Franklin Templeton Global Investors Limited