

Press Release

Franklin Templeton Launches New Metaverse ETF, Tracking Solactive Global Metaverse Innovation Index

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FRANKFURT AM MAIN – The metaverse is a virtual shared space created by the convergence of virtually enhanced physical reality and physically persistent virtual space, including the sum of all virtual worlds, augmented reality, and the Internet. It is likely to enable unprecedented levels of communication between people and access to information, dataspaces, and material instantiations. Many big techs start to see this revolutionary concept as their next direction of development. Meta's (formerly known as Facebook) new 'Metaverse' depicts the latest development in that segment, and, through the inclusion of virtual reality content in real life, so-called augmented reality, both the digital and non-digital world increasingly coalesce. Whereas still in its infancy, the metaverse has enormous potential. Envisaging this opportunity, Franklin Templeton* today announced the launch of the Franklin Metaverse UCITS ETF, tracking Solactive Global Metaverse Innovation Index.

The **Solactive Global Metaverse Innovation Index** is a representation of companies that have or are expected to have significant exposure to the provision of products and/or services that contribute to the metaverse industry including blockchain applications. Eligible constituents belong to the following segments: Metaverse Technology, Platforms, and Devices, Interchange Standards, Data processing, Blockchain Technology, and Digital Asset Platforms.

The companies are selected by Solactive's proprietary **Natural Language Processing Engine ARTIS®**. ARTIS® utilizes advanced algorithms to parse large volumes of public documents evaluating companies' relevance to several themes or topics. The procedure ranks potential index constituents according to proprietary criteria, considering not only a company's exposure to a theme but also the company's importance to it. Companies that are deemed to not align with UN Global Compact Principles are excluded from the index.

This new ETF will list on Deutsche Börse Xetra (XETRA) on September 7, and Borsa Italiana as well as London Stock Exchange (LSE) on September 9. The ETF will be registered in the UK, Austria, Denmark, Finland, France, Germany, Ireland, Italy, Spain, and Sweden.

Timo Pfeiffer, Chief Markets Officer at Solactive, says: "When we reflect on the changes that we have been witnessing in our daily lives, we are sure that the future lies right in front of us. We are starting to see unimaginable worlds in virtual spaces, which create different forms of communication, new ways of interacting with each other, and new manners of doing business. This all happens thanks to the enhancement

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of progressive technology and rising computation power. This scenario is paving the way for the metaverse, which is one of the most latent trends at the moment and, likely, in the years to come. We are pleased that Franklin Templeton has chosen us to launch such a forward-thinking product, that shows our spirit of innovation to deliver the latest trends in investing."

Dina Ting, Head of Global Index Portfolio Management at Franklin Templeton, comments: *"Society has already experienced three foundational changes in the way that technology operates and how it's been delivered since the early 1970s. This exciting fourth wave is now emerging, enabled by blockchain technology. Many big tech companies have already pivoted towards the metaverse for their next major area of development in the same way that many did at the inception of the internet. There appear to be tremendous real-world business opportunities for investment in this space considering that by 2030¹ the e-commerce market could grow between \$2.0–\$2.6 trillion. Blockchain technology development is propelling metaverse expansion possibilities in compelling and far-reaching ways. We believe that investment in the metaverse and its rising sophistication bode well for the next iteration of the internet, which could profoundly impact societies and global economic growth."*

Rafaelle Lennox, Senior ETF Product Specialist at Franklin Templeton adds: *"We are delighted to have partnered with Solactive to create this new age ETF utilizing their cutting-edge Big Data technology. Headquartered in the heart of innovation, Silicon Valley, our firm is a leader in thematic and technology investing. This cost-efficient thematic ETF provides European investors with access to companies revolutionizing how we interact digitally in new virtual worlds via this emerging, fast-growing investment opportunity."*

For more information, please visit:

<http://www.solactive.com>

¹ Bloomberg Intelligence and McKinsey & Company, June 2022

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Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients. The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 20,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices. As at January 2022, Solactive served approximately 500 clients across the world, with approximately US\$250 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

*About Franklin Templeton

Franklin Resources, Inc. [NYSE:BEN] is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 155 countries. Franklin Templeton's mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company offers boutique specialization on a global scale, bringing extensive capabilities in equity, fixed income, multi-asset solutions and alternatives. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has 75 years of investment experience and approximately \$1.4 trillion in assets under management as of 31 July, 2022. For more information, please visit www.franklintempleton.co.uk and follow us on [LinkedIn](#), [Twitter](#) and [Facebook](#).

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