

Franklin Templeton Investments (“FTI”) includes the corporate entities of the FTI group in Europe, the Middle East and Africa (“EMEA”) and Asia Pacific (“APAC”) including the registered investment advisers and/or investment managers based in the European Economic Area (“EEA”), UCITS Management Companies and AIFMD Management Companies based in the EEA. A ‘relevant person’ includes a director, manager, employee or appointed representative, tied agents, or any person directly or indirectly linked to them by control of FTI.

This document provides a summary overview of FTI’s International Conflicts of Interest Policy and the process that FTI will follow to identify and prevent or manage any conflicts of interest between FTI and its clients, or between multiple clients.

Policy Statement

It is FTI’s policy to maintain and operate effective organisational and administrative controls to take all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients and furthermore, to take all appropriate steps to identify and to prevent or manage conflicts of interest.

Summary of FTI approach in managing key conflicts of interest

1 BEST EXECUTION

FTI has adopted policies and procedures incorporating statements of best execution to provide guidance in situations where FTI may consider the receipt of research and statistical services from broker-dealers, or other client commission arrangements, when directing brokerage transactions for client accounts. In our view, “best execution” is a process of attempting to secure the best combination of price and intermediary value given the strategies and objectives of client accounts from the inception to the completion of the order with the focus toward maximizing value for our clients.

2 TRADING ALLOCATION

FTI has in place trade aggregation and allocation policies and procedures which are designed to ensure that buy and sell investment opportunities are allocated timely in a fair and equitable manner among clients; there is reasonable efficiency in client transactions; and portfolio managers are provided with the flexibility to use allocation methodologies appropriate to their investment discipline and client base.

3 TRADE ERRORS

Trade errors can result from a variety of situations involving portfolio management and trading. FTI has in place policies and procedures which ensure that all trading errors are identified and corrected expeditiously. FTI will be responsible for the costs and/or losses associated with such trading errors.

4 INTER-ACCOUNT AND CROSS TRANSACTIONS

FTI has in place an Inter-account Transaction Compliance Policy and Procedures which is designed to permit inter-account transactions that complies with regulatory requirements and which will not result in over reaching, self-dealing or other conflicts of interest in the purchase and sale of securities between accounts.

5 CLIENTS’ COMMISSIONS VERSUS RESEARCH AND BROKERAGE PRODUCTS AND SERVICES

When appropriate under its discretionary authority and consistent with applicable local regulations and its duty to seek best execution, FTI may direct brokerage transactions for client accounts to broker-dealers who provide it with research and/or brokerage products and services. FTI prohibits the use of client commission arrangements for its own benefit and has in place written procedures to determine in good faith that commissions paid are reasonable in relation to the value of the research and/or brokerage products and services received. FTI also have a stated policy not to direct fund portfolio transactions to broker-dealers in consideration for the sale of FTI funds.

6 FTI CURRENCY TRADING VS CLIENTS' CURRENCY TRADING

In order for FTI to manage its own market risk to its financial results, it trades currencies. On the other hand, FTI may adopt various currency management strategies on behalf of clients for the purpose of portfolio management. FTI has procedures in place which ensure the currency trading activities between FTI and clients are segregated. Currency trading for FTI is performed by a different and separate team with a different trading account to the currency trading activities conducted on behalf of clients.

7 FTI SEED MONEY VERSUS CLIENTS' INVESTMENT

As part of normal business practice or regulatory requirement, FTI may invest its own money into a newly launched or an existing FTI fund. This investment by FTI is treated in a manner that does not conflict with the interests of any clients. FTI is treated like a normal shareholder of the fund.

8 PARTICIPATION OR INTEREST IN CLIENT SECURITIES

At times, FTI funds or mandates will invest in securities of FTI clients. FTI has procedures in place to ensure all investment decisions are made with due consideration to the relevant FTI funds' or mandates' investment objectives and restrictions, and always in their best interest. Investment decisions are regularly reviewed.

9 OUTSOURCING

A FTI group entity (including our joint ventures) or a client of FTI may carry out certain activities on behalf of another FTI group entity which could be perceived as a potential area of conflict. However, such potential conflicts may be managed by maintaining an arms-length relationship between the parties concerned. Necessary disclosures in this regard shall also be made as part of the outsourcing agreement.

10 CONFIDENTIALITY

All relevant persons are responsible for maintaining the confidentiality of information entrusted to them as a result of their roles with the Company, except when disclosure is authorized or legally mandated. All relevant persons must safeguard the Company's confidential information and not disclose it to a third party (other than a third party having a duty of confidentiality to the Company) without the prior consent of senior management or use such confidential information to derive personal benefits.

11 INFORMATION BARRIER BETWEEN INVESTMENT ADVISERS

To ensure that sensitive investment information is protected and to prevent misuse, FTI has created Information Barriers to restrict the flow of investment information between certain adviser groups. All FTI access persons are subject to compliance with these Information Barriers in addition to their obligations under the FTI Code of Ethics. Communication of investment information outside an adviser group shall be limited to persons (such as persons in Accounting, Investment Operations, Legal and Compliance areas) who have a valid "need to know" for such information and each of whom is specifically prohibited from disclosing investment information except when necessary for regulatory purposes.

12 VALUATION

Investment managers to investment accounts may have a different valuation process for those accounts than the registered funds which they or their affiliates advise. To address this conflict, an investment manager must document an explanation for any differences in the valuation of securities held by both a registered fund and an investment account managed by the investment manager and/or its affiliates. The Valuation and Liquidity Oversight Committee must review and approve the explanation provided.

13 PROXY VOTING

Investment managers who have the discretionary authority to manage assets on behalf of their clients are usually given authority to vote proxies relating to equity securities held by the clients. FTI has in place proxy voting procedures for each investment manager under the FTI group which describes the method to ensure that each FTI investment manager proxy votes portfolio securities of mutual funds and other clients in the best interest of clients; address material conflicts of interest that may arise between an investment manager and its clients in voting proxies of issuers of clients' securities; disclose the procedures and how each investment manager voted portfolio securities; and make timely filings with the regulators related to proxy voting.

14 RELEASE OF PORTFOLIO HOLDINGS

FTI seeks to release information in ways consistent with applicable legal requirements and which satisfy the fiduciary duties owed to clients and shareholders. There are formal reporting and approval procedures in place to control the release of portfolio holdings information.

15 FAIR AND EQUITABLE TREATMENT OF CLIENTS

Certain activities such as short selling, the lending of securities of a fund and side-by-side management could be perceived as potential areas of conflict. However, FTI has in place policies and procedures which are designed to ensure that our clients are treated fairly and equitably in line with FTI fiduciary obligations and clients' investment objectives.

16 CODE OF ETHICS AND BUSINESS CONDUCT

All FTI officers, directors, employees and temporary employees are bound by the Code of Ethics and Business Conduct which summarizes the values, principles and business practices that guide the business conduct of FTI and also provide a set of basic principles to guide employees regarding the minimum ethical requirements expected of them.

17 EMPLOYEE REMUNERATION STRUCTURE

FTI takes very seriously industry concerns around risk and the role that compensation might play in risk-taking behaviour. At FTI, we have controls and policies to mitigate against incentive practices that may encourage employees to take unnecessary or excessive risks and which help to ensure our incentive plans and practices are aligned to regulatory guidance, long term interest of the firm and its shareholders.

18 GIFTS AND ENTERTAINMENT

FTI has in place policies and procedures which outline strict standards on what gifts and business entertainment are acceptable, and cover both the provision and receipt of gifts and business entertainment.

19 INDUCEMENTS

FTI takes very seriously the regulatory obligations, risks and concerns around payment and/or receipt of inducements. FTI has in place policies and procedures which outline standards to be applied when any fees, commission, monetary or non-monetary benefits are received or provided from/to third parties (other than clients).

20 INDEX PROVIDERS

Investment Managers can manage certain mandates and funds, such as ETFs, which are closely tracking a particular index or a combination of indices. In some cases, Investment Managers may assist in the design composition of a bespoke index (or indices) which is better aligned to the strategy of a specific mandate or funds against which performance is being measured. Conflicts may arise when the index provider that is producing and publishing the bespoke index return is affiliated with the Investment Manager. FTI appoints third party independent 'index providers' on an arms-length basis where bespoke indices are used in its product and client mandates, thereby avoiding the aforesaid conflict.

21 EXCHANGE TRADED FUND (ETF)

ETFs share many of the general fund related conflict of interests, but also may be subject to specific conflicts arising from the ETF structure. In some jurisdictions, intra-group affiliations in respect of authorized participants (APs) can lead to conflicts of interest; especially when there is a small number of APs. This conflict may have consequences for the fair pricing of the ETF shares on the secondary market and the ability for investors to redeem ETF shares. FTI only appoints third party 'authorized participant' for its ETFs, thereby avoiding the aforesaid conflict.

Responsibility

FTI will take all appropriate steps to identify, prevent, record and manage conflicts of interest fairly and in accordance with the Conflicts of Interest Policy. FTI will monitor compliance with FTI Conflict of Interest Policy on an ongoing basis. FTI may implement additional controls in respect of the management of conflicts of interest where necessary. Where a conflict of interest cannot be managed and where permissible, FTI may obtain the client's consent to continue with the conflict of interest in place or determine to decline to act for the client in relation to the subject of the conflict. The managing of conflicts of interest by means of disclosure is considered as a "measure of last resort" which can only be used when the organizational and administrative arrangements to manage conflicts are inadequate. The Conflicts of Interest Policy may be updated or amended from time to time. For additional information in respect of FTI's Conflict of Interest Policy please contact your FTI representative.