

Press Release

Franklin Templeton Canada Repositions Two of its ETFs to Track Solactive GBS indices – Emerging and Developed Markets

4 January 2023

FRANKFURT AM MAIN – When looking to weather the volatile environment in financial markets, one of the main strategies used by investors is portfolio diversification. One possibility is investing in different countries to balance the outcome of difficult economic situations that may come, as a decline in one country's economic conditions can be compensated by upward trends in another region. On the one hand, developed markets generally offer less risk of political or economic instability as well as more accounting reliability. On the other hand, having assets invested in emerging markets can mean that, despite the greater risks, one may benefit from a high and fast growth potential. Solactive is pleased to announce that Franklin Templeton Canada has repositioned two of its existing ETFs, and will now be tracking Solactive GBS indices, each one focusing on one of these groups of countries. Available to Canadian investors, the Franklin Emerging Markets Equity Index ETF (FLEM) will now seek to replicate the performance of the Solactive GBS Emerging Markets Large & Mid Cap CAD Index-NR, while the Franklin International Equity Index ETF (FLUR) will now seek to replicate the performance of the Solactive GBS Developed Markets ex North America Large & Mid Cap CAD Index-NR.

Both the Solactive GBS Emerging Markets Large & Mid Cap CAD Index-NR and the Solactive GBS Developed Markets ex North America Large & Mid Cap CAD Index-NR are part of the Solactive Global Benchmark Series, which aim to track various segments of the global stock market and are selected and weighted according to Free Float Market Capitalization. They intend to track the performance of the large and mid-cap segment covering approximately the largest 85% of the free-float market capitalization, the first one being in Emerging Markets and the latter, in Developed Markets excluding North America.

Timo Pfeiffer, Chief Markets Officer at Solactive, commented: "Both developed markets and emerging markets have their rightful place in investor's portfolios and the repositioning of these ETFs to track Solactive GBS indices offers access to them, aimed at diversifying portfolio allocation. We are very glad about the continued engagement with Franklin Templeton, expanding this opportunity to Canadian investors and are looking forward to jointly enabling investors to engage with quality benchmark offerings."

Bobby Eng. Senior Vice President, Head of Platform & Institutional ETF Distribution at Franklin Templeton Canada said: "Franklin Templeton is pleased to expand its suite of low-cost country and regional passive ETFs by repositioning two of our existing ETFs, FLUR and FLEM. These two ETFs can complement a Canadian

Solactive AG
German Index Engineering

Platz der Einheit 1 60327 Frankfurt am Main Germany Steffen Scheuble CEO

+49 (69) 719 160-20 steffen.scheuble@solactive.com Lindsay Wang
Director Americas Sales

+1 (647) 608-8446 Lindsay.wang@solactive.com Maria Seifert
PR & Communications
+49 (69) 719 160-311
maria.seifert@solactive.com

ww.solactive.com in 💆 f 🤾



portfolio by providing exposure to developed and emerging markets through the Solactive GBS Developed Markets ex North America Large & Mid Cap CAD Index-NR and the Solactive GBS Emerging Markets Large & Mid Cap CAD Index-NR, respectively. In an increasingly competitive and cost-conscious market, these solutions are cost-effective ETFs at a management fee of 9bps and 15bps, respectively."

For more information, please visit:

http://www.solactive.com

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. In Canada, the company's subsidiary is Franklin Templeton Investments Corp., which operates as Franklin Templeton Canada. 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 specialization on a global scale, bringing extensive capabilities in fixed income, equity, alternatives and multi-

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Steffen Scheuble CEO +49 (69) 719 160-20 steffen.scheuble@solactive.com Lindsay Wang
Director Americas Sales
+1 (647) 608-8446
Lindsay.wang@solactive.com

Maria Seifert
PR & Communications
+49 (69) 719 160-311
maria.seifert@solactive.com

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asset solutions. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has over 75 years of investment experience and approximately US\$1.4 trillion (approximately CAN\$1.9 trillion) in assets under management as of November 30, 2022. For more information, please visit franklintempleton.ca and connect with Franklin Templeton on Twitter, Facebook and LinkedIn, and read the Beyond Bulls & Bears blog.

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Solactive AG, Platz der Einheit 1, 60327 Frankfurt am Main, Germany. Registered Office: Frankfurt am Main, Registration Court: Amtsgericht Frankfurt am Main, HRB: 79986, USt-IdNr.: DE 255 598 976. Management Board: Steffen Scheuble, Alexander Steiner, and Timo Pfeiffer, Head of Supervisory Board: Dr Felix Mühlhäuser.

Solactive AG German Index Engineering Platz der Einheit 1

Platz der Einheit 1 60327 Frankfurt am Main Germany Steffen Scheuble CEO

+49 (69) 719 160-20 steffen.scheuble@solactive.com Lindsay Wang
Director Americas Sales
+1 (647) 608-8446
lindsay.wang@solactive.com

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PR & Communications
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maria.seifert@solactive.com

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