Franklin Global Trust plc

(previously known as Martin Currie Global Portfolio Trust plc)

Annual report – year to 31 January 2025

Franklin Global Trust

Registered in Scotland, no SC192761

Welcome to the annual report for Franklin Global Trust plc (the 'Company').

Our objective

The objective is to produce long-term returns in excess of the total return from the MSCI All Country World index.

A unique blend of features and benefits enjoyed by our shareholders.

Global opportunity

A global investment remit provides the widest possible opportunity to invest in the world's best companies, irrespective of the country which they are listed in. Shareholders benefit from a ready-made global equity portfolio which is diversified across different geographic markets and a range of economic sectors.

High conviction and high quality

As active investors handpicking 25-40 companies for the portfolio, we can concentrate on businesses or sectors we believe offer the most sustainable growth over the long term. A concentrated portfolio means we have meaningful allocations in each stock and we believe that gives us the best opportunity to outperform the markets.

Leading ESG characteristics

You don't have to compromise your investment goals and desire to invest in sustainable companies. Our Environmental, Social and Governance ('ESG') credentials are exceptional and we have been awarded the highest possible Morningstar Sustainability Rating™ of '5 Globes'. We undertake over 50 ESG risk assessments on every company. We research and engage with companies to ensure they trend towards best practice.

Established track record

Established in 1999, shareholders have enjoyed share price growth ahead of the benchmark over that period.

Shareholder-friendly benefits

Investment trusts are listed on the London Stock Exchange and their company structure offers many distinct features that can enhance performance and benefits for shareholders.

Low charges

With low ongoing charges and no performance fees, more of your money is invested in the markets.

Morningstar Sustainability Rating:

Low Carbon

PRI Principles for Responsible Investment

Martin Currie has been a UNPRI signatory since July 2009

★★★★★ Policy governance and strategy	★★★★★ Direct – Listed equity – active fundamental
★★★★★ Confidence building measures	Top quartile Ranking vs peers across all three pillars[1]

NET ZERO

Martin Currie is a signatory of Net Zero Asset Managers Initiative ('NZAMI'), 2021.

Past performance is no guarantee of future results.

[1]PRI – Principles for Responsible Investment. A copy of the PRI's assessment of Martin Currie and its methodology is available on request.
Source: Martin Currie and PRI 2024. Ratings relate to the period 1 January 2023 - 31 December 2023. Copies of the PRI's assessment and transparency report are available on request.

Contents

Strategic report

Governance

Financial review

Investor information

Financial highlights

Key data

	Year ended 31 January 2025	Year ended 31 January 2024
Net asset value per share ('NAV')[1]	**382.7p**	360.5p
NAV total return[2]	**7.3%**	11.2%
Share price	**381.0p**	350.0p
Share price total return[2]	**10.1%**	11.1%
MSCI All Country World index (benchmark) total return[2, 3]	**23.7%**	10.9%
Ongoing charges (as a percentage of shareholders' funds)[4]	**0.65%**	0.64%
Revenue return per share[5]	**2.01p**	2.37p
Dividend per share	**4.20p**	4.20p

Performance

7.3%

Net asset value total return for the year.

10.1%

Share price total return for the year.

4.20p

Annual dividend per share.

Past performance is not a guide to future returns. All returns are total returns unless otherwise stated.

Source: Martin Currie Investment Management.

[1]The net asset value per share total return is calculated using the cum income net asset value with dividends reinvested on the ex-dividend date. This is an Alternative Performance Measure, see page 79 for more details.

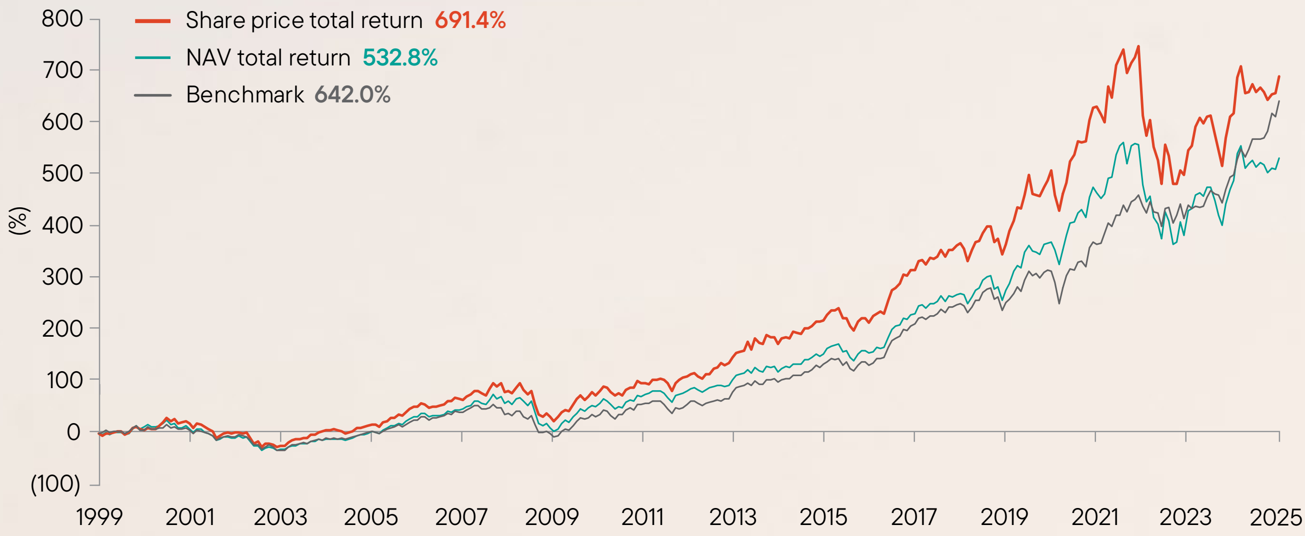
[2]Total return is the combined effect of the rise and fall in the share price, net asset value or benchmark together with any dividend paid. See page 79 for more details on Alternative Performance Measures.

[3]The benchmark with effect from 1 February 2020 is the MSCI All Country World index. Prior to this, the benchmark was the FTSE World index to 31 January 2020. Prior to this, the benchmark was the FTSE All-Share index to 31 May 2011.

[4]Ongoing charges (as a percentage of shareholders' funds) are calculated using average net assets over the period. The ongoing charges figure has been calculated in line with the Association of Investment Companies ('AIC') recommended methodology. This is an Alternative Performance Measure, see page 79 for more details.

[5]For details of calculation, refer to note 5 on page 67.

Performance since inception



* On 31 May 2011, the fund's benchmark changed from FTSE All Share to FTSE World, then MSCI ACWI Net from 31 Jan 2020.

10 year record

As at 31 January	Revenue return per share	Dividend per share	Net asset value per share	Average (discount)/ premium during the year	Investments £000	Net assets £000	Ongoing charges
2016	4.15p	4.15p	176.3p	(0.4%)	174,976	178,107	0.71%
2017	4.21p	4.20p	223.9p	(0.5%)	215,619	216,497	0.74%
2018	3.72p	4.20p	246.1p	(0.7%)	223,192	227,186	0.78%
2019	3.47p	4.20p	245.5p	(0.9%)	203,818	205,575	0.63%
2020	2.52p	4.20p	301.9p	(0.1%)	251,714	251,695	0.61%
2021	1.97p	4.20p	358.2p	(0.4%)	327,988	303,571	0.58%
2022	1.36p	4.20p	364.6p	0.7%	339,535	315,834	0.68%
2023	2.16p	4.20p	328.2p	(1.4%)	277,606	249,768	0.61%
2024	2.37p	4.20p	360.5p	(1.3%)	264,787	256,777	0.64%
2025	**2.01p**	**4.20p**	**382.7p**	**(2.1%)**	**230,275**	**232,226**	**0.65%**

Past performance is not a guide to future returns. All returns are total returns unless otherwise stated.

Source: Martin Currie Investment Management.

1: Strategic report

Chair's statement

Christopher Metcalfe, Chair

'A positive share price total return of 10.1% has been achieved over the financial year to 31 January 2025 alongside a Net Asset Value ('NAV') total return of 7.3%.'

Dear Shareholder

The Company celebrated its twenty fifth year of existence in its present form during the financial year. On 26 September 2024, I was honoured to open the London Stock Exchange and make a short speech to mark the occasion. As can be seen on page 4, shareholders have enjoyed good returns over the quarter century.

However, nothing stays the same forever and we now feel it is the right time to relaunch your Company as Franklin Global Trust plc; this marks a pivotal moment in the evolution of the Company. This change reflects a series of positive developments aimed at delivering enhanced shareholder returns which I outline below. Before turning to these matters, I would like to cover the Company's performance for the financial year.

Performance and returns

A positive share price total return of 10.1% has been achieved over the financial year to 31 January 2025 alongside a Net Asset Value ('NAV') total return of 7.3%. While positive, this lagged the benchmark return of 23.7%.

Although we are glad to see the increase in NAV the Board is clearly disappointed by the relative performance achieved during the year and Franklin Templeton are well aware of our feelings on the matter. We welcome the additional resources that are being made available to the investment team as outlined in Enhanced Investment Team below and trust that these will help the Company to achieve improved performance going forward. The Board is pleased with the reduction in fund management fees that have been negotiated with the manager as referred to in Management Fees below and we have also been seeking other cost reductions from external service providers. I was in contact with the largest shareholders around the end of the financial year and we welcome engagement with all owners of the Company.

It has been a year when there has been considerable commentary about activist investors and investment trust discount levels. Against this backdrop it is particularly relevant that your Company continues to operate a zero discount policy which enables investors to buy and sell the shares at a level close to NAV in normal market conditions.

It is clearly the case that active managers have struggled to better the returns achieved by global indices in recent periods as the very largest US companies have performed so strongly. It is also true that investment trends such as these always come to an end although it is difficult to predict the precise events that will trigger such a change in leadership.

Enhanced Investment Team

Franklin Global Trust plc will continue to hold a concentrated portfolio of 25-40 growth stocks. However the inputs into the Company's investment process will be deepened. The existing team of nine will now be part of the Franklin Equity Group of sixty five investment professionals, including analysts and sector specialists, based in San Mateo, New York and London as well as Edinburgh. Zehrid Osmani and his present colleagues will join in the Franklin Equity Group's daily meetings, have greater access to senior company management at potential investee companies and benefit from a significantly larger research budget. The combined team will now be managing over £110 billion of assets in total.

Management Fees

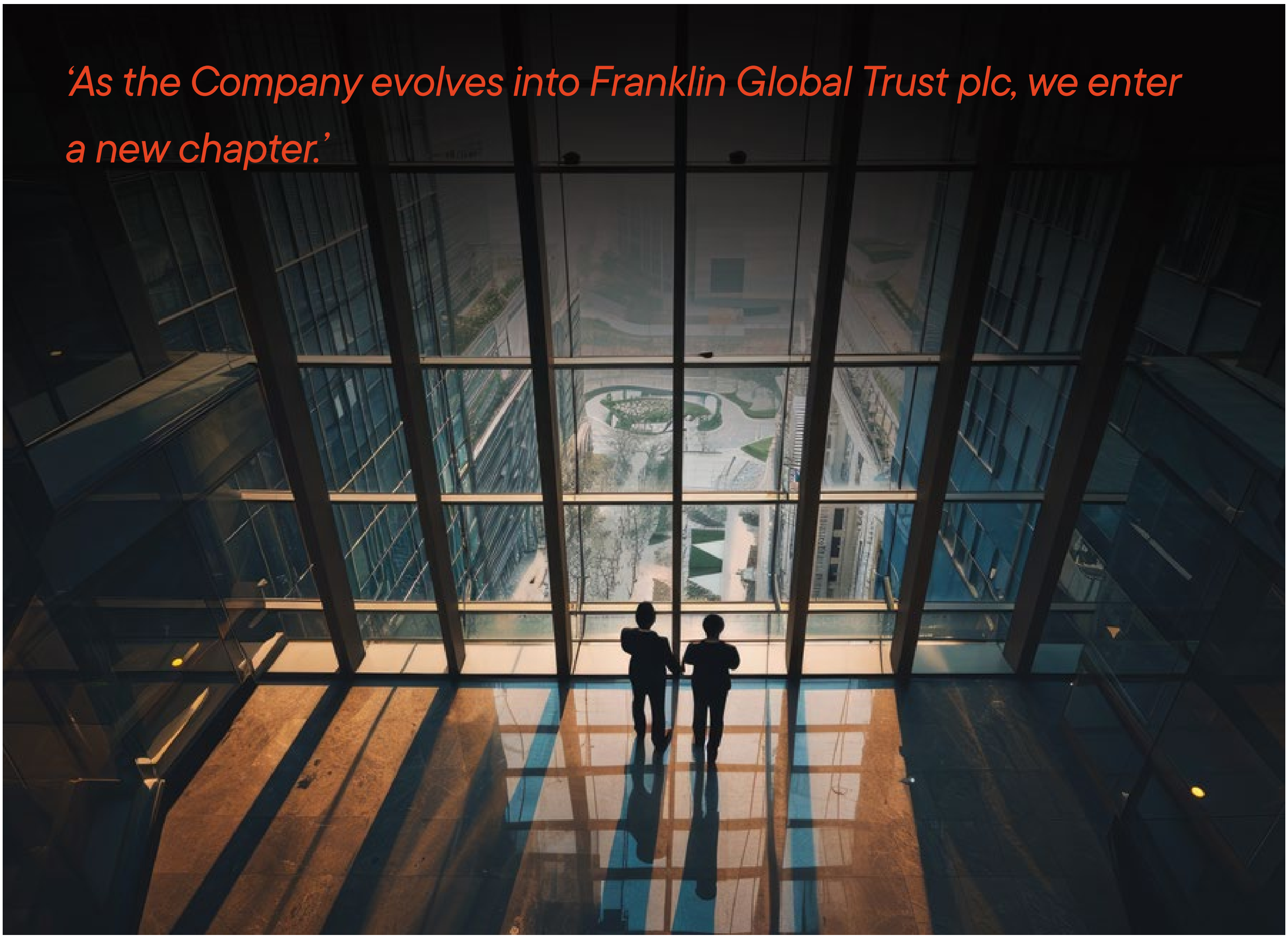
In February 2025 we agreed with Franklin Templeton Investment Trust Management Limited that, with effect from 1 March 2025, the investment management fee would be reduced from 0.45% to 0.40% of NAV (excluding income)[1] per annum. The new fee level will maintain a competitive ongoing charge and contribute to increasing shareholder value.

Income and Dividends

Net revenue earnings per share for the period amounted to 2.01 pence. The Company has paid three interim dividends of 0.9 pence per share and will pay a fourth interim dividend of 1.5 pence per share on 30 April 2025 to shareholders on the register on 4 April 2025. The total dividends with respect to the year to 31 January 2025 will be 4.2 pence per share, maintaining the same total dividend as the previous year.

Capital growth is the primary focus of our investment manager and the investment strategy is not constrained by any income target. Nevertheless, the Board recognises that dividends are important for many shareholders and hence continues to maintain the Company's dividend in line with previous levels. The Company's Articles of Association permit the distribution of realised capital gains and the Company has substantial distributable reserves. The Board has again used these alongside revenue earnings to maintain the dividend, while not impinging on the investment manager's approach to managing the portfolio.

[1]For the purposes of calculating management fees, current period net income is excluded from the calculation of asset value.



Gearing

In the light of the outlook for markets and the fact we operate a zero discount policy we took the decision to remove our gearing. Therefore in November 2024 the Company's £10 million debt facility was repaid in full and closed.

Board

We announced on 5 March 2025 that Krishna Shanmuganathan had been appointed as a Director with effect from 1 April 2025. Krishna is chair of both abrdn Asia Focus plc and Weiss Korea Opportunities Fund. He has had a varied and successful career in diplomacy, asset management, consulting and corporate advisory, with a particular focus on Asia.

Gary Le Sueur will retire from the Board at the conclusion of this year's Annual General Meeting ('AGM'), having served as a Director since December 2016. Gary is an experienced investor and I would like to thank him on behalf of the Board and shareholders for his invaluable insights into the management of your Company.

AGM

I am pleased to invite all shareholders to attend our AGM in person at the offices of Franklin Templeton, 5 Morrison Street, Edinburgh EH3 8BH on Thursday 19 June 2025 at 11.30am. We do recognise that some shareholders may be unable to come to the AGM and if you have any questions about the annual report, the investment portfolio or any other matter relevant to the Company, please write to me either via email at **ftcosec@franklintempleton.com** or by post to The Company Secretary, Franklin Global Trust plc, 5 Morrison Street Edinburgh EH3 8BH. If you are unable to attend, I urge you to submit your proxy votes in good time for the meeting, following the instructions enclosed with the proxy form.

Stay in touch

Visit our new website at **www.franklinglobaltrust.com** where you can see the latest information, a variety of manager updates, stock story videos that showcase companies in our portfolio, webinars, events and much more. Our monthly emails deliver all of the updates to your inbox, so I recommend you subscribe today if you have not already done so.

The Board is always interested to hear shareholders' views. Please contact me if you have any questions or points regarding your Company by email at: **ftcosec@franklintempleton.com**.

Outlook

The period since the Company's year end has been volatile as markets seek to adapt to the ever changing picture on tariffs and their effect on global economies. It is difficult to predict the outcomes with any degree of certainty. However, the Board will continue to monitor the investment performance closely. As the Company evolves into Franklin Global Trust plc, we enter a new chapter. I thank all shareholders for their ongoing loyalty and believe that the actions taken will prove beneficial. We look forward to the next chapter with cautious optimism, trusting that the enhancements to our investment team will generate long-term value for our shareholders.

Christopher Metcalfe

Chair

17 April 2025

Zehrid Osmani, Portfolio Manager

'We do not follow any index in selecting the 25-40 stocks in our portfolio and invest for the long term in quality growth companies that have superior returns and growth profiles.'

Overview of the year to 31 January 2025

The return that we produced for shareholders over the last financial year was disappointing. The NAV total return was +7.3%[1], whilst the MSCI World index returned +23.7%. The market was unusually concentrated during the period, with the 'Magnificent 7'[2] accounting for c. 35% of the performance of the index.

We do not follow any index in selecting the 25-40 stocks in our portfolio and invest for the long term in quality growth companies that have superior returns and growth profiles, and have leadership positions in the areas that they operate in. We do not respond to short-term events. Our performance was affected by a combination of (i) a sizeable underweight to the US equity market, which was the strongest performing large region, (ii) by an overweight to European equities, which were amongst the weakest regional markets, and (iii) by an under-exposure to the 'Magnificent 7'. Regionally, our robust and consistent valuation discipline has led us to find more opportunities in Europe in particular, given the valuation differential vs the US. China was a relatively weak market over the period, and our underweight to that region proved to be correct.

The emphatic win by Donald Trump in the US elections in November further extended a rally in US equities on the basis of investors' belief in US exceptionalism. This further weighed on relative performance, given our underweight in US equities. However, as set out under our discussion of the outlook below, the level of uncertainty in the market, and therefore the volatility, has spiked up considerably as a result of a broad range of tariff announcements on the USA's trading partners following the financial year end.

The 'Magnificent 7' were important contributors to the performance of the US and the Global markets last year, as the Artificial Intelligence ('AI') opportunity was seen as supporting these companies' earnings outlook. Whilst we had sizeable exposure to the strongest performing stock, **Nvidia**, which alone accounted for 10% of the index's performance, and **Microsoft**, others in that group performed strongly as well. During the year, as we evolved our analysis on many of these large capitalisation technology companies, we purchased positions in **Apple** and in **Meta Platforms** ('Meta'), which are discussed further below. We continue to see the semiconductor industry as well positioned to harness the AI investment cycle, given the growing need for more and faster microchips.

[1]All performance statistics total return: see Alternative Performance Measures

[2]The so-called 'Magnificent 7' stocks which are believed to be key beneficiaries of the growing adoption of AI are Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta and Tesla.

[3]Graphics Processing Units

Key contributors to relative performance

Only four sectors outperformed the broader benchmark during the year, namely Telecoms (+41%), Financials (+34%), Consumer Discretionary (+32%) and Technology (+29%). The weakest sectors were Materials (+4%), Energy (+7%), Health Care (+7%) and Staples (+9%). Our sizeable overweight to Health Care weighed on our performance, as post-covid normalisation in trends continued to impact the growth of many of our holdings. Further, **Novo Nordisk** had specific issues (see below). The Consumer sector has also been an area of weakness for the portfolio, given our exposure to luxury goods companies (**Kering** and **Moncler**) and cosmetics companies (**L'Oréal** and **Estée Lauder**). We have had good exposure to the semiconductor industry, notably through **Nvidia**, although the sector was volatile during the year as a result of ongoing geopolitical uncertainty and the growing effects of restrictions imposed on China from the US Chips and Science Act which was introduced in 2022.

Nvidia was up very strongly over the period, with a series of snippets confirming that the semiconductor supply chain supporting high technology chips remained tight. Nvidia beat sales and earnings forecasts throughout the period and also raised future earnings projections. Early in the period, the annual Nvidia GTC conference – an AI conference for developers – showcased Nvidia's new product portfolio with the Grace-Blackwell Superchip. This reinforced investors' perception of its strong lead against competitors, with the gap widening in our view.

Adyen's strong performance was driven by a sustained rebound in topline growth, which has remained above 20% for five consecutive quarters following its unexpected slowdown to 18% in the first half of 2023. This recovery reinforces our conviction in Adyen's vast market opportunity, disciplined pricing strategy, and the unsustainable nature of a competitor-led price war. We continue to believe that Adyen's best-in-class, in-house developed technology is a unique advantage. In a highly competitive and fast-evolving landscape, Adyen's ability to innovate remains essential to maintaining its long-term leadership.

Constellation Software is a Canadian serial acquirer that operates thousands of portfolio companies, each providing mission-critical market software to a diverse customer base. The company's strong share performance was driven by its disciplined execution as an expert capital allocator, with maximizing long-term shareholder value at the core of its decision-making. Over time, we believe that the broader investment community will increasingly recognise Constellation's unique business model and exceptional corporate culture.

Key stock detractors from performance

Novo Nordisk – Novo Nordisk's recent share price decline stems from weight loss drug Cagrisema's trial results, which showed weight loss at the lower end of expectations but still ahead of prior-generation drugs. The company cited an issue with the design of the trial that may have limited the drug's full potential, prompting a follow-up which will take around 12 months to complete. While this raises questions around management's execution, Novo remains well-positioned in the growing obesity market, and its late 2026 launch timeline for Cagrisema remains unchanged. Readouts for other drugs came in at the high end of expectations, and while less significant than the Cagrisema data, do go some way to restoring confidence in Novo's market leadership in our opinion.

Estée Lauder was a detractor from performance in 2025 due to continued weakness in China and the broader prestige beauty market, particularly in Asia. The company faced ongoing demand challenges, and signalled near-term pressure on earnings. Additionally, the announcement of an internal successor as CEO was met with disappointment, as investors had hoped for fresh leadership to drive a stronger turnaround.

L'Oréal also faced weakening consumer demand in China and the rest of Asia. L'Oréal's management had anticipated an improvement by summer 2023 but this has yet to materialise. Increased competition from both premium and emerging local brands, along with foreign exchange headwinds and inflationary pressures, plus a higher tax charge also weighed on performance. While these near-term challenges have pressured the share price, L'Oréal's strong brand portfolio and long-term growth potential remain attractive.

Changes to the portfolio

We constantly stress-test our conviction in the companies held in the portfolio to ensure that they continue to remain innovative and stay away from threats in what will be an ever-more disruptive environment for the foreseeable future. This is the reason why we moved some exposures around. In the consumer and industrial sectors we exited **Nike**, **Estée Lauder**, **Pernod Ricard**, and reduced the holdings in **Kering** and **Croda**, and purchased **Deckers** and **Chipotle**. In the technology sector we added companies to capture a broader range of exposures (**Meta Platforms**, **Apple**, **Constellation Software** and **BE Semiconductors** ('BESI')). In financials during the year we added **Partners Group**.

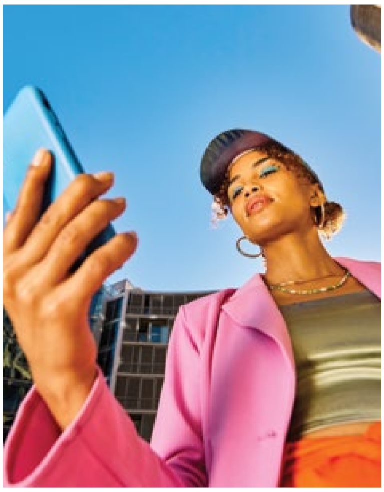
Purchases

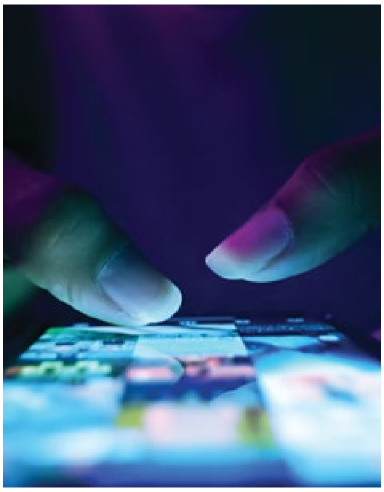
We see favourable industry dynamics within private asset managers, with a strong growth profile from increasing wealth and high barriers to entry. **Partners Group** is a Swiss high-quality private asset manager that has a management team with long experience and a proven track record of generating good returns through the cycle. The company is well placed to benefit from the secular trend which we foresee in the private equity space, given its robust investment approach, consistent track record and a hard-to-replicate product offering that appeals to both large institutional investors and private wealth customers.

Novo Nordisk is a pure-play pharmaceutical company focused on diabetes, obesity and 'Bio-pharma', which has typically grown organically through superior research & development. Diabetes is a structural growth category which has a stable, low competition market structure because of (i) manufacturing scale, (ii) net price discounts and (iii) intellectual property protection. Obesity is expected to be the largest drug category of all time by 2030. Novo Nordisk is expected to deliver sales growth ahead of the peer group, with industry leading margins.

BESI, a leader in semiconductor packaging technology, is a beneficiary of the ongoing need for miniaturisation despite the physical challenges of doing so. Next generation semiconductor designs are gaining traction with Intel, TSMC and Samsung, who are all investing materially more into semiconductor packaging after decades of neglect. The apex of this opportunity centres on die-to-wafer hybrid bonding, where we believe that BESI has a multi-year head start over its competitors. We expect this product line to progress from zero to over 50% of the BESI business in the long term. We also expect it to be significantly accretive to earnings.

Apple is the world's leading brand for consumer technology products. Apple's integration of hardware and software expertise allows it to create world class consumer experiences and high barriers to entry. We expect the digital and real world to become more integrated through time, with Apple's products as a key interface. We may not know the exact form this will take, but see upside opportunities in Virtual/Augmented Reality and AI. We believe that the company should enjoy increasing earnings as AI features are released.





Portfolio additions

*Additions this year included **Apple**, the world's leading consumer technology brand; **Chipotle**, the Mexican themed restaurant chain; and **Meta**, the owner of market leading social media assets.*

Deckers is a US company where we have high conviction in the momentum of the underlying key brands in HOKA and the managed growth of UGG. The business is very profitable today, with the mix improving as HOKA grows. The combination of high margins and outsourced manufacturing fuels high returns.

Chipotle is a Mexican themed fast-casual restaurant chain that serves fresh, high-quality meals. It is primarily a US based business with a small international presence. Chipotle operates an ownership model as opposed to franchise. It is a top 10 player in the US, benefits from favourable demographics, strong brand perception as well as strong returns.

Meta is the owner of market leading social media assets in Facebook, Instagram, and WhatsApp. The company is the dominant force in social media in the US and beyond and is an early beneficiary from AI driving its share of advertising as well as augmenting the user experience on its platforms. We believe that the combination of these two factors underpins accelerated growth.

We have been looking for an entry point in **Constellation Software** for some time and took advantage of a pullback in the share price. We see the stock as a compounder and expect the company to remain extremely disciplined on the price paid for acquisitions.

Exits

We exited our position in **Adobe** due to uncertainty over its long term competitive advantage due the disruptive threat of generative AI.

Nike's poor 2024 results led to a significant downgrade of expectations. Our previous conviction in Nike shifting profitability higher while growing market share diminished and so we exited the stock.

For **Pernod Ricard**, our business model conviction has lowered and we switched to **Chipotle**.

Concerns around the global beauty market and exposure to China at **Estée Lauder** resulted in guidance being withdrawn and consensus estimates being cut.

We sold out of **Assa Abloy** following a spell of strong share price movement which led to us taking profits.

Our conviction in **Croda** reduced as a result of the ongoing weaker trading environment and a challenging backdrop for the company. We exited the holding after the financial year end.

Outlook for 2025 and beyond

There is plenty of uncertainty on all fronts as a result of the Trump administration's unpredictable policy initiatives both domestically and internationally. The Trump presidency and notably the introduction of trade tariffs by the US directly impacts the magnitude of all five key risks that we foresee for 2025. These are: 1) stickier inflation, 2) less dovish monetary policies, 3) tariffs and trade wars, 4) geopolitical uncertainty in the Middle East, Ukraine and China/Taiwan, and 5) government debt and fiscal policies

With the announcement by the Trump administration initially on 2 April 2025 of a more significant and broader range of tariffs than expected across a wide range of trading partners, and ensuing escalations with China, we believe that there is an increased risk of a sharp slowdown in economic momentum this year if the announced tariffs are not reversed. A lot of the predictions for the remainder of 2025 will need to be reviewed in light of these and any further policy initiatives by the new Trump administration. Whilst we do not expect a full recession, the sharp slowdown which we expect could feel recessionary in the US, Europe and China. We are already seeing a rapid deterioration in both business and consumer confidence in the US, which could weigh negatively on economic momentum. This could translate into weaker corporate earnings growth, and a series of downgrades to market estimates. This will likely maintain a high degree of uncertainty in equity markets, whilst at the same time keeping share price volatility high. Investors need to be cognizant that there will be a heightened focus on shorter term considerations, although this could also open up more opportunities for investors with a longer term perspective.

Tariffs, trade tensions, and geopolitical moves by the Trump administration could continue to bring significant volatility in equity and bond markets during the year. It will therefore be important to continue to focus on long-term structural growth opportunities, whilst maintaining valuation discipline. This will not necessarily bring consistently strong performance in what will likely be a very volatile environment, reacting to headline news and policy announcements. However, we are confident that over the medium term the market will realise that the companies which we hold are well positioned to harness the structural opportunities that we have identified and deserve to be rerated.

Our three seismic thematic opportunities remain unchanged, namely:

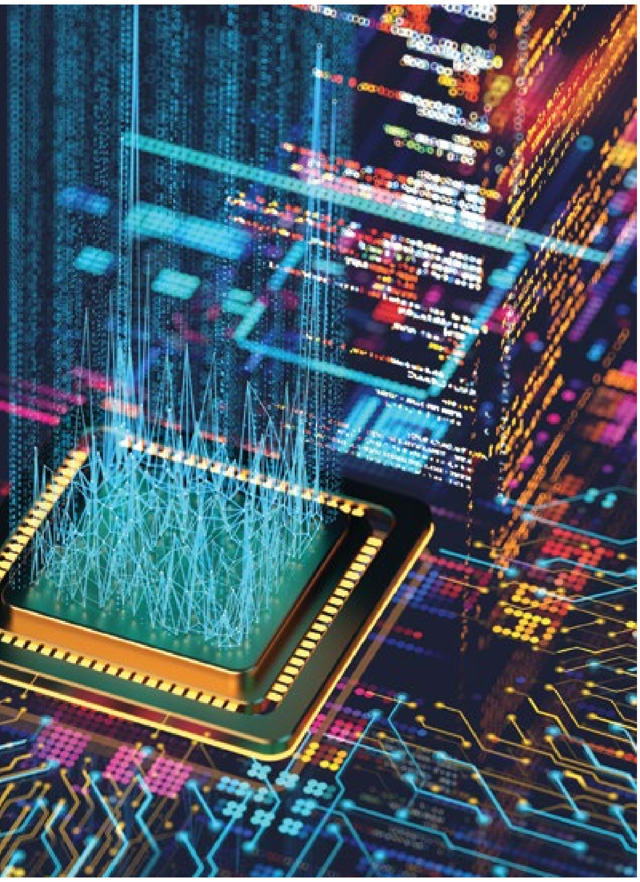
Energy transition **Ageing population** **Artificial Intelligence**

Energy transition remains an important driver of investment initiatives globally, both funded by governments and the private sector, with corporates being keen to reduce their carbon intensity. Whilst the Trump administration might de-emphasise this theme, we believe that corporates will continue to carry the initiative forward. It is critical for them, and for willing governments, to do so. Climate change has become a major risk for everyone, given the potential cost to corporates, governments and households. We therefore believe that **(i) green and alternative energy**, **(ii) energy efficient infrastructure** and **(iii) electric transportation**, will remain good sources of investment opportunities. We harness this view through companies such as construction materials company **Kingspan**, a leader in panel insulation, industrial company **Atlas Copco**, a provider of equipment to roll out energy infrastructure projects, and companies such as **Hexagon** and **Autodesk** in the industrial technology and automation segments. **Linde** in industrial gases also has an interesting exposure to energy transition. In total, we calculate that Franklin Global Trust has c.14% of its portfolio exposed to this theme.

The trend of ageing population is now being experienced not only by developed markets, but also some developing markets. Notably the Chinese population has now peaked and is trending toward ageing. The risk is that the theme of the emerging Chinese middle-class becomes superseded by the ageing of the country's population. The need for healthcare infrastructure, in a world that is ageing at an accelerating rate, is therefore apparent.

We have in the portfolio several companies that harness that theme, for example **Illumina** in the genomics segment, **CSL** in the plasma collection segment, **Mettler Toledo** in the medical instruments area, and **Coloplast,** a leader in urology. **Veeva Systems**, a leader in healthcare software used by pharmaceutical companies, is also a company that is well positioned to harness the drive towards more efficient R&D management. **Sartorius Stedim**, as a leader in drug development and outsourcing, is well positioned to capture the ongoing spend by pharmaceutical companies on R&D. Obesity is likely to remain a prevalent trend in today's society. Whilst **Novo Nordisk** has suffered from a significant pullback, we believe that the market price of its shares fails to capture the superior growth and returns characteristics that the obesity market segment can achieve for well established leaders. **ResMed**, as a leader in devices that tackle sleep apnea, is also well placed to harness the co-morbidity related to obesity. Altogether, the portfolio's exposure to ageing population accounts for c.20% of the assets.

'We expect that the theme of AI will remain omnipresent for the next decade and beyond, providing a fertile ground for investment opportunities.'



We expect that the theme of AI will remain omnipresent for the next decade and beyond, providing a fertile ground for investment opportunities. However, this area also highlights the need to have valuation discipline, as it is at risk of share price bubbles. At this stage, we note that the Hyperscalers are not only continuing to spend significantly but are actually increasing their capex intentions further. Alphabet, Amazon, Meta, Microsoft and Apple are expected to spend a combined $2trn in 2025, and over the next 4 years the cumulative capex of the big technology companies is expected to reach $9.3trn.

This is a figure that can appear colossal, but that highlights the magnitude of the investment cycle triggered by the AI opportunity that we are observing. For the time being, Hyperscalers have been able to balance their drive to invest more whilst returning cash to shareholders, all of which has been funded by their strong cash flow generation. This makes us comfortable that, unlike the bubble of 2000, the technology companies that are investing heavily on this occasion have solid balance sheets and are self-funded.

The emergence of DeepSeek at the start of 2025 brought some volatility to the share prices of some of the Hyperscalers, as the initial evidence of DeepSeek being significantly cheaper than the models developed by the Hyperscalers led to concerns of overspending. The markets, however, quickly moved to a point that recognised that technology has always grappled with disinflationary disruptive trends, as new technologies emerge at a fraction of the previous costs. We forecast AI to be on the cusp of triggering a major technologically driven Industrial Revolution, unleashing a major cycle of productivity enhancement for corporates, innovation breakthroughs, and major disruption to any existing businesses that fail to harness the AI opportunity. AI will potentially enhance productivity. Whether companies benefit from a boost in productivity through higher margins, or have to pass these gains to their customers will depend on the competitive dynamics of the industries in which they operate, the new entrant risks, the disruption risks, and the pricing power that they possess. All of these factors are important to assess when analysing any business model, which is what we do systematically when considering an investment opportunity or reviewing an existing holding.

Overall, we calculate that the portfolio has c.31% of its assets exposed to the AI theme, through companies such as **Nvidia**, **Microsoft**, **BE Semiconductors**, **ASML**, **Atlas Copco**, **Cadence**, **Meta** and **Apple**.

We are excited about the shape of the portfolio as it currently stands. Our concentrated approach, focusing on our strongest convictions that come out of our research process, leads to a collection of companies (i) which have solid balance sheets; (ii) which we are forecasting to grow their sales at a significantly higher rate than listed companies in general; and (iii) which have high returns on invested capital. These are the characteristics that will help companies weather the upcoming storms around a potentially deteriorating economic cycle, as a result of the uncertainties brought by the tariff announcements of 2 April 2025. Importantly, these are also companies that can continue to innovate, to stay ahead of their competitors, and to fend off disruption risks, in a decade ahead that will continue to be disruptive for many industries.

Turning to valuations, while it is true that our portfolio, in aggregate, trades at a higher PE ratio than the benchmark index, any measure capturing the superior growth and returns profile of our portfolio would conclude that it is attractively valued when adjusting for this profile.

Our portfolio offers our shareholders a collection of companies with higher growth than the index, in terms of sales, earnings and cash flow, and a substantially higher ROIC, with a forecast of a rapidly improving ROIC over time. This group of investments should therefore in our view compound attractively over the coming years, as the companies which we hold keep delivering what we forecast them to be able to deliver.

Finally, our team will move into the Franklin Equity Group in 2025. We will integrate with a larger group of investors managing over £110bn and sharing the same investment philosophy, focusing on quality growth opportunities. This will give us access to more analytical resources, notably we will be part of a team of 65 investment professionals, including a well-resourced central research group with over thirty analysts from whose knowledge, expertise and insights we will be able to benefit. The group is based in San Mateo in Silicon Valley, and the combined team also has offices in New York, London and Edinburgh, which will permit us to extend our network of corporates and leaders of industry within a region thriving on innovation. This move is intended to help us to continue to position the Company to focus on promising structural growth opportunities. I look at this prospect with excitement and the strong belief that we will be able to deliver the right outcome for our shareholders as we complete our integration into the broader Franklin Equity Group.

Zehrid Osmani

Portfolio Manager

17 April 2025

Our investment manager's process

1. Idea generation

- Does the company generate sustained profits?
- Does the company have a healthy balance sheet?
- Does the company have strong track record of capital allocation?

2. In-depth fundamental research

- Does the company excel in the eight criteria below?

Valuation · Returns · Financial strength · Accounting diagnostics · ESG · Corporate ethos · Growth drivers · Industry analysis

- Assess the company against four core risk categories

Industry risks · Company risks · Governance & sustainability risks · Portfolio risks

- Assess the company against 50+ ESG criteria

Environmental · Social · Governance

- Assess the company against mega-trend thematic analysis

Demographic Change · Future of Technology · Resource Scarcity

Our investment universe consists of companies with a combination of sustainable growth and quality

We identify quality growth ideas by looking for companies that can generate sustained profits, demonstrated by an ability to consistently generate a Return on Invested Capital ('ROIC') in excess of their Weighted Average Cost of Capital ('WACC'). On the quality side we want those with healthy balance sheets, identified by low gearing and the level of goodwill.

We establish the quality and sustainability of the business model

We aim to be highly efficient in our research, so we use eight criteria to examine the quality and sustainability of the business model – of these, valuation is considered the most important. This allows us to focus on the strongest ideas when conducting our in-depth fundamental research.

The proprietary research platform generates maximum insight without compromising on quality

Our research templates systematically risk assess a company against four categories – industry dynamics, company risks, governance & sustainability and portfolio risks. This allows for effective comparisons across different companies and provides a framework for the team to build their conviction.

ESG is integrated throughout the process

Our proprietary ESG risk assessment of Governance and of Sustainability consistently assesses over 50 underlying criteria to capture the complexity of the ESG risks facing a company's long-term outlook and sustainability – each criterion reflecting what we believe are the most universal material ESG factors. We drill down into a further 20 criteria to analyse social exploitation risk.

Thematic analysis is used to identify long-term growth

We want to identify multi-decade returns so we incorporate thematic analysis on three mega-trends: Demographic change, Future of technology and Resource scarcity. Demographic change encapsulates areas such as growth in the emerging markets' middle class, healthy living, or ageing populations. In Future of technology, we capture themes such as outsourcing, artificial intelligence and cyber security, while in Resource scarcity, we see opportunities emerging in electric vehicles, climate change, and energy.

3. Portfolio construction

Evaluate exposure to the world's growth markets

Geographic revenue & profit

Evaluate with thematic mega-trend framework

Long-term thematics

Evaluate in terms of business model diversity

Company classification

Analyse the maturity of the business

Industry lifecycle

Analyse the customers of the potential holding

End-user markets

Built for long-term returns

We consider portfolio construction of equal importance to the research process. The same high-quality proprietary data that we generate in our research platform is used in the portfolio analytics, risk assessments and the portfolio construction. This aids our understanding of the portfolio's diversity and allows us, through appropriate stock weightings, to effectively manage risk and ensure we are positioned to capture long-term growth.

Geographic revenue and profit – exposure to the world's growth markets

Breaking down the portfolio by the geographic source of revenue provides greater insight than constructing the portfolio based on a stock's country of listing. In an increasingly globalised and connected world, companies are more dependent on overseas revenues.

Long-term thematics – investing in the drivers of corporate growth

Within our three mega-trends of Demographic change, Future of technology and Resource scarcity, we have approximately 35 specific sub-themes, some of which overlap between two or three of the mega-trends. By using our thematic framework we can build a picture of each company and therefore the portfolio's overall exposure to these growth drivers.

Company classification – ensuring a diversity of business models

We invest in quality growth companies, but our classifications allow us to maintain a diversity of business models that can either offer more defensive or outright growth characteristics to deliver a more consistent return profile.

Industry lifecycles – understanding business maturity

We assess where a company is in its industry lifecycle through six key stages from early stage and accelerating growth through to decline and renewal. This is important in terms of balancing growth drivers and risk management.

End-user markets – seeking profitable sectors and industries

An aggregation of our portfolio holdings' end-customers. As with our analysis of geographic revenues and profit, this provides a more intuitive breakdown than a company's sector listing. We can understand if companies are operating in potential profitable sectors or areas where we see future growth potential.

4. Portfolio

A portfolio of 25-40 hand-picked stocks from some of the world's leading companies.

ESG & our investment manager's process

The investment manager's depth of Environmental, Social and Governance ('ESG') research is an integral part of the investment process. The risk assessments are continually enhanced to reflect new issues and to ensure the market-leading approach continues to evolve.

Holder of highest Morningstar Sustainability Rating™

The Company holds the highest Morningstar Sustainability Rating of 5 globes*. This recognises our commitment to mitigate the risks our investors face in the ESG space.

Top 2% worldwide

The Company is in the top 2% for corporate sustainability of all the 8,327 products categorised by Morningstar as Global Equity Large Cap[1]. This world-class rating acknowledges the high standards and pioneering in-depth analysis undertaken as part of our stock selection process.

Over 50 ESG criteria assessed

The investment manager evaluates, measures and scores over 50 individual criteria for every company that is researched. This provides a consistent and systematic analysis across sectors and countries, helps identify the most material risks and gives us an insight into a company's ESG credentials.

Social factors – rated one of the best in sector

The Company is already rated one of the best by Morningstar in the sector for Social factors* but this is an area we have recently been focusing on – and is of major importance to our team. We have introduced a second layer of 20 measures to underpin our analysis into exploitation risk, looking at issues relating to: labour rights, human rights, working conditions, age & gender exploitation.

Highest PRI ratings

Martin Currie has achieved the highest 5-star ratings from the UN-supported Principles for Responsible Investment ('PRI') across all three categories applicable to its investment activity. These accolades from the world's leading assessor of responsible investment recognises Martin Currie's years of dedication to integrating stewardship into active investing.

Low-carbon footprint

The portfolio has been awarded a Low Carbon Designation by Morningstar and accounts for a fraction of the emissions of the benchmark index MSCI All Country World index ('MSCI ACWI'). An index tends to include companies based on their size so can include high polluters or companies judged to have a detrimental impact on society. The investment manager's active management approach is more selective.

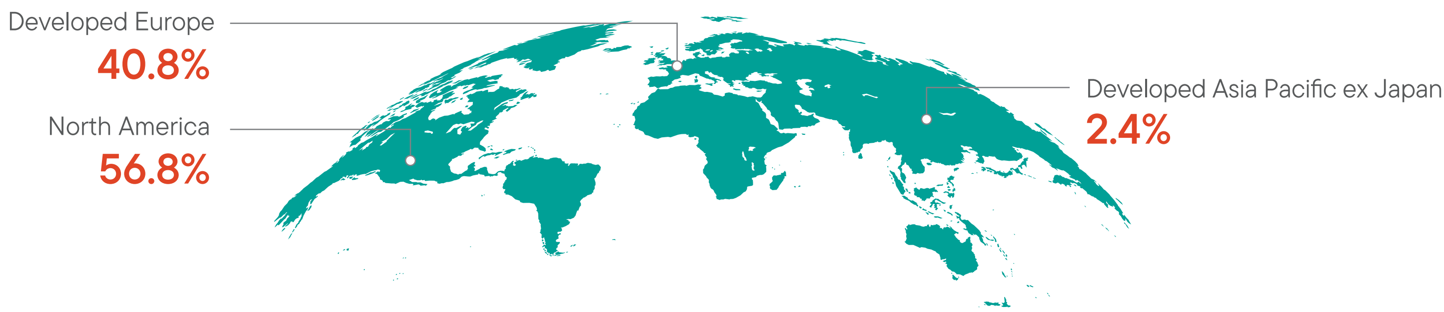
[1]All Morningstar data, sourced: Morningstar, December 2023. © Morningstar, Inc. All rights reserved.

By sector

	31 January 2025 Company %	31 January 2025 MSCI All Country World index %	31 January 2024 Company %	31 January 2024 MSCI All Country World index %
Information Technology	30.7	24.9	30.8	23.5
Health Care	25.7	9.9	22.8	11.4
Consumer Discretionary	14.7	11.5	12.0	10.8
Financials	9.7	17.2	7.2	16.0
Materials	6.0	3.5	7.7	4.2
Industrials	5.7	10.3	12.2	10.6
Communication Services	4.1	8.6	–	7.5
Consumer Staples	3.4	5.8	7.3	6.7
Energy	–	3.8	–	4.5
Utilities	–	2.5	–	2.5
Real Estate	–	2.0	–	2.3
	100.0	100.0	100.0	100.0

By asset class

	31 January 2025 %	31 January 2024 %
Equities	99.2	103.1
Cash	0.8	0.8
Less borrowings	–	(3.9)
	100.0	100.0



Portfolio distribution by region

	31 January 2025 Company %	31 January 2025 MSCI All Country World index %	31 January 2024 Company %	31 January 2024 MSCI All Country World index %
North America	56.8	69.1	52.2	66.0
Developed Europe	40.8	13.9	44.4	15.6
Developed Asia Pacific ex Japan	2.4	2.3	3.4	2.6
Global Emerging Markets	–	9.7	–	10.0
Japan	–	4.8	–	5.6
Middle East	–	0.2	–	0.2
	100.0	100.0	100.0	100.0

Portfolio holdings as at 31 January 2025

	Sector	Country	Market value £000	% of total portfolio
North America			130,990	56.8
Nvidia	Information Technology	United States	14,930	6.5
Microsoft	Information Technology	United States	12,515	5.4
Linde	Materials	United States	10,645	4.6
Mastercard	Financials	United States	9,820	4.3
Meta Platforms	Communication Services	United States	9,519	4.1
Apple	Information Technology	United States	8,689	3.8
Deckers Outdoor	Consumer Discretionary	United States	8,247	3.6
ResMed	Health Care	United States	7,756	3.4
Veeva Systems	Health Care	United States	6,797	2.9
Cadence Design Systems	Information Technology	United States	6,550	2.8
Zoetis	Health Care	United States	6,371	2.8
Illumina	Health Care	United States	5,357	2.3
Autodesk	Information Technology	United States	5,307	2.3
Mettler Toledo	Health Care	United States	5,016	2.2
Constellation Software	Information Technology	Canada	4,789	2.1
IDEXX Laboratories	Health Care	United States	4,479	1.9
Chipotle Mexican Grill	Consumer Discretionary	United States	4,203	1.8

	Sector	Country	Market value £000	% of total portfolio
Developed Europe			93,803	40.8
Ferrari	Consumer Discretionary	Italy	10,187	4.4
Moncler	Consumer Discretionary	Italy	8,793	3.8
ASML Holding	Information Technology	Netherlands	8,553	3.7
Sartorius Stedim Biotech	Health Care	France	8,258	3.6
Atlas Copco	Industrials	Sweden	7,734	3.4
L'Oreal	Consumer Staples	France	7,729	3.4
Novo Nordisk	Health Care	Denmark	7,436	3.2
Adyen	Financials	Netherlands	7,012	3.0
Hexagon	Information Technology	Sweden	5,500	2.4
Partners Group Holding	Financials	Switzerland	5,426	2.4
Kingspan Group	Industrials	Ireland	5,420	2.3
BE Semiconductor Industries	Information Technology	Netherlands	3,827	1.7
Croda International	Materials	United Kingdom	3,163	1.4
Kering	Consumer Discretionary	France	2,467	1.1
Coloplast B	Health Care	Denmark	2,298	1.0
Developed Asia Pacific ex Japan			5,482	2.4
CSL	Health Care	Australia	5,482	2.4
Total portfolio holdings			230,275	100.0

Largest 10 holdings

	31 January 2025 Market value £000	31 January 2025 % of total portfolio	31 January 2024 Market value £000	31 January 2024 % of total portfolio
Nvidia	14,930	6.5	24,357	9.2
Microsoft	12,515	5.4	17,136	6.5
Linde	10,645	4.6	13,818	5.2
Ferrari	10,187	4.4	11,792	4.5
Mastercard	9,820	4.3	11,341	4.3
Meta Platforms	9,519	4.1	–	–
Moncler	8,793	3.8	10,341	3.9
Apple	8,689	3.8	–	–
ASML Holding	8,553	3.7	14,074	5.3
Sartorius Stedim Biotech	8,258	3.6	7,645	2.9

As at 31 January 2025 the largest 10 holdings accounted for 44.2% of the portfolio (51.0% as at January 2024).

Largest 10 holdings in detail

Sector

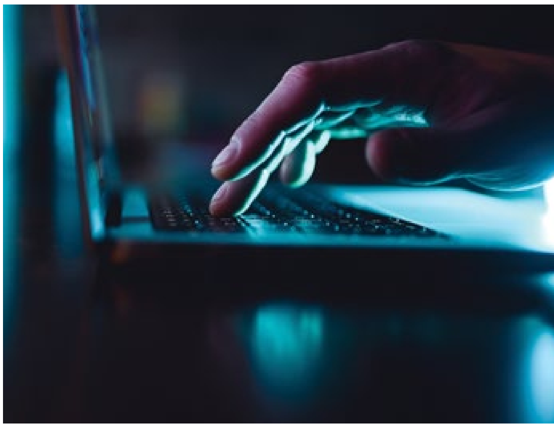
Portfolio %
6.5

Market value £000
14,930

Nvidia

Information Technology, United States

The company designs graphics processing units for gaming and professional markets. We see long-term upside optionality in several secular growth areas, including Gaming, Cloud, AI and Autonomous Vehicles. We believe the market is missing the longevity of growth at Nvidia – specifically from referencing and Edge AI.



Sector

Portfolio %
5.4

Market value £000
12,515

Microsoft

Information Technology, United States

US software company Microsoft, best known for its Windows operating system, the Xbox gaming console and cloud computing service Azure, is in a prime position to benefit from a new 'golden era' of investment in technology. IT investment is becoming crucial for every aspect of corporate life, and Microsoft stands to capture a significant share of this growing expenditure. Furthermore, it can leverage the power of cross-selling within its extensive Enterprise customer base, allowing its Intelligence Cloud division to become the largest contributor to the business over the long term, in our view.

Sector

Portfolio %
4.6

Market value £000
10,645

Linde

Materials, United States

A resilient and geographically diverse business, it has high exposure to fast-growing emerging markets, combined with a solid base in the Americas. Linde exerts strong pricing power from its leading positions in the regions in which it operates. Although revenue growth is correlated to global industrial production, the structure of client contracts using 'take-or-pay' means that revenues are relatively cushioned during economic downturns. The merger with Praxair has accelerated a strategy of focusing on less economically sensitive customers in the healthcare and food and beverage sectors. Our thesis rests on its management's ability to continue to improve margins outside Americas and exert pricing power on its expanded customer base.

Sector

Portfolio %
4.4

Market value £000
10,187

Ferrari

Consumer Discretionary, Italy

The Italian sports car manufacturer provides a unique play on the global growth of high-net-worth individuals and their passion for speed. It has enviable pricing power, thanks to the high demand for their products, limited production and its loyal customer base. Greater use of their Special Service and Icona ultra-high end platforms gives Ferrari the ability to raise their average selling price, which is already at a sizeable premium to other luxury car manufacturers. With good geographic diversification and higher exposure to the US and Europe, buoyant and resilient end-user market demand over the long term, and the ability to steadily increase its profit margins and return profiles, we are confident in the long term growth trajectory of Ferrari.

Sector

Portfolio %
4.3

Market value £000
9,820

Mastercard

Financials, United States

The migration from cash and cheque to electronic payment is a multi-year secular trend that is still far from mature. While this is a seemingly consensual proposition, the market tends to underestimate this trend. The company's ROIC is highly attractive, even though the electronic payment space is competitive, its transition from a pure card network to a multi-rail provider of payment solutions proves how the company can face these challenges from a position of strength.

Sector

Portfolio %
4.1

Market value £000
9,519

Meta Platforms

Communication Services, United States

The company is the dominant force in social media in the US and beyond. It is an early beneficiary from AI driving its share of advertising as well as augmenting the user experience on its platforms. We believe that the combination of these two factors underpins accelerated growth over our forecast period.

Sector

Portfolio %
3.8

Market value £000
8,793

Moncler

Consumer Discretionary, Italy

Moncler is the leader in super premium down jackets and has a rich heritage and strategic focus on long-term sustainable and responsible growth. Moncler's CEO Remo Ruffini has been forensically focused on creating demand for scarce product and cementing this with great customer experiences, enabling the business to expand in a significantly underpenetrated market. We believe that the structural growth potential of the company is attractive, and its ability to continue to innovate remains strong.

Sector

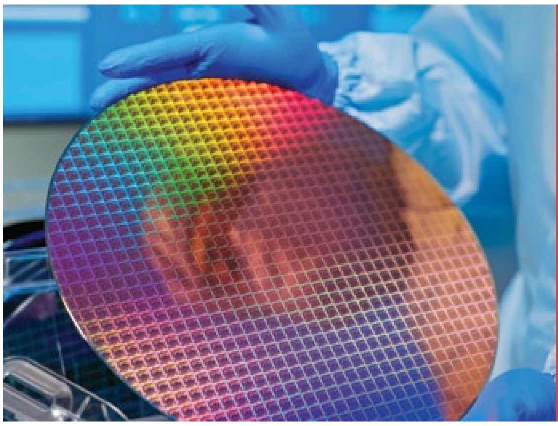
Portfolio %
3.8

Market value £000
8,689

Apple

Information Technology, United States

Apple is the global leading brand for technology products across the iPhone, iPad, Mac, and Apple Watch, which are priced a premium to peers due to the companies' brand value in product design and user experience. Apple's integration of hardware and software expertise create world class consumer experiences and high barriers to entry. In addition, its brand reputation and ecosystem of products allows cross sell with services such as Music, Apple Arcade, Apple TV and Apple Pay. We expect the digital and real world only to become more integrated through time, with Apple's products as a key interface.



Sector

Portfolio %
3.7

Market value £000
8,553

ASML Holding

Information Technology, Netherlands

This semiconductor equipment company holds a monopoly position in leading edge lithography equipment for semiconductors with high barriers to entry. This dominant position affords the company strong pricing power. ASML is well placed to benefit from increasingly complex and smaller node chipsets. In addition, trailing edge demand, traditionally the sub growth segment, has accelerated from electrification in automotive and Internet of Things/industrials which appear structural. As such we expect the ASML to outgrow the semiconductor industry.

Sector

Portfolio %
3.6

Market value £000
8,258

Sartorius Stedim Biotech

Health Care, France

Sartorius benefits from the shift of increasingly complex drug development and drug production which is favouring life science and tools companies. We see structural growth in Bioprocessing and within that Single Use Technologies driving strong topline growth with high returns. In addition to those drivers we see Sartorius as continuing to drive market share gains in the US as it benefits from the new wave of biologic launches where it has been previously locked out. With high barriers to entry and significant switching costs Sartorius is a clear compounder, even though it can experience some degree of cyclicality due to industry capacity cycles.

This report provides shareholders with details of the Company's business model and strategy as well as the principal and emerging risks and challenges that it faces.

Business model

The Company has no employees and outsources its entire operational infrastructure to third-party organisations. The Board has appointed Franklin Templeton Investment Trust Management Limited as its Alternative Investment Fund Manager ('AIFM'), which in turn has appointed Martin Currie Investment Management Limited (the 'investment manager') to manage the portfolio. Under the leadership of portfolio manager, Zehrid Osmani, a specialist team analyses the world's stocks to find the very best ideas. The Board sets the Company's strategy, decides the appropriate financial policies to manage the assets and liabilities of the Company, ensures compliance with tax, legal and regulatory requirements and reports regularly to shareholders on the Company's performance. Further information on the role and operation of the Board is set out under Corporate Governance on page 34.

For more information on investment trusts in general please visit **www.theaic.co.uk**.

Investment Objective

The investment objective is to produce long-term returns in excess of the total return from the MSCI All Country World index.

Purpose

In line with the objective outlined above, the Company's purpose is to deliver a sustainable long-term total return to shareholders by implementing the investment policy through the Company's investment manager.

Investment Policy

The investment policy is:

- To invest predominantly in listed global equities of quality growth companies with superior share price appreciation potential, based on projected return on invested capital ('ROIC'), balance sheet strength and sustainable business models.
- To manage a high conviction portfolio with typically 25-40 holdings, with a view to holding stocks over a long-term investment horizon.
- To achieve risk spreading through a portfolio of holdings diversified by types of company and sources of revenue. No more than 10% of total assets will be invested in a single stock.
- To fully integrate Environmental, Social and Governance ('ESG') criteria into fundamental analysis when assessing business models.
- To exclude investments identified through the investment manager's proprietary ESG risk assessment as having a high level of Sustainability or Governance risk.
- To potentially use debt to enhance returns to shareholders. Gearing will not exceed 20% of net assets at the time of drawdown.
- To not invest in other listed closed-end funds.

A description of the investment manager's process, which includes a fully integrated approach to ESG matters, is set out on pages 15 to 17 of this annual report.

Strategies

Investment

In order to achieve its investment objective, the Company has adopted a distinctive philosophy in implementing its investment policy. This clearly focuses on using the investment manager's ability to combine investment performance with socially responsible investment. This is done through their leading global research capabilities in identifying high-quality companies that will benefit from exposure to growth megatrends worldwide and their leading performance in engaging with these companies on ESG issues. We believe that long-term share price performance will come from those companies that actively engage with ESG. The Company invests predominantly in blue chip equities with a market capitalisation in excess of $3 billion and selects quality growth companies which are market leaders in their industries with superior share price appreciation potential based on attractive return on invested capital ('ROIC'), balance sheet strength and ESG credentials.

The resulting diversified portfolio of between 25 and 40 international quoted companies as listed on pages 19 and 20 is actively managed and concentrated, focusing on high conviction stocks selected on the basis of detailed research analysis. This active portfolio management policy will inevitably involve some periods when the Company's portfolio outperforms or underperforms the Company's benchmark.

The Board does not impose any limits on the investment manager's discretion to select individual stocks in compliance with the investment policy. The investment manager ensures that investment risk is dominated by the high conviction stocks in the portfolio within the guidelines set by the Board and that the combination of stocks held does not lead to unintended reliance on a particular macroeconomic factor (for example, a higher oil price or higher interest rates).

Current asset allocation and actual holdings are discussed in the Manager's review on pages 9 to 14 and details are contained in the portfolio summary and portfolio holdings on pages 18 to 20.

Environmental, Social and Governance ('ESG')

The Company and investment manager believe that good ESG practices are a fundamental component of a high-quality company and hence rigorously reviews its ESG practices. This will typically include analysis of shareholder rights, accounting standards, remuneration, board structure, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies. The investment manager's ESG analysis may influence key financial assumptions such as cost of capital, revenues or costs and thus the estimate of a company's intrinsic value. These are discussed in greater detail on page 17. A poor governance, environmental or social track record for a company can indicate wider sustainability issues and could lessen the attractiveness of the investment.

Stewardship and sustainability issues are integral to the Company's investment philosophy. The investment manager has been a signatory to the Principles for Responsible Investment ('PRI') since 2009. In January 2024, the investment manager was awarded the highest possible 5 stars across all modules relevant to its investment activities. These are 'Public Governance and Strategy,' and 'Confidence building measures' that apply to all asset managers, and 'Direct – Listed equity-Active Fundamental', which is specific to the equity asset class. Copies of the investment manager's 2024 Assessment Report and Transparency report from the PRI are available on their website *www.martincurrie.com/_data/assets/pdf_file/0020/45245/Public-Full-Transparency-Report-Martin-Currie-Investment-Management.pdf*. The investment manager was accepted as a signatory to the revised Financial Reporting Council ('FRC') Stewardship Code (2020) in 2023. The investment manager also signed up to the Net Zero Asset Managers Initiative ('NZAMI') in July 2021.

The investment manager's proprietary ESG risk assessment makes a risk assessment and consistently assesses over 50 underlying criteria to capture the complexity of the ESG risks facing a company's long-term outlook and sustainability – each criterion reflecting what they believe are the most universal material ESG factors. Each risk is rated on a scale 1 (lowest risk) to 5 (highest risk). These risks are analysed under the following headings:

- Board quality
- Management quality
- Remuneration
- Culture
- Environmental
- Social
- Understanding and integration
- Common factors
- Sustainability momentum

Under the 'Social' heading the investment manager drills down into a further 20 criteria to analyse social exploitation risk. Each risk is rated on a scale 1 (lowest risk) to 5 (highest risk). A company with an overall Sustainability or Governance risk rating of 4.0 or higher will not be included in the portfolio.

Marketing

The marketing strategy seeks to expand the shareholder base through increased engagement with key audiences, using the most appropriate promotional techniques. This drive to deepen demand for the Company's shares should enable growth over time in the number of shares in issue, improve the efficiency of the Company and increase liquidity in its shares.

This is supported by a commitment to provide clear, transparent and regular communication to shareholders delivered primarily through the Franklin Templeton UK Distribution team and the Company's website which contains information relating to performance, outlook and significant developments as they occur as well as interviews with the portfolio manager, Zehrid Osmani.

In addition, the Company utilises marketing tools such as advertising, social media, public relations and research. The portfolio manager also meets regularly with existing and potential institutional shareholders, including private wealth managers.

Financial

The Company's main financial strategic goals are:

- delivering long-term returns in excess of the benchmark; and
- the management of the Company's financial risks.

The Board's principal aim for the management of shareholder capital is the achievement of long-term total return in line with the investment objective. Growth should incorporate both the investment manager's investment performance and the issuance of shares when sufficient demand exists to do this without diluting the value of existing shareholder capital. At the same time, the Board has also maintained or increased dividends each year since the Company's launch in 1999 and remains committed to delivering strong long-term total returns on shareholder capital.

Discount management

The Company operates a zero discount policy with the objective of providing shareholders, in normal market conditions, with assurance that the Company's share price is in continuing alignment with the prevailing net asset value per share ('NAV') and liquidity so that investors can buy or sell as many shares as they wish at a price which is not significantly different from the NAV. This involves the Company both buying back shares and reissuing shares from Treasury or issuing new shares. Shares bought back as part of this policy are held in Treasury and reissued when demand exists which the market cannot supply. The average discount in the year to 31 January 2025 was 2.1%.

Discount is an Alternative Performance Measure, see page 79 for more details.

Gearing

The Board sets the Company's policy on the use of gearing as part of the process of delivering returns to shareholders. On the renewal date, 25 November 2024, the Company repaid in full and closed the unsecured £10 million sterling term revolving loan facility agreement with The Royal Bank of Scotland International Limited ('RBSI').

The Board reviews the Company's borrowings to ensure that gearing levels are appropriate. The total borrowings will not exceed 20% of the net assets of the Company at the time of drawdown. The Board monitors the Company's gearing closely and takes a prudent approach. Further disclosure on leverage as required under AIFM regulations is set out on page 43.

Gearing is an Alternative Performance Measure, see page 79 for more details.

Key Performance Indicators and Performance

The Board uses certain key performance indicators ('KPIs') to monitor and assess its performance in achieving the Company's objectives. The Board have made no changes to the KPI targets in the financial year to 31 January 2025.

KPI	Target	2025	Achieved	2024	Achieved
1. Net asset value performance relative to benchmark (over 3 years)	Outperform	(28.7%)	No	(24.4%)	No
2. Performance against Company's peers (over 3 years)	Top third performance	9 out of 12	No	9 out of 13	No
3. Ongoing charges	Less than 0.70%	0.65%	Yes	0.64%	Yes

1. Net asset value performance relative to benchmark

The Board assessed the net asset value total return compared to the benchmark. It is measured on a financial year basis and assessed over a rolling three year period. The benchmark with effect from 1 February 2020 is the MSCI All Country World index. Prior to this, the benchmark was the FTSE World index.

The KPI was not achieved for the period. The return of the Company was 8.9% and the benchmark 37.6% for the three years to 31 January 2025.

2. Performance against the Company's peers

The Board monitors the share price total return performance versus all competitor funds within the AIC Global sector over a rolling three year period.

The share price total return for the Company was 10.9% over the three years to 31 January 2025 which ranked 9 out of 12 in the AIC Global sector.

3. Ongoing charges

The Board monitors ongoing charges on a regular basis to ensure that it meets its target by maintaining cost discipline and its focus on value adding activities. The KPI was met for the year at 0.65%. The ongoing charges figure has been calculated in line with the Association of Investment Companies ('AIC') recommended methodology.

Section 172 Report – Duty to promote the success of the Company

The Company is required to provide a statement which describes how the Directors have had regard to the matters set out in Section 172 of the Companies Act 2006 when performing their duty to promote the success of the Company, including:

Section 172 Scope	Board's Statement
The likely consequences of any decision in the long term.	The Board is focused on promoting the long-term success of the Company and regularly reviews the Company's long-term strategic objectives, including consideration of the impact of the investment manager's actions on the marketability and reputation of the Company and the likely impact on the Company's stakeholders of the Company's principal strategies.
The interests of the Company's employees.	The Company has no direct employees.
The need to foster the Company's business relationships with suppliers, customers and others.	The Board's approach to its key stakeholders is set out under 'Stakeholders' below.
The impact of the Company's operations on the community and the environment.	The Board's approach is set out in the section on ESG in 'Strategies' on page 27.
The desirability of the Company maintaining a reputation for high standards of business conduct.	The Board's approach is set out in 'Culture and Values' on page 29.
The need to act fairly between members of the Company.	The Board's approach is set out under 'Stakeholders' below.

Stakeholders	Why they are important	Board Engagement
Shareholders	The Company, as an investment trust, does not have any employees and its customers are also its shareholders. The primary purpose of the Company is to deliver long-term returns for shareholders from a portfolio of investments. Continued shareholder support and engagement are critical to the existence of the Company and the delivery of its long-term strategy.	The Board and the investment manager recognise the importance of engaging with shareholders on a regular basis in order to maintain a high level of transparency and accountability and to inform the Company's decision making and future strategy. The Board receives regular reports from the investment manager on shareholder engagement, with the investment manager tasked with maintaining regular and open dialogue with larger shareholders. Directors, primarily through the Chair, are also available to meet major shareholders to understand their views and to help inform the Board's decision making process. The Company maintains an award-winning website which hosts copies of the annual and half yearly reports along with factsheets and other relevant materials. Shareholders are also invited to attend the AGM at which they have the opportunity to speak directly with Directors. The investment manager has a dedicated client services team which maintains regular contact with the Company's shareholders and reports regularly to the Board. Shareholders can also contact the Directors throughout the year via the company secretary or the broker.

Stakeholders	Why they are important	Board Engagement
Lenders	Alongside shareholders' equity, the Company has, at some times, been partly funded by debt. Although the Company is not dependent on debt financing, continued support from lenders would be important to maintain the financial stability of the Company and flexibility in managing the portfolio.	The Company repaid its loan facility during the year and therefore currently does not have any loan or debt facilities in place. The Company's debt was subject to contractual terms and restrictions and the Company had procedures in place to report regularly to its lenders on compliance with debt terms.
The investment manager	The performance of the investment manager is critical for the Company to deliver its investment strategy and meet its objective.	The management engagement committee is tasked with reviewing the performance of the investment manager. Representatives of the investment manager including the portfolio manager, Zehrid Osmani, attend each regular Board meeting and provide an update on the investment portfolio along with presenting on specific sectors and macroeconomic issues.
Other service providers	The Company has a number of other key service providers, each of which provides a vital service to the Company and to its shareholders.	The audit committee receives reports from and reviews the service, quality and value for money provided by other third party suppliers. The investment manager is tasked with maintaining a constructive relationship with such other third-party suppliers on behalf of the Company. It is the Board's policy that all payments due to suppliers will be made in full and on time.

During the year, the Board made a number of key decisions which fall under the Section 172 scope set out above:

- The Board reviewed its investment management arrangements in the light of disappointing performance and agreed to support the initiatives described in the Chairman's statement to realign the portfolio management team with the Franklin Equity Group. As a result of this discussion, the Board also agreed to change the name of the Company to Franklin Global Trust in April 2025.
- As part of its continuing succession plan, the Board undertook a recruitment process and appointed Krishna Shanmuganathan as a non-executive Director on 1 April 2025.
- As the renewal date of the Company's revolving loan facility approached, the Board carried out a detailed review of gearing during the year under review. On the renewal date, 25 November 2024, the Company repaid in full and closed the unsecured £10 million sterling term revolving loan facility agreement with The Royal Bank of Scotland International Limited ('RBSI').

Culture and Values

The Board considers that its culture of openness of debate combined with strong governance and the benefits of a diverse Board are central to delivering against its purpose, values and strategies that are discussed in this report. The Board monitors and reviews its culture as part of its annual evaluation process and monitors the culture within the investment manager to ensure that it is closely aligned with that of the Company. The key values of the Board are:

Independence: To act independently in the interests of shareholders.

Sustainability: To ensure that the companies in which the Company invests and the Company's key suppliers are supportive of good environmental, social and governance practices and that its investment manager encourages continuous improvement in these areas.

Transparency: To report transparently and accurately to shareholders on the condition, performance and prospects of the Company.

The Board works closely with the investment manager to develop and monitor its investment strategy and activities, not only to achieve its investment objective, but also to deliver the Company's values of Independence, Sustainability and Transparency.

Engagement with investee companies

The Board also expects good governance standards to be maintained at the companies in which the Company is invested and reviews the engagement and voting activities which are undertaken by the investment manager. The ESG strategy followed by the Company and the investment manager is detailed on pages 17 and 25. The Board receives regular reports of both voting and other engagements by the investment manager with the management teams of companies in the portfolio. Details of Martin Currie's ESG related policies and activities can be found on its website at www.martincurrie.com. The Board believes that companies which exhibit positive ESG behaviours contribute to increasing value over the long term.

Voting policy and the UK Stewardship Code

The Company has delegated responsibility for voting at investee company shareholder meetings to Martin Currie, which votes in accordance with its corporate governance and responsible investing policy. Martin Currie has gained 5-star ratings for 'Public Governance and Strategy,' and 'Confidence building measures' that apply to all asset managers, and 'Direct – Listed equity – Active Fundamental' under the PRI's Reporting Framework for 2023. Martin Currie is a signatory of the FRC UK Stewardship Code 2021. A copy of Martin Currie's stewardship report can be found at www.martincurrie.com/stewardship/annual-report-2024

Anti-bribery and tax evasion

The Board has a zero tolerance policy towards bribery and looks to ensure that its service providers and associated persons have effective policies and procedures designed to actively prevent bribery which are high level, proportionate and risk based.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero tolerance approach to any facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all of its business dealings and relationships.

Principal and emerging risks and uncertainties

Risk and mitigation

The Company's business model is longstanding and resilient to most of the short-term operational uncertainties that it faces. The Board believes that these are effectively mitigated by the internal controls established by the Board and by the AIFM, Franklin Templeton Investment Trust Management Limited, and their combined oversight of the investment manager, as described in the table below. Its principal risks and uncertainties are therefore largely driven by the inherent uncertainties of investing in global equity markets. The Board's process seeks to mitigate known risks and to identify new risks as they emerge.

However, it is recognised that the likelihood and timing of crystallisation of some risks, known and unknown, cannot be predicted and the Board then relies on professional management, effective systems and communication to mitigate and respond to them as and when they arise.

Operational and management risks are regularly monitored by the AIFM and by the Board at Board meetings. As part of its annual strategy meeting the Board carries out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Board's planned mitigation measures for the principal and emerging risks are described below.

The Board notes that the dominant global macroeconomic risks are geo-political tensions, trade, inflation, and climate transition. These are however considered to be risks that have an impact on the identified principal and emerging risks and are therefore considered and managed in that context and the investment manager takes full account of these risks in assembling and monitoring the portfolio of investments.

Principal risk	Mitigation
Sustained investment underperformance	The Board oversees the implementation of the investment strategy and monitors the performance of the investment portfolio. The portfolio manager attends all Board meetings and reviews the portfolio with the Board together with data that shows statistical measures of the Company's risk and return profile. Should there be sustained investment underperformance despite reasonable mitigation measures taken by the investment manager, the Board would assess the cause and take appropriate action to manage this risk. The investment strategy is index independent and will not track indices; it will therefore underperform in certain market conditions and the Board will assess whether underperformance is due to market conditions, poor manager performance or whether the strategy itself is unsustainable. As set out in the Chair's statement and Manager's review, Franklin Templeton is reorganising the team managing the Company's investments to enhance the resources available to the portfolio manager going forward. There is increasing awareness of the challenges and emerging risks posed by climate change. The investment process incorporates detailed analysis of ESG issues and as set out in the Manager's review, this includes an assessment of the potential impact of climate change. Overall, the specific potential effects of climate change are difficult, if not impossible, to predict and to measure and the Board and investment manager will continue to monitor developments in this important risk area. Geopolitical risks have always been an input into the investment process. This risk area continues to be highlighted as a result of the continuing Russian war in Ukraine and, in 2023, the conflict between Israel and Hamas with the resultant effects on global trade posed by supply shocks, higher levels of inflation, and higher interest rates as central banks seek to contain inflation and volatility in asset prices. Further information on geopolitical risks is set out in the Outlook section of the Manager's review. The move by the United States to become more isolationist and protectionist, and in particular the introduction of widespread tariffs, may lead to reduced global trade, lower growth, higher inflation, increased volatility and reductions in the values of international companies. While global movements are likely to affect the portfolio, we seek to mitigate this by having a portfolio which is diversified by geography and economic sector.

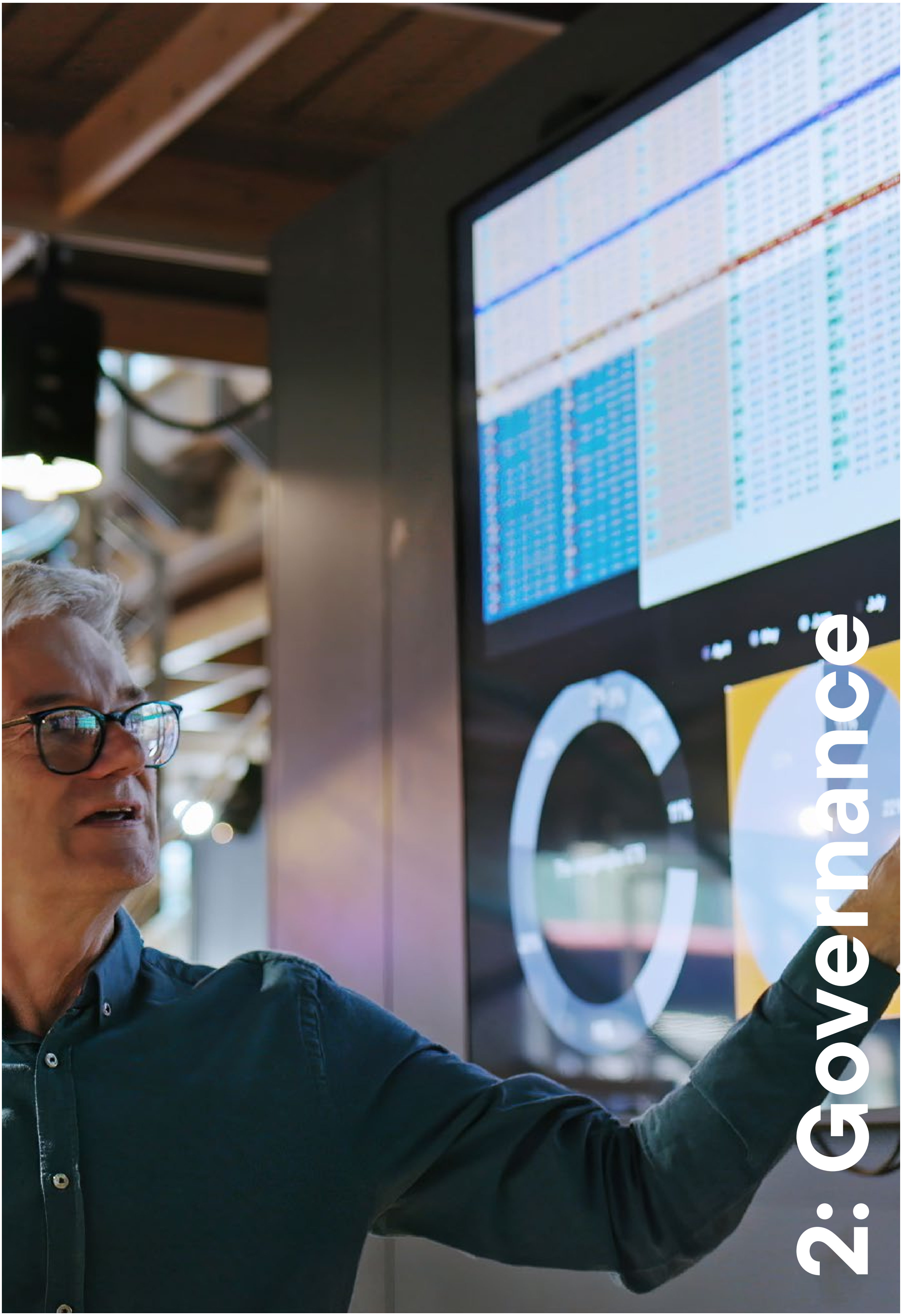
Principal risk	Mitigation
Material decline in market capitalisation of the Company	The Board recognises that the zero discount policy allows new shareholders to purchase shares and current shareholders to sell their shares at close to NAV, in normal market conditions. Although this level of liquidity encourages investment in the Company, it could also increase the risk of a material decline in the size of the Company. The Board monitors the performance and pace of share buybacks and the Company's shareholder profile. Decline could also come as a consequence of the Company's failure to meet its investment objective. The Board believes that good long-term performance will mitigate this likelihood, increase demand for the Company's shares and, subject to overall market stability, permit the market capitalisation of the Company to increase.
Loss of s1158-9 tax status	Loss of s1158-9 tax status would have serious consequences for the attractiveness of the Company's shares. The Board considers that, given the regular oversight of this risk by the audit committee, the AIFM and the investment manager, the likelihood of this risk occurring is minimal but as the consequence of loss of the tax status would be very damaging it is highlighted as a principal risk. The audit committee regularly reviews the eligibility conditions and the Company's compliance against each, including the minimum dividend requirements and shareholder composition for close company status.

On the basis of its continual and ongoing assessment of the principal and emerging risks facing the Company, and given its current position, the Board is confident that the Company will be able to continue in operation and meet its liabilities as they fall due. The Board believes that the processes of internal control that the Company has adopted and oversight by the AIFM continue to be effective.

As previously stated, the Board's main focus is the achievement of a competitive total annual return. The future of the Company is dependent upon the success of the investment strategy in light of economic factors and developments in equity markets. The outlook and future prospects for the Company are discussed in both the Chair's statement on page 8 and in the Manager's review on page 12.

Christopher Metcalfe
Chair
17 April 2025

2: Governance



Christopher Metcalfe, Non-executive director, Chair

Christopher is senior independent non-executive director of JPMorgan US Smaller Companies Investment Trust plc, a non-executive director of CT UK Capital and Income Investment Trust plc and Herald Investment Trust plc. Christopher was previously a non-executive director of abrdn Smaller Companies Income Trust plc. He has extensive global equity fund management and investment trust experience, with a deep understanding of UK investors having previously worked in senior positions at Newton, Schroder Investment Management and Henderson. Christopher was appointed to the Board on 19 September 2019. Christopher was appointed as Chair of the Company following the conclusion of the AGM on 1 June 2023.

Lindsay Dodsworth, Non-executive director, Chair of the audit committee

Lindsay Dodsworth sits on the investment oversight committee of a private office, is a non-executive director of Elveden Farms Limited, a trustee and member of the finance and audit committee at Goodenough College and chair of governors at St. John's College School. Lindsay was previously a non-executive director and chair of the audit & risk committee of Mobeus Income & Growth 4 VCT plc and chair of a family office and its investment committees which she helped to set up following the sale of the family business.

She trained as a chartered accountant and a chartered tax adviser with Price Waterhouse (now PwC) before becoming a partner at Ernst & Young (now EY). Lindsay was appointed to the Board on 1 November 2021.

Gary Le Sueur, Non-executive director, Senior Independent Director

Gary is a founding partner of clean energy investment firm, Corran Capital, and a former partner of venture capital firm, Scottish Equity Partners. He has significant investment experience in the clean energy, sustainability and environmental sectors. Prior to venture capital, Gary worked in corporate law with Shepherd & Wedderburn (Solicitors), before moving to Deutsche Morgan Grenfell and then National Australia Bank. Gary was previously a non-executive director of venture philanthropy charity Inspiring Scotland. Gary was appointed to the Board on 1 December 2016. He is stepping down from the Board at the conclusion of the AGM on 19 June 2025.

Marian Glen, Non-executive director

Marian is a non-executive director of The Medical and Dental Defence Union of Scotland. She was formerly the General Counsel of AEGON UK and prior to that was a corporate partner and Head of Funds and Financial Services at Shepherd & Wedderburn (Solicitors). She was previously a non-executive director of Shires Income plc, Financial Services Compensation Scheme, Friends Life Group Limited and certain of its subsidiaries and Murray Income Trust plc. Marian was appointed to the Board on 1 December 2016. Marian will take over the roles of Senior Independent Director and chair of the Board's Remuneration Committee when Gary Le Sueur steps down from the Board.

Krishna Shanmuganathan, Non-executive director

Krishna is chair of both abrdn Asia Focus plc and Weiss Korea Opportunities Fund. He has had a varied and successful career in diplomacy, asset management, consulting and corporate advisory, with a particular focus on Asia. Krishna was appointed to the Board on 1 April 2025.

Corporate governance

Corporate governance is the process by which the Board seeks to look after stakeholders' interests and to protect and enhance shareholder value.

This report explains how the Board addresses its responsibility, authority and accountability.

Compliance with the Principles of the AIC Code

The Board of the Company has considered the Principles and Provisions of the 2019 AIC Code of Corporate Governance ('AIC Code'). The AIC Code addresses the principles and provisions set out in the 2018 UK Corporate Governance Code (the 'UK Code'), as well as setting out additional principles on issues that are of specific relevance to the Company as an investment company. The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders than reporting only with respect to the UK Code. The AIC Code is available on the AIC website (www.theaic.co.uk).
It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The UK Code includes provisions relating to the role of the chief executive, executive directors' remuneration and the need for an internal audit function. For the reasons set out in the AIC Code, and as explained in the UK Corporate Governance Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

Details of the AIC principles and how the Company complies with them can be found on the Company's website at www.franklinglobaltrust.com.

Role of the Board

As an investment company, the Company has a Board of Directors whose duty it is to govern the Company within the framework set out in the Company's Articles of Association – in other words, to look after the interests of shareholders and also of the Company's stakeholders as a whole.

The Board sets the Company's values and objectives and ensures that its obligations to its shareholders and other stakeholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues.

The Board undertakes a regular review of the AIFM's and investment manager's culture, policies and practices to ensure that they are aligned with the Company's values. It also reviews its service providers to satisfy itself that they maintain policies and practices consistent with good risk management, compliance with regulatory frameworks and deliver a value for money service to the Company.

The Board met five times during the year under review on a formal basis (as well as on an ad-hoc basis when required), to consider the Company's strategy and monitor the Company's performance.
An investment trust board provides a very specific and proactive form of direct oversight of the investment of the shareholders' funds.

The primary focus at regular Board meetings is a review of investment performance of the investment manager and associated matters including asset allocation, promotion and investor relations, peer group information and industry issues.

To enable the Board to function effectively and to allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board meetings, this consists of a comprehensive set of papers, including the investment manager's review, performance reports and discussion documents regarding specific matters. Directors make further enquiries where necessary.

Committee structure

The Board has established a number of committees whose remit is to oversee specific aspects of management of the Company. During the year the Board agreed it was best corporate governance practice for nomination business to be discussed during Board meetings led by the Chair of the Company.

Management engagement committee

Chair:
Christopher Metcalfe

- reviews the continuing appointment of the AIFM and the investment manager;
- reviews the performance of the AIFM and the investment manager in terms of investment performance and the company secretarial and administrative services provided;
- reviews the performance of the personnel employed by the AIFM and the investment manager in relation to the provision of such services;
- reviews the terms of the AIFM agreement to ensure that it remains competitive and in the best interests of shareholders.

Remuneration committee

Chair:
Gary Le Sueur

- sets the remuneration policy for all Directors; and
- reviews and sets Directors' remuneration levels.

Further information can be found in the Directors' remuneration report.

Marian Glen will become chair of this committee when Gary Le Sueur steps down at the conclusion of the AGM.

Audit committee

Chair:
Lindsay Dodsworth

The role and responsibilities of this committee are set out in its report on pages 47 and 48.

Directors’ meetings

The following table shows the number of formal Board and committee meetings held during the year and the number attended by each Director or committee member. There was also one strategy meeting held during the year.

	Formal Board meetings (5 meetings)	Management engagement committee (1 meeting)	Audit committee (2 meetings)	Remuneration committee (1 meeting)
Lindsay Dodsworth	5	1	2	1
Marian Glen	5	1	2	1
Christopher Metcalfe	5	1	2	1
Gary Le Sueur	5	1	2	1

Directors' independence

All of the Directors are considered under the AIC Code to be independent of the AIFM, Franklin Templeton Investment Trust Management Limited and of the investment manager, Martin Currie Investment Management Limited.

The Directors are free of any relationship which could materially interfere with the exercise of their independent judgement on issues of strategy, performance, resources and standards of conduct and demonstrate a breadth of investment knowledge, business and financial skills which enable them to provide effective strategic leadership and proper governance of the Company. Directors are initially appointed until the general meeting following their initial appointment when, under the Company's Articles of Association, it is required that they be elected by shareholders.

None of the Directors has a service contract with the Company. The terms of their appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company.

Conflicts of interest

The Board has approved a policy on Directors' conflicts of interest. Under this policy Directors are required to disclose all actual and potential conflicts of interest to the Board as they arise for consideration and approval. The Board may impose restrictions or refuse to authorise such conflicts if deemed appropriate.

A register of Directors' interests, including potential conflicts of interest, is maintained by the Company and is regularly monitored.

Directors who have potential conflicts of interest will not take part in any discussions which relate to that particular conflict. The Board considers that the framework has worked effectively throughout the year under review.

Tenure

The Board has adopted a Tenure Policy for all Directors, including the Chair, which states that the Board believes that it is an advantage to have the continuous contribution of Directors over a period of time during which they are able to develop awareness of and insight into the Company and thereby are able to make a valuable contribution to the Board as a whole. The Board believes that it is appropriate for a Director to serve for up to nine years following their initial election and it is expected that Directors will stand down from the Board at the AGM following the ninth anniversary of their initial appointment. However, a flexible approach to tenure has been adopted and that period may be extended for a limited time to facilitate effective succession planning whilst still ensuring regular refreshment and diversity on the Board. Gary Le Sueur is not seeking re-election at the AGM and will step down from the Board following the conclusion of the AGM. The Board has decided that all other Directors will be required to stand for annual re-election in line with best practice.

Succession planning

The Board plans for its own succession. This process ordinarily involves the identification of the need for a new appointment and the preparation of a brief including a description of the role and specification of the capabilities required. The Board seeks assistance in identifying suitable candidates by appointing an external recruitment firm each time that there is a vacancy. During the year the Company engaged Fletcher Jones Ltd as its external recruitment firm for the process which resulted in the recruitment of Krishna Shanmuganathan. Fletcher Jones Ltd does not have any other connections with the Company. The Board considers candidates from a wide range of backgrounds, having consideration for the diversity of the Board as a whole including, but not limited to, gender. Gary Le Sueur will retire from the Board following the conclusion of the AGM on 19 June 2025.

Board diversity

The Board considers diversity, including the balance of skills, knowledge, gender and experience, amongst other factors, when reviewing the composition of the Board. It does not consider that it is appropriate to establish targets or quotas in this regard.

The Board has made a commitment to consider diversity when reviewing the composition of the Board and notes the UK Listing Rules requirements regarding the targets on board diversity:

- at least 40% of individuals on the Board are women;
- at least one senior Board position (chair, chief executive officer ('CEO'), senior independent director or chief financial officer ('CFO')) is held by a woman; and
- at least one individual on the Board is from a minority ethnic background, defined to include those from an ethnic group other than a white ethnic group, as specified in categories recommended by the Office for National Statistics.

As required by the UK Listing Rules the report for the Company against these targets is set out in the tables below in the prescribed format. The data was collected on a self-identifying basis.

The Board notes that as an externally managed investment trust there is no CEO or CFO and the Board considers the Chair of the Company, the Chair of any of the Company's Committees and the Senior Independent Director to be senior positions.

The Board confirms that as at 31 January 2025 it did not meet the target in relation to one of the Board members being from a minority ethnic background. Following the appointment of Krishna Shanmuganathan on 1 April 2025 and the retirement of Gary Le Sueur at this year's AGM: (i) the Board will consist of 2 men and 2 women (ii) 3 board members will be White British and 1 Board member will be Asian British. The Board confirms that for continuity and succession planning the Directors will always select the best candidate based on objective criteria and merit.

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board
Men	2	50%	2
Women	2	50%	1
Not specified/prefer not to say	–	0%	–

Ethnic background	Number of Board members	Percentage of the Board	Number of senior positions on the Board
White British or other White including minority white groups	4	100%	3
Mixed/Multiple Ethnic groups	–	0%	–
Asian/Asian British	–	0%	–
Black/African/Caribbean/Black British	–	0%	–
Other ethnic group	–	0%	–
Not specified/prefer not to say	–	0%	–

Induction and training

The company secretary provides all Directors with induction training on appointment, tailored to the needs of individual appointees. The induction programme is designed to familiarise the appointee with the Company, its operations and obligations and regular ongoing briefings are provided on changes in regulatory requirements that affect the Company and Directors.

Performance evaluation

A formal, annual appraisal system has been agreed for the evaluation of the Board, its committees and the individual Directors, including the Chair. Board and committee evaluation questionnaires are completed by each Director with responses collated and discussed. The Chair leads the evaluation of the Board, committees and individual Directors, including consideration of the time commitment, skills and experience of the Directors, while the Senior Independent Director leads the evaluation of the Chair's performance. In relation to time commitments, the Board notes that Gary Le Sueur is a director of ten companies. However, seven of these are related to his executive role at Corran Capital, and four of those seven are non-trading fund administration vehicles. Therefore the Board is satisfied that Gary has sufficient time to devote to his role as a Director of the Company.

There were no significant actions arising from the evaluation process conducted during the year and it concluded that the Board as a whole, the individual Directors and its committees were functioning effectively. As a result of the Board's evaluation process the Chair confirms that all remaining Directors continue to be effective and their election and re-election is recommended. The Board notes that Gary Le Sueur is stepping down from the Board at the conclusion of the AGM on 19 June 2025 and will not seek re-election at the AGM. The Board has given consideration to appointing an external board evaluator, however, it does not believe it is necessary at this time.

The Board also regularly reviews the performance of the AIFM and the investment manager. The management engagement committee meets to review the continuing appointment of the AIFM and the investment manager and reviews the terms of the relevant agreement to ensure that it remains competitive and in the best interest of shareholders. The management engagement committee regularly reviews the continuing appointment of other key service providers.

Company secretary

The Board has direct access to the company secretarial service provided by the AIFM which, through its nominated representative, is responsible for ensuring that applicable regulations are complied with and that Board and committee procedures are followed.

Terms of reference for each of the committees are available via the company secretary.

As the Company has only five Directors (reducing to four following the conclusion of the AGM), all of whom are non-executive, it is the Board's policy that all Directors will sit on all Board Committees.

Internal control

The AIC Code and the Disclosure Guidance and Transparency Rules require Directors, at least annually, to review the effectiveness of the Company's system of internal control and include a description of the main features relating to the financial reporting process.

The Company has appointed Franklin Templeton Investment Trust Management Limited as its AIFM. With the Company's permission, the AIFM has delegated the portfolio management function to Martin Currie Investment Management Limited, while retaining responsibility for certain risk management and administrative functions. Since investment management and administrative services are provided to the Company by members of the Franklin Templeton group, the Company's system of internal control mainly comprises monitoring the services provided by members of that group, including the operating controls established by them, to ensure that they meet the Company's business objectives. The Company does not have a risk or an internal audit function of its own but relies on the risk and compliance department of the Franklin Templeton group and the group's internal audit function. This arrangement is kept under review. The Company, and with the Board's permission the AIFM, have also delegated certain depositary/custodial and administrative functions, including fund accounting, to JPMorgan. Franklin Templeton also carries out a review of the depositary/custodial and administration activities performed by JPMorgan.

The Board, either directly or through committees, reviews the effectiveness of the Company's system of internal control by monitoring the operation of the key controls of the AIFM and Martin Currie and:

- reviews an internal controls report, as provided to the Board by the AIFM. This report details significant risks, regulatory issues, error management and complaint handling;
- reviews the terms of the AIFM agreement;
- reviews reports on the internal controls and the operations of the AIFM, of Martin Currie, and of JPMorgan; and
- reviews the risk profile of the Company and considers investment risk at every Board meeting.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company as outlined on pages 30 and 31. This process accords with the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

During the course of its review of internal controls the Board has not identified or been advised of any failings or weaknesses which it has determined to be significant and is satisfied with the arrangements.

Internal control and risk management systems in relation to the financial reporting process

The Directors are responsible for the Company’s system of internal control, designed to safeguard the Company’s assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable.

The AIFM and Martin Currie have in place stringent controls that monitor the following activities within the financial reporting process:

- investment and related cash transactions are completely and accurately recorded and settled in a timely manner;
- corporate actions and proxy voting instructions are identified and generated, and then processed and recorded accurately and in a timely manner;
- investment income is accurately recorded in the proper period;
- investments are valued using current prices obtained from independent external pricing sources;
- cash and securities positions are completely and accurately recorded and reconciled to third-party data;
- amounts due to lenders are calculated accurately and paid according to the relevant contractual terms; and
- the investment management fee and the Company’s other operating expenses are accurately calculated and recorded.

The system of internal control can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can provide only reasonable, but not absolute, assurance against fraud, material misstatement or loss.

By means of the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's systems of internal control for the year ended 31 January 2025 and to the date of approval of this annual report.

On behalf of the Board

Christopher Metcalfe
Chair

17 April 2025

The Directors present their report and the audited financial statements of the Company for the year ended 31 January 2025.

Status

The Company is registered as a public limited company in Scotland under number SC192761 and is an investment company as defined by Section 833 of the Companies Act 2006. It is a member of the Association of Investment Companies (the 'AIC').

The Company has been accepted by HM Revenue & Customs as an investment trust subject to it continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999 for all financial years commencing on or after 1 April 2012.

The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 January 2025 so as to enable it to comply with the ongoing requirements for investment trust status.

Business model review

The AIFM and investment manager

The Company has appointed Franklin Templeton Investment Trust Management Limited ('FTITML') as its AIFM. FTITML has been authorised by the FCA to act as an AIFM.

The AIFM has delegated the function of managing the Company's investment portfolio to the investment manager, Martin Currie Investment Management Limited, the manager of the Company's assets since its launch in 1999. Martin Currie is an international equity specialist based in Edinburgh, managing money for a wide range of global clients. Its investment process is focused on selecting stocks through fundamental proprietary research and constructing well balanced high conviction portfolios. The Board closely monitors investment performance and Zehrid Osmani, the portfolio manager, attends each Board meeting to present a detailed update to the Board. The Board uses this opportunity to challenge the portfolio manager on any aspect of the portfolio's management.

The ultimate parent company of the AIFM is Franklin Resources Inc ('Franklin'). The AIFM has delegated certain administration and support functions to other Franklin entities.

Continued appointment of the AIFM

Following the annual appraisal carried out by the management engagement committee in November 2024, the Board considers that it is in the best interests of shareholders to continue with the appointment of FTITML as AIFM, with investment management delegated to the investment manager and following the increased resources made available to the investment manager going forward, the the Board remains content with this arrangement.

Main features of the contractual arrangement with the AIFM (the 'AIFM agreement'):

The Company entered into the agreement with the AIFM on 2 August 2021. The AIFM agreement includes:

- six month notice period;
- immediate termination if the AIFM ceases to be capable of acting as an AIFM; and
- in the event that the Company terminates the agreement otherwise than as set out above, the AIFM is entitled to receive compensation equivalent to the fees paid in the previous annual period.

Company secretarial and certain administrative services are provided to the Company by the AIFM pursuant to the AIFM agreement.

With effect from 1 July 2022, the investment management fee was amended to 0.45% per annum of the Company's net asset value (excluding income). Subsequent to the 31 January 2025 accounting year end, the investment management fee was amended to 0.4% per annum of the Company's net asset value (excluding income) with effect from 1 March 2025.

Depositary arrangements

JPMorgan Europe Limited has been appointed as the Company's depositary. The depositary is responsible for the safekeeping of the Company's assets, monitoring the cash flows of the Company and must ensure that certain processes carried out by the AIFM are performed in accordance with the applicable rules and constitutive documents of the Company. JPMorgan Chase Bank N.A. London Branch is the Company's custodian. The custodian may from time to time delegate safe keeping/custody of the Company's assets to local custody providers. The depositary and custodian are entitled to a fee payable out of the assets of the Company.

Further contractual arrangements

The Company has outsourced its operational infrastructure to third-party organisations. Contracts and service level agreements have been defined to ensure that the service provided by each of the third-party organisations is of a sufficiently professional and technically high standard. The Board actively monitors the performance of service providers. The counterparty risk of dealing with each service provider is analysed with the Board monitoring any identified risks. Further details of the Company's main service providers can be found in the investor information section on page 78.

Directors

At the date of this report, the Board currently consists of five non-executive Directors but this number will reduce to four when Gary Le Sueur steps down after the AGM. The names and biographies of the current Directors are on page 33, indicating their range of experience as well as length of service.

In line with best practice all of the Directors who have been on the Board for more than a year will stand for re-election at the AGM. Krishna Shanmuganathan, who was appointed after the last AGM, will stand for election at the AGM to be held on 19 June 2025.

Gary Le Sueur is stepping down from the Board at the conclusion of the AGM and therefore is not seeking re-election. Following Gary Le Sueur stepping down from the Board, Marian Glen will take on the roles of Chair of the Remuneration Committee and Senior Independent Director. The Board confirms that all four continuing Directors have sufficient capacity to carry out their roles and responsibilities to the Company and all Directors who were appointed at the time have attended all relevant Board and committee meetings in recent years. This includes both regular, scheduled Board meetings and ad hoc meetings arranged at short notice. The role of the Board and its governance arrangements are set out in the Company's corporate governance statement on pages 34 to 39 which forms part of this Report of the Directors.

Directors' insurance and indemnities

The Directors have the benefit of the indemnity provisions contained in the Company's Articles of Association, and the Company has maintained throughout the year Directors' and Officers' liability insurance for the benefit of the Company and the Directors. The Company has entered into qualifying third party indemnity arrangements for the benefit of all of its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

Environmental matters

As an externally managed investment company with no employees, the Company's direct greenhouse gas emissions are negligible, being emissions resulting from Directors' travel to meetings in Edinburgh or London. The Company encourages and actively oversees Martin Currie's application of its ESG policies in the investment processes as set out in the Strategic Report.

Share capital

As at 31 January 2025 the Company had 60,682,674 Ordinary shares of 5p in issue (2024: 71,228,807) and a further 37,993,233 Ordinary shares held in Treasury (2024: 27,447,100). The following table summarises transactions made by the Company in its shares. Further details of the Company's transactions involving Treasury shares can be found within accounting policy Note 1(j) on page 64.

	Number of shares	(Cost)/proceeds	Share premium account	Capital reserve
Shares repurchased into Treasury	10,546,133	(£39,184,000)	n/a	(£39,184,000)
Shares issued from Treasury	—	—	—	—

Shareholder and voting rights

Each Ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every share held. The Ordinary shares carry a right to receive dividends which are declared from time to time by the Company. On a winding-up, after meeting the liabilities of the Company, any surplus assets would be paid to Ordinary shareholders in proportion to their shareholdings.

There are no restrictions on the transfer of Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law (for example, insider trading law) and there are no special rights attached to any of the Ordinary shares. The Company is not aware of any agreements between shareholders which may result in restrictions on the transfer of Ordinary shares or the voting rights attached to them.

Substantial interests

As at 31 January 2025, the Company had received notification in accordance with the FCA's Disclosure Guidance and Transparency Rule 5.1.2R of the following interests in 3% or more of the voting rights attaching to the Company's issued share capital.

As at 31 January 2025	Date of announcement	Number of shares in announcement	Percentage of voting rights as at 31 January 2025[1]
DC Thomson & Company Limited	11 October 2024	4,520,000	7.5%
Rathbone Investment Management	8 August 2019	4,193,681	6.9%

[1]Based on the shares included in the announcement.

Related party transactions

With the exception of the AIFM agreement (disclosed on page 40), Directors' fees (disclosed on page 50), and Directors' shareholdings (disclosed on page 49), there were no related party transactions through the financial year.

Revenue and dividends

	2025		2024	
	Total	Pence per share	Total	Pence per share
Net revenue return for the year after expenses, interest and taxation	£1,330,000	2.01p	£1,750,000	2.37p
Dividends paid and declared for the year[1]	£2,629,000[2]	4.20p	£3,025,000	4.20p
Revenue reserve at end of year	£217,000	0.36p	£630,000	0.88p
Realised capital reserve at end of year[3]	£151,207,000	249.18p	£156,688,000	219.98p

[1]Includes interim dividends paid throughout the year and final interim dividend announced/paid after the financial year end.

[2]The total fourth interim dividend was calculated based on the number of shares in issue on 2 April 2025.

[3]Fully distributable including by way of dividend.

Corporate governance statement

The Company's corporate governance statement is set out on pages 34 to 39 and forms part of this Report of the Directors.

Performance, outlook and trends likely to affect future performance

Please refer to the Chair's statement on pages 6 to 8 and the Manager's review on pages 9 to 14 for an update on the performance of the Company over the year and outlook for 2025, together with information on the trends likely to affect the future performance of the Company.

Regulatory

The Alternative Investment Fund Managers Regulations 2013 ('AIFM Regulations')

AIFM remuneration

In accordance with the AIFM Regulations, details of the remuneration policy of the AIFM and amounts attributable to the Company are available to existing shareholders upon request at the registered office of the Company.

Leverage

Under the AIFM regulations, the maximum leverage which the AIFM is entitled to employ on behalf of the Company is 250% under the gross method and 200% under the commitment method. This indicates the highest level that exposure could reach using these calculations if all available instruments introducing leverage were used to the maximum permitted level at the same time. In practice, the maximum level of leverage is restricted by the Company's investment policy to 20% of net assets at the time of drawdown. Any changes to these limits will be agreed in advance between the AIFM and the Company. At 31 January 2025, the Company had no borrowings. At 31 January 2025, the Company's gross ratio was 100% and its commitment ratio was 101%.

Audit information

As required by Section 418 of the Companies Act 2006 each of the Directors who held office at the date of approval of this Report of the Directors confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all of the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

UK Listing Rule 6.6.1R

UK Listing Rule 6.6.1R requires the Company to include certain information in a single identifiable section of the annual report or a cross-reference table indicating where the information is set out. The information covers areas such as long-term incentive schemes, allotment of shares, investment in subsidiary companies and agreements with controlling shareholders. The Directors confirm that there are no disclosures to be made in this regard.

Annual general meeting

The annual general meeting ('AGM') of the Company will be held at the offices of Franklin Templeton, 5 Morrison Street, Edinburgh EH3 8BH at 11.30am on Thursday 19 June 2025. Further information is contained in the Notice of AGM which is included on pages 84 to 85. All voting on the AGM resolutions will be conducted by way of a poll. We therefore encourage all shareholders, and particularly those who cannot attend physically, to exercise their votes in advance of the meeting by completing and submitting the proxy voting form. Resolutions relating to the following items of business will be proposed:

Dividend policy – ordinary resolution

As a result of the timing of the payment of the Company's quarterly dividends in January, April, July and October, the Company's shareholders are unable to approve a final dividend each year. As an alternative, the Board will put the Company's dividend policy to shareholders for approval on an annual basis. Resolution 4, which is an ordinary resolution, relates to the approval of the Company's dividend policy which is as follows: The Company's policy is to pay regular dividends on the Ordinary Shares which are currently paid quarterly in January, April, July and October. The Company intends to at least maintain in absolute terms the total ordinary dividends per share paid in respect of each financial year compared with the preceding financial year. The total annual dividend in respect of each financial year will be at least at a level that ensures that the Company continues to qualify as an investment trust. The Board does not set an income target for the investment manager and dividends may be funded from current period earnings and/or from distributable reserves. The payment of dividends in accordance with this dividend policy is subject to market conditions and the Company's financial position and outlook. The dividend policy is subject to shareholder approval at each annual general meeting.

Re-election and remuneration of auditors - ordinary resolution

Having reviewed the performance of the external auditors and following the result of the audit tender process that took place during the financial year, the audit committee considered it appropriate to recommend the re-appointment of Ernst & Young LLP ('EY') as external auditors. EY have expressed their willingness to be re-appointed to office. Resolutions 9 and 10 seek to re-appoint EY as auditors to the Company and to authorise the Directors to determine the remuneration payable.

Allotment of shares – ordinary resolution

Section 551 of the Companies Act 2006 provides that the Directors may not allot new shares without shareholder approval. Resolution 11 seeks to renew the Directors' authority to allot new shares up to a maximum aggregate nominal amount of £977,033 (being an amount equal to one third of the issued share capital of the Company (excluding Treasury shares) as at 15 April 2025, being the latest practicable date before the date of this document). The Board intends to exercise this power only once the number of shares held by the Company in Treasury is not sufficient to support share issuance by the Company.

This resolution in isolation only allows the Directors to allot new shares to existing shareholders pro rata to their existing holdings. Resolutions 13 and 14 will, if approved, then disapply pre-emption rights allowing the Company to issue up to 11,724,404 shares for cash on a non-pre-emptive basis.

As at 15 April 2025, being the last practicable date prior to the publication of this document, the Company held 40,053,882 Ordinary shares in Treasury, representing approximately 41% of the Company's issued share capital (including Treasury shares).

The authority contained in resolution 11 will expire on 31 July 2026 or, if earlier, at the AGM of the Company to be held in 2026 unless previously cancelled or varied by the Company in a general meeting.

Disapplication of statutory pre-emption rights – special resolutions

Under s561 of the Companies Act 2006, when shares are to be allotted for cash or sold from Treasury, such shares first must be offered to existing shareholders in proportion to their existing holdings of shares. Resolutions 13 and 14 proposed as special resolutions would, if passed, then disapply pre-emption rights allowing the Company to issue shares for cash on a non-pre-emptive basis.

This authority would enable the Directors to issue shares for cash to take advantage of demand in the market that may arise in order to increase the amount of the Company's issued share capital. The purpose of such an increase would be to improve the liquidity of the market in the Company's shares and to spread the fixed cost of administering the Company over a wider base. The Directors believe that the issue of further shares would increase the investment attractions of the Company to the benefit of existing shareholders. If resolutions 13 and 14 are approved by shareholders, the Board will only use the authority to disapply pre-emption rights and issue shares: (i) at a premium to the prevailing NAV at the time of issue; and (ii) when the Board believes that it is in the best interests of the Company and its existing shareholders to do so. As shares will only be issued at a sufficient premium to cover issue costs to the prevailing NAV at the time of issue, the value of the underlying assets attributable to the shares will not be diluted as a result of issuing further shares.

The resolutions, if both are passed, will give the Directors power to issue for cash equity securities of the Company up to a maximum of £586,220 (being an amount equal to 20% of the issued share capital of the Company (excluding Treasury shares) as at 15 April 2025, the latest practicable date prior to this document) without the application of pre-emption rights described above. The authority contained in resolutions 13 and 14 will continue until 31 July 2026 or, if earlier, the AGM of the Company in 2026.

Purchase of own shares – special resolution

Each year the Directors seek authority from shareholders to purchase the Company's own shares. The Directors recommend that shareholders renew this authority as detailed in resolution 12. Any shares purchased pursuant to the authority will be held in Treasury or cancelled. The Directors currently intend to hold in Treasury the shares purchased under this authority. The authority will lapse at the earlier of the Company's next AGM or 15 months after the date of the resolution.

The purpose of holding shares in Treasury is to allow the Company to reissue those shares quickly and cost effectively in accordance with resolutions 13 and 14. If passed, resolution 12 gives authority for the Company to purchase up to 8,787,441 of the Company's own shares or, if less, 14.99% of the Company's issued share capital (excluding Treasury shares) as at the date of the passing of the resolution. The Directors will only exercise this authority to purchase shares where they consider that such purchases will be in the best interests of shareholders generally and only at a discount to the prevailing NAV per share.

Notice of general meeting – special resolution

Resolution 15, proposed as a special resolution, would give the Directors authority to call a general meeting, other than the AGM, on 14 days' clear notice. The Directors believe that it is in the best interests of shareholders to have the flexibility to call a general meeting at short notice, although it is intended that this flexibility will only be used for non-routine business and when it is deemed in the interests of shareholders as a whole. If approved, the authority contained in resolution 15 will continue until the AGM of the Company or, if earlier, 31 July 2026.

Recommendation

The Directors believe that all of the resolutions proposed are in the best interests of the Company and shareholders as a whole. The Directors unanimously recommend that all shareholders vote in favour of all of the resolutions. The results of the votes on the resolutions at the AGM will be published on the Company's website (www.franklinglobaltrust.com).

Going concern status

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chair's statement, Manager's review, Strategic report and the Report of the Directors. The financial position of the Company as at 31 January 2025 is shown in the statement of financial position on page 60.
The statement of cash flow of the Company is set out on page 62. Note 15 on pages 73 and 74 sets out the Company's financial risk management policies, including those covering market risk, liquidity risk and credit risk. In accordance with the 2019 AIC Code of Corporate Governance and the 2018 UK Corporate Governance Code, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's assets consist of a diverse portfolio of listed equity shares which, in most circumstances, are realisable within a very short timescale. The Directors have analysed and reviewed the liquidity of the Company's portfolio under normal market conditions as at 31 January 2025. The Directors are mindful of the principal and emerging risks and uncertainties disclosed on pages 30 and 31.

They have reviewed revenue forecasts for the next two financial years and believe that the Company has adequate financial resources to continue its operational existence for the period to 31 January 2027, which is at least 12 months from the date on which the financial statements are authorised for issue. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Viability statement

The Company's business model is designed to deliver long-term returns to its shareholders through investment in large and liquid stocks in global equity markets. Its plans are therefore based on having no fixed or limited life provided that global equity markets continue to operate normally. The Board has assessed the Company's viability over a three year period in accordance with provision 31 of the UK Corporate Governance Code as it believes that this is an appropriate period over which it does not expect there to be any significant change to the principal risks and adequacy of the mitigating controls in place. The Board considers that this reflects the minimum period which should be considered in the context of the Company's long-term objective but one which is limited by the inherent and increasing uncertainties involved in assessment over a longer period.
In making this assessment the Directors have considered the following factors:

- the principal and emerging risks and uncertainties and the mitigating actions set out on pages 30 and 31, including specifically the current geopolitical and economic environment;
- the mitigation measures which key service providers including the AIFM have in place to maintain operational resilience;
- the challenges posed by climate change;
- the ongoing relevance of the Company's investment objective in the current environment;
- the level of income forecast to be generated by the Company and the liquidity of the Company's portfolio;
- the low level of fixed costs relative to the Company's liquid assets;
- the expectation that in normal markets more than 98% of the current portfolio could be liquidated within two trading days; and
- when relevant, the quantity of debt and the ability of the Company to make payments of interest and repayments of principal on its debt on their due dates.

Based on the results of their analysis and the Company's processes for monitoring each of the factors set out above, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over at least the next three years.

Responsibility statement

Each of the Directors, whose names and functions are listed in the Board of Directors on page 33, confirms that to the best of their knowledge:

- the financial statements which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Report of the Directors, Strategic report and Manager's review include a fair, balanced and understandable review of the development and performance of the business and the position of the Company, together with a description of the principal risks and the uncertainties that it faces; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 (and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), subject to any material departures disclosed and explained in the financial statements respectively; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' remuneration statement comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The financial statements are published on the Company's website (**www.franklinglobaltrust.com**) which is maintained by the investment manager. The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This responsibility statement was approved by the Board of Directors on 17 April 2025 and is signed on its behalf by:

Christopher Metcalfe
Chair

17 April 2025

Audit committee report

The audit committee is chaired by Lindsay Dodsworth and, during the year under review comprised all of the Directors. Krisha Shanmuganathan joined the audit committee on the date of his appointment to the Board.

The Board notes that the AIC Code permits the Chair of the Board to be a member of the audit committee of an investment trust. In light of the fact that the Board consists of only five members (reducing to four following the conclusion of the AGM) and recognising Christopher Metcalfe's relevant experience, the audit committee resolved to continue his appointment to the committee following his appointment as Chair of the Company.

The Board reviews the relevant skills and experience of the audit committee as part of the annual Board review and believes that the members of the committee have the appropriate skills and experience. Biographies of the members of the committee are on page 33.

Audit committee responsibilities and activities during the year

The audit committee met twice during the year and reviewed the scope and results of the audit and considered and approved the external auditors' plan for the audit of the financial statements for the year ended 31 January 2025. The audit committee's responsibilities and activities during the year included:

- Monitoring and reviewing the integrity of the financial statements of the Company and ensuring, in particular, that, taken as a whole, they are fair, balanced and understandable;
- Reviewing the appropriateness and consistency of the Company's accounting policies;
- Reviewing and challenging the Company's going concern and viability statements;
- Oversight of the effectiveness of internal financial controls and reporting, risk management systems and internal control policies and procedures for the identification, assessment and reporting of risks;
- Monitoring and reviewing the independence, objectivity and effectiveness of the external auditors;
- Making recommendations to the Board in relation to the appointment, evaluation and dismissal of the external auditors, their remuneration, terms of their engagement and reviewing their independence and objectivity including a recommendation to reappoint the external auditor following the tender process;
- Developing and implementing policy on the engagement of the external auditors to supply non-audit services;
- Monitoring the impact of any accounting or regulatory changes impacting the Company; and
- Reporting to the Board, identifying any matter in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

The audit committee takes account of the most significant issues and risks, both operational and financial, likely to impact the Company's financial statements.

Having reviewed the annual report and financial statements, the committee recommended to the Board that the annual report and financial statements are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

During the year the committee considered the appropriateness of the expense allocations between capital and revenue, concluding that the current allocation for the AIFM fee and finance costs was appropriate. It also considered the fee level, independence, effectiveness and re-appointment of the auditors.

The committee also received a report from the AIFM on oversight of the service providers.

Auditors' independence

The Company has in place a policy governing and controlling the provision of non-audit services by the external auditors, in order to help safeguard the auditors' independence and objectivity. This is achieved by prohibiting non-audit work where independence may be compromised or conflicts arise. Any non-audit work requires specific approval of the audit committee in each case.

The audit fee amounts to £56,700 plus VAT for the year ended 31 January 2025 (2024: £55,000 plus VAT).

There were no non-audit fees for the year ended 31 January 2025 (2024: none).

Following review, the committee is satisfied that the Company's auditors, Ernst & Young LLP ('EY'), remain independent.

Auditors' rotation

A competitive tender for the audit of the Company was last held during the financial year ended 31 January 2025, following which EY were selected to continue as the Company's auditors. Under UK rotation guidance, EY can serve as auditors for the next 10 years, after which there would be a mandatory requirement for them to rotate off.

The engagement partner will rotate every five years. The current audit engagement partner, Ahmer Huda, took over the role in August 2022, therefore this is his third year as audit partner.

Auditors' report

At the conclusion of the audit, EY did not highlight any issues to the audit committee which would cause it to qualify its audit report nor did it highlight any fundamental internal control weaknesses. EY issued an unqualified audit report which is included on pages 53 to 58.

The following significant issues were considered by the audit committee in relation to the financial statements:

Matter	Action
Accuracy of portfolio valuation	Actively traded listed investments are valued using stock exchange prices provided by third-party service providers. The AIFM reviews and summarises the internal controls reports, prepared annually by JPMorgan Chase Bank N.A. covering Global Fund Accounting and Custody and the audit committee reviews this summarised report annually. The internal controls report is reported on by independent external auditors and includes details of the systems, processes and controls around the daily pricing of equity securities, including the application of exchange rate movements. Stale prices are monitored monthly by the AIFM's pricing team and would be reported to the audit committee.
Accuracy of revenue recognition	The audit committee reviews a summary of JPMorgan Chase Bank N.A.'s internal controls report annually. The internal controls report includes details of the systems, processes and controls around the recording of investment income. The Board also reviews revenue forecasts at each Board meeting. The investment manager and the Board review all special dividends to make sure that they are correctly treated in accordance with the Company's accounting policy.
Allocation of expenses between revenue and capital	The allocation is reviewed by the audit committee annually considering the long-term split of returns from the portfolio, both historic and projected, the objectives of the Company and current, historical and prospective yields.
Going concern and viability statement	The committee reviewed evidence provided by the AIFM to support the Going Concern and Viability Statements on page 45 and was satisfied that it could recommend to the Board the relevant statements.

Effectiveness of the external audit process

The audit committee evaluated the effectiveness of the external auditors and the external audit that they undertook prior to making a recommendation on the re-appointment of EY at the forthcoming AGM following the tender process. This evaluation involved an assessment of the effectiveness of the auditors' performance against criteria including qualification, expertise and resources, independence and effectiveness of the audit process. The committee reviewed and agreed the audit plan including the level of audit materiality and discussed the key risk areas with the auditors and deemed these appropriate. The committee also discussed with the auditors any significant areas where they challenged the AIFM's assumptions in connection with the preparation of the financial statements, noting that there were no disagreements with the AIFM.

On behalf of the Board

Lindsay Dodsworth
Chair of the Audit Committee

17 April 2025

Remuneration committee

The remuneration committee has responsibility for setting the remuneration policy for Directors, taking into account factors such as time commitment and responsibilities, with the objective to attract and retain Directors of the quality required to run the Company successfully, without paying more than necessary. The committee is also responsible for reviewing and setting Directors’ remuneration levels.

Remuneration statement

The Board has prepared this report in accordance with the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. An ordinary resolution to approve this report will be put to shareholders at the AGM.

Company law requires the Company’s auditors to audit certain disclosures provided in this report. Where disclosures have been audited, they are indicated as such. The auditors’ opinion is included in their report on pages 53 to 58.

Directors’ remuneration policy

The Board’s policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole, be fair and comparable to that of other investment companies that are similar in size, have a similar capital structure and have similar investment objectives. It is intended that this policy will continue for the year ended 31 January 2026 and subsequent years. The fees for the Directors are determined within the limits set out in the Company’s Articles of Association. Each Director abstains from voting on their own remuneration.

The Directors’ remuneration policy will be put to a shareholders’ vote annually.

Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties. Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. Additional fees may be payable where (i) a Director is required to perform services outside the ordinary duties of a Director; or (ii) where the work performed is outside the ordinary course of Company business and in each case where the time commitment is exceptional.

Directors do not have service contracts but are provided with letters of appointment. All Directors are appointed for an initial term covering the period from the date of that appointment until the first AGM at which they are required to stand for election in accordance with the Company’s Articles of Association.

Thereafter, in line with best practice, all Directors will stand for re-election at the AGM each year. There is no notice period and no provision for compensation upon early termination of appointment.

The Company’s Articles of Association provide for a maximum level of total remuneration of £200,000 per annum for the Directors in aggregate.

Annual report on remuneration

For the year to 31 January 2025, the non-executive Directors received a fee of £30,500 per annum, the audit committee Chair received a fee of £38,000 and the Chair received a fee of £45,500 per annum.

During the year, the remuneration committee considered the Directors’ fees in the context of the benchmark data from its peer group. Following a review of this and noting that there are only four Directors on the Board, it was agreed that the Chair's fee would be increased to £48,250, the audit committee Chair to £40,250 and the other Directors' fees to £32,300 per annum, with effect from 1 February 2025.

Directors’ shareholdings (audited)

As at 31 January	2025	2024
Lindsay Dodsworth	2,542	2,542
Marian Glen	–	–
Gary Le Sueur	31,735	31,735
Christopher Metcalfe	8,600	8,600

The shareholdings detailed above have not changed between 31 January 2025 and 17 April 2025, the date of signing the accounts. Krishna Shanmuganathan was appointed as a Director of the Company on 1 April 2025. Krishna owns 13,638 shares in the Company.

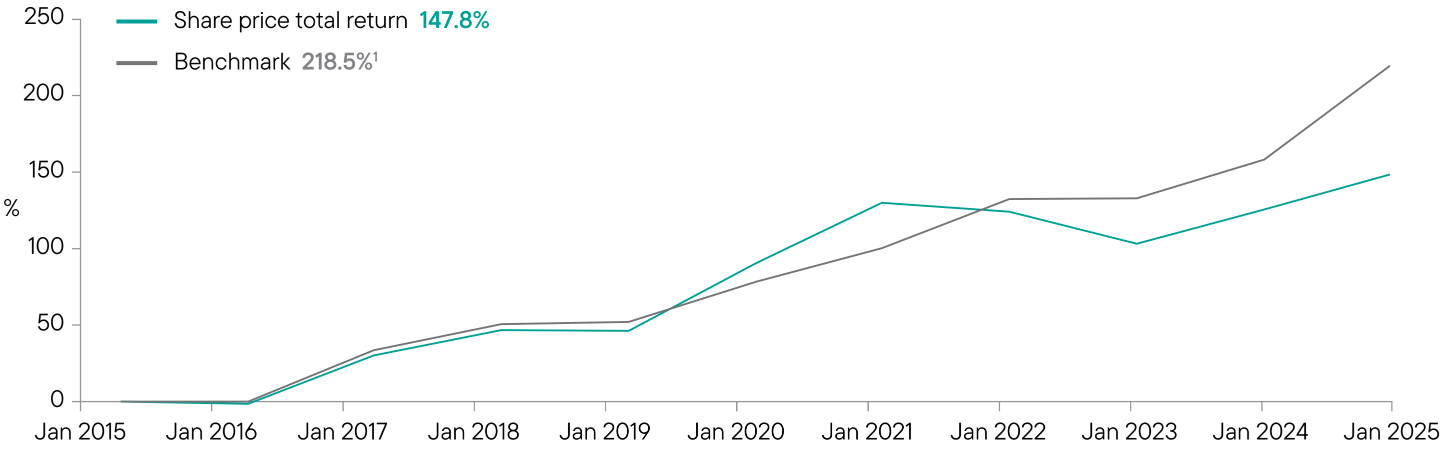
The Company confirms that it has not set out any formal requirements or guidelines for a Director to own shares in the Company.

Approval

Ordinary resolutions for the approval of the Directors’ remuneration policy and annual report on remuneration will be put to shareholders at the forthcoming AGM. At the AGM on 20 June 2024, 99.60% of proxy votes were cast in favour of the Directors’ remuneration report for the year ended 31 January 2024 and 99.58% of proxy votes were cast in favour of the Directors' remuneration policy.

The graph below compares, for the ten financial years ended 31 January 2025, the total return (assuming all dividends were reinvested) to Ordinary shareholders compared to the total return of the benchmark.

Total return (ten financial years)



Source: Martin Currie Investment Management Limited.

[1]The benchmark is the MSCI All Country World index.

Directors' emoluments for the year (audited)

	Year ended 31 January 2025 £	Year ended 31 January 2024 £
Lindsay Dodsworth	**38,000**	36,000
Marian Glen	**30,500**	29,000
Gary Le Sueur	**30,500**	29,000
Christopher Metcalfe[1]	**45,500**	38,667
Gillian Watson[2]	**–**	14,500
	144,500	147,167

[1]Appointed as Chair of the Company on 1 June 2023.

[2]Retired on 1 June 2023.

Relative importance of spend on Directors' remuneration

To enable shareholders to assess the relative importance of spend on remuneration, the Directors' total remuneration has been shown in a table below compared with the Company's distributions.

	Year ended 31 January 2025	Year ended 31 January 2024	% change
Directors' total remuneration (£000)	**145**	147	**(1.4)**
Dividends paid and payable (£000)	**2,629**	3,025	**(13.1)**
Share buybacks (£000)	**39,184**	18,294	**114.2**
Dividend per share (p)	**4.20**	4.20	**–**

Percentage change in annual remuneration of Directors

Year	Lindsay Dodsworth	Marian Glen	Gary Le Sueur	Christopher Metcalfe
2024-2025	**6%**	**5%**	**5%**	**18%**
2023-2024	14%	(3%)	5%	41%[1]
2022-2023	28%[2]	(17%)[3]	4%	4%
2021-2022	n/a[2]	10%	4%	4%

[1]Christopher Metcalfe was appointed as Chair on 1 June 2023.

[2]Lindsay Dodsworth was appointed on 1 November 2021 and became chair of the audit committee on 16 June 2022.

[3]Marian Glen stepped down from her position as chair of the audit committee on 16 June 2022.

On behalf of the Board

Gary Le Sueur
Chair of the Remuneration Committee

17 April 2025

3: Financial review

Independent auditors' report to the members of Franklin Global Trust plc

Opinion

We have audited the financial statements of Franklin Global Trust plc for the year ended 31 January 2025 which comprise Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flow and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 January 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Confirming our understanding of the Company's going concern assessment process by engaging with the Directors and the Company Secretary to determine if all key factors were considered in their assessment.
- Inspecting the Directors' assessment of going concern, including the revenue forecast and liquidity assessment, for the period to 31 January 2027 which is at least 12 months from the date these financial statements are authorised for issue. In preparing the revenue forecast and liquidity assessment, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- Review of the factors and assumptions, including the impact of the current economic environment, as applied to the revenue forecast and the liquidity assessment of the investments. We considered the appropriateness of the methods used to calculate the revenue forecast and the liquidity assessment and determined, through testing of the methodology and calculations, that the methods, inputs and assumptions utilised were appropriate to be able to make an assessment for the Company.
- Considering the mitigating factors included in the revenue forecast that are within the control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments to cover the working capital requirements should revenue decline significantly.
- Reviewing the Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to 31 January 2027.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• Risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income • Risk of incorrect valuation or ownership of the investment portfolio
Materiality	• Overall materiality of £2.32m (2024: £2.56m) which represents 1% (2024: 1%) of total shareholders' funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Climate change

Stakeholders are increasingly interested in how climate change will impact companies. The Company has determined that the most significant future impacts from climate change on its operations will be from how climate change could affect the Company's investments and overall investment process. This is explained in the principal and emerging risks and uncertainties section on page 30, which forms part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in Note 1a and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing as required by FRS102. We also challenged the Directors' considerations of climate change in their assessment of viability and associated disclosures.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income (as described on page 47 in the Audit Committee Report and as per the accounting policy set out on page 64.) The total revenue for the year to 31 January 2025 was £2.42m (2024: £2.83m), consisting primarily of dividend income from listed equity investments. There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment. The Directors may be required to exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Statement of Comprehensive Income.	We have performed the following procedures: We obtained an understanding of the processes and controls surrounding revenue recognition, including the classification of special dividends by performing walkthrough procedures. For 100% of dividends received and accrued, we recalculated the income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share, which was agreed to an independent data vendor. We also agreed all exchange rates to an independent data vendor and agreed a sample of dividend receipts to bank statements. For 100% of dividends accrued, we reviewed the investee company announcement to assess whether the dividend entitlements arose prior to 31 January 2025. To test completeness of recorded income, we verified that expected dividends for each investee company held during the year had been recorded as income with reference to investee company announcements obtained from an independent data vendor. For 100% of dividends received and accrued during the period, we reviewed the type of dividends paid with reference to an independent external data vendor to identify those which are special. Based on the work performed, we did not identify any special dividends.	The results of our procedures identified no material misstatement in relation to incomplete or inaccurate revenue recognition, including incorrect classification of special dividends as revenue or capital items in the Statement of Comprehensive Income.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incorrect valuation or ownership of the investment portfolio (as described on page 47 in the Audit Committee Report and as per the accounting policy set out on page 64.) The valuation of the investment portfolio at 31 January 2025 was £230.28m (2024: £264.79m) consisting primarily of listed investments. The valuation of the investments held by the Company is the primary driver of the Company's net asset value and total return. Incorrect investment pricing, or a failure to maintain proper legal title of the assets held by the Company could have a significant impact on the portfolio valuation and the return generated for shareholders. The fair value of listed investments is determined by reference to stock exchange quoted market bid prices at the close of business on the reporting date.	We have performed the following procedures: We obtained an understanding of the processes surrounding investment pricing and legal title of listed investments by performing walkthrough procedures. For 100% of investments in the portfolio, we verified the market prices and exchange rates to an independent pricing vendor and recalculated the investment valuations as at the year-end. For 100% of investments in the portfolio, we obtained the market prices from an independent pricing vendor for five business days pre and post the year end date and calculated the day-on-day movements and confirmed there are no stale prices. We compared the Company's investment holdings at 31 January 2025 to independent confirmations received directly from the Company's Custodian and Depositary.	The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio.

There have been no changes to the areas of audit focus raised in the above risk table from the prior year.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £2.32 million (2024: £2.56 million), which is 1% (2024: 1%) of shareholders' funds. We believe that shareholders' funds provides us with a materiality aligned to the key measurement of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £1.74m (2024: £1.92m). We have set performance materiality at this percentage due to the fact there has been no misstatements in prior periods.

Given the importance of the distinction between revenue and capital for investment trusts, we have also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £0.12m (2024: £0.13m), being our reporting threshold.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.12m (2024: £0.13m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and Directors' Reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 45;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 45;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 45;
- Directors' statement on fair, balanced and understandable set out on page 46;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 30;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 39; and
- The section describing the work of the audit committee set out on page 47.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 46, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 102, the Companies Act 2006, the Listing Rules, UK Corporate Governance Code, the Association of Investment Companies' Code and Statement of Recommended Practice, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the audit committee and company secretary and review of Board minutes and the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to the incomplete or inaccurate revenue recognition through incorrect the classification of special dividends as revenue or capital items. Further discussion of our approach is set out in the section on key audit matters above.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the company secretary's reporting to the Directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company and signed an engagement letter on 13 August 2015 to audit the financial statements of the Company for the year ending 31 January 2016 and subsequent financial periods.

  The period of total uninterrupted engagement including previous renewals and reappointments is 9 years, covering the years ending 31 January 2016 to 31 January 2025.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ahmer Huda

(Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

17 April 2025

Statement of comprehensive income

		Year to 31 January 2025			Year to 31 January 2024		
	Note	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Net gains on investments	7	–	17,427	17,427	–	25,631	25,631
Net currency gains		–	5	5	–	–	–
Revenue	2	2,419	–	2,419	2,832	–	2,832
Investment management fee[1]		(226)	(906)	(1,132)	(226)	(904)	(1,130)
Other expenses	3	(502)	–	(502)	(468)	–	(468)
Net return on ordinary activities before finance costs and taxation		1,691	16,526	18,217	2,138	24,727	26,865
Finance costs	1(d)	(110)	(439)	(549)	(101)	(400)	(501)
Net return on ordinary activities before taxation		1,581	16,087	17,668	2,037	24,327	26,364
Taxation on ordinary activities	4	(251)	–	(251)	(287)	–	(287)
Net return attributable to shareholders		1,330	16,087	17,417	1,750	24,327	26,077
Net return per Ordinary share	5	2.01p	24.36p	26.37p	2.37p	32.87p	35.24p

The total columns of this statement are the profit and loss accounts of the Company.

The revenue and capital items are presented in accordance with the Association of Investment Companies ('AIC') Statement of Recommended Practice 2022.

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued in the year.

The notes on pages 64 to 76 form part of these financial statements.

There is no other comprehensive income and therefore the return attributable to shareholders is also the total comprehensive income for the year.

[1]The details of the investment management fee are provided in the Report of the Directors on page 40.

Statement of financial position

		As at 31 January 2025			As at 31 January 2024		
	Note	£000	£000	£000	£000	£000	£000
Non-Current assets							
Investments at fair value through profit or loss	7			230,275			264,787
Current assets							
Trade receivables	8		2,360			1,029	
Cash and cash equivalents	9		1,900			1,922	
				4,260			2,951
Current liabilities							
Trade payables	10		(2,309)			(961)	
Bank loan	10		–			(10,000)	
				(2,309)			(10,961)
Total net assets				232,226			256,777
Equity							
Called up Ordinary share capital	11		4,934			4,934	
Share premium account			11,823			11,823	
Capital redemption reserve			11,083			11,083	
Capital reserve, of which:	12		204,169			228,307	
Realised Capital reserve (distributable)		151,207			156,688		
Unrealised gains on investments (undistributable)		52,962			71,619		
Revenue reserve			217			630	
Total shareholders' funds				232,226			256,777
Net asset value per Ordinary share	13			382.7p			360.5p

The notes on pages 64 to 76 form part of these financial statements.

Franklin Global Trust plc is registered in Scotland, company number SC192761.

The financial statements on pages 59 to 76 were approved by the Board of Directors on 17 April 2025 and signed on its behalf by

On behalf of the Board

Christopher Metcalfe

Chair

17 April 2025

Statement of changes in equity

	Note	Called up Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Capital reserve £000	Revenue reserve £000	Total £000
As at 31 January 2024		**4,934**	**11,823**	**11,083**	**228,307**	**630**	**256,777**
Net return attributable to shareholders		–	–	–	16,087	1,330	17,417
Ordinary shares bought back	11	–	–	–	(39,184)	–	(39,184)
Dividends paid	6	–	–	–	(1,041)	(1,743)	(2,784)
As at 31 January 2025		**4,934**	**11,823**	**11,083**	**204,169**	**217**	**232,226**

	Note	Called up Ordinary share capital £000	Share premium account £000	Capital redemption reserve £000	Capital reserve £000	Revenue reserve £000	Total £000
As at 31 January 2023		4,934	11,424	11,083	221,463	864	249,768
Net return attributable to shareholders		–	–	–	24,327	1,750	26,077
Ordinary shares issued	11	–	399	–	1,940	–	2,339
Ordinary shares bought back	11	–	–	–	(18,305)	–	(18,305)
Dividends paid	6	–	–	–	(1,118)	(1,984)	(3,102)
As at 31 January 2024		4,934	11,823	11,083	228,307	630	256,777

The notes on pages 64 to 76 form part of these financial statements.

Statement of cash flow

	Note	Year to 31 January 2025 £000	Year to 31 January 2025 £000	Year to 31 January 2024 £000	Year to 31 January 2024 £000
Cash flows from operating activities					
Net return on ordinary activities before taxation			17,668		26,364
Adjustments for:					
Gains on investments	7	(17,427)		(25,631)	
Finance costs		549		501	
Dividend income recognised	2	(2,370)		(2,790)	
Interest income recognised	2	(49)		(42)	
Decrease in receivables		30		17	
Increase/(decrease) in payables		58		(26)	
Overseas withholding tax suffered	4	(251)		(287)	
			(19,460)		(28,258)
Net cash flows from operations			(1,792)		(1,894)
Interest received		49		42	
Dividends received		2,362		2,732	
			2,411		2,774
Net cash flows from operating activities			619		880
Cash flows for investing activities					
Purchases of investments		(91,702)		(80,424)	
Sales of investments		144,065		119,657	
Net cash flows from investing activities			52,363		39,233
Cash flows from financing activities					
Repurchase of Ordinary share capital		(39,541)		(18,246)	
Shares issued for cash		–		2,339	
Equity dividends paid	6	(2,784)		(3,102)	
Drawdown of bank loan		–		10,000	
Repayment of bank loan		(10,000)		(30,000)	
Interest and fees paid on bank loan		(679)		(438)	
Net cash flows from financing activities			(53,004)		(39,447)
Net (decrease)/increase in cash and cash equivalents			(22)		666
Cash and cash equivalents at the start of the year			1,922		1,256
Cash and cash equivalents at the end of the year			1,900		1,922

Analysis of debt

	Note	As at 31 January 2024 £000	Cash flows £000	**As at 31 January 2025 £000**
Cash at bank	9	1,922	(22)	**1,900**
Bank loan	10	(10,000)	10,000	**–**
Net debt		(8,078)	9,978	**1,900**

	Note	As at 31 January 2023 £000	Cash flows £000	As at 31 January 2024 £000
Cash at bank	9	1,256	666	1,922
Bank loan	10	(30,000)	20,000	(10,000)
Net debt		(28,744)	20,666	(8,078)

The notes on pages 64 to 76 form part of these financial statements.

Note 1: Accounting policies

(a) For the reporting period, the Company is applying FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), which forms part of the Generally Accepted Accounting Practice ('UK GAAP') issued by the Financial Reporting Council ('FRC').

The Company's assets consist of a diverse portfolio of listed equity shares which, in most circumstances, are realisable within a very short timescale. The Directors are mindful of the principal and emerging risks and uncertainties disclosed on pages 30 and 31 including those related to geopolitical risks and climate considerations.

They have reviewed revenue forecasts for the next two financial years and believe that the Company has adequate financial resources to continue its operational existence for the period to 31 January 2027, which is at least 12 months from the date the financial statements are authorised for issue. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

These financial statements have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, FRS102 issued by the FRC and the revised Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP') issued by the AIC in July 2022.

The Company is required to identify a functional currency, being the currency in which the Company predominately operates. The Board has determined that sterling is the Company's functional currency, which is also the currency in which these financial statements are prepared. This is also the currency in which all expenses and dividends are paid.

The Directors have considered the impact of climate change on the value of the listed investments that the Company holds. In the view of the Directors, as the portfolio consists of listed equities, their market prices should reflect the impact, if any, of climate change and accordingly no adjustment has been made to take account of climate change in the valuation of the portfolio in these financial statements.

(b) Income from investments (other than capital dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend, or where no ex-dividend date is quoted, when the Company's right to receive payment is established. UK investment income is stated net of the relevant tax credit. Overseas dividends include any taxes deducted at source. Special dividends are credited to capital or revenue, according to the circumstances.

(c) Interest receivable and payable, investment management fees and other expenses are measured on an accrual basis.

(d) The investment management fee and finance costs in relation to debt are recognised four-fifths as a capital item and one fifth as a revenue item in the statement of comprehensive income in accordance with the Board's expected long-term split of returns in the form of capital gains and revenue, respectively. Finance costs relate to interest and fees on bank loans and overdrafts. All other expenses are charged to revenue except where they directly relate to the acquisition or disposal of an investment, in which case they are treated as described in (f) below. Full details of the investment management fee are included in the Report of the Directors on page 40.

(e) Investments have been classified upon initial recognition as fair value through profit or loss. Investments are recognised and derecognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned and are initially measured as fair value. After initial recognition, investments are valued at fair value. For listed investments, this is deemed to be bid market prices. Gains and losses arising from changes in fair value are included in net profit or loss for the year as a capital item in the statement of comprehensive income and are recognised in the capital reserve.

(f) Transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the statement of comprehensive income.

(g) Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the statement of financial position. Non-monetary items expressed in foreign currencies held at fair value are translated into sterling at rates of exchange ruling at the date the fair value is measured. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. Exchange gains and losses are taken to the income statement as a capital or revenue item depending on the nature of the underlying item.

(h) Cash and cash equivalents comprise cash and demand deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

(i) Dividends payable under FRS102 should not be accrued in the financial statements unless they have been approved by shareholders before the statement of financial position date. Dividends to equity shareholders are recognised in the statement of changes in equity when the shareholder's right to receive the payment is established. In the case of the fourth interim dividend, this would be the ex-dividend date of 3 April 2025.

(j) Called up ordinary share capital – represents the nominal value of the issued share capital including shares held in Treasury. This reserve is non-distributable.

The share premium account – when shares held in Treasury are reissued, the excess of the sales proceeds over the weighted average price of repurchase is allocated to the share premium account. This reserve is non-distributable.

The capital redemption reserve – represents the nominal value of the shares bought back and cancelled. This reserve is non-distributable.

The capital reserve – gains or losses on realisation of investments and changes in fair values of investments are transferred to the realised capital reserve. Any changes in fair values of investments that are not readily convertible to cash are treated as unrealised gains or losses within the capital reserve. The capital element of the investment management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve.

The realised portion of the capital reserve is distributable by way of dividend and by way of share buybacks.

The revenue reserve – represents net revenue earned that has not been distributed to shareholders. This reserve is fully distributable.

(k) Taxation is based upon the revenue for the year and is allocated according to the marginal basis between revenue and capital using the Company's effective rate of corporation tax for the accounting period.

(l) Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the statement of financial position date measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets being recognised only if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying temporary differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods. Due to the Company's status as an investment trust, and the intention to continue meeting the conditions required to obtain approval as an investment trust in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(m) Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There have been no significant judgements, estimates or assumptions for the year.

(n) Bank loans are classified as financial liabilities at amortised cost. Interest and fees payable on the bank loan are accounted for on an accrual basis in the statement of comprehensive income.

Note 2: Revenue

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Dividends from listed investments		
UK equities	137	122
International equities	2,233	2,668
Other revenue		
Interest on deposits	49	42
	2,419	2,832

There were no capital dividends received during the year ended 31 January 2025 (2024: £nil).

Note 3: Other expenses

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Directors' fees	145	147
Advertising and public relations	80	63
Audit fees	68	66
Professional, regulatory and listing fees	56	55
Registration fees	43	43
Recruitment fees	30	–
Depositary fees	25	29
Printing and postage	20	14
Directors' and officers' liability insurance	12	12
Custody fees	10	11
Legal fees	3	1
VAT recovered	(15)	(19)
Other	25	46
	502	468

All expenses detailed above include VAT where applicable.

Note 4: Taxation on ordinary activities

	Year ended 31 January 2025			Year ended 31 January 2024		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Overseas tax suffered	251	–	251	287	–	287

The applicable corporation tax rate for the year ended 31 January 2025 was 25.00% (2024: 24.03%). The tax charge for the year differs from the charge resulting from applying the standard rate of corporation tax in the UK. The differences are explained below.

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Net return before taxation	17,668	26,364
Corporation tax at rate of 25.00% (2024: 24.03%)	4,417	6,335
Effects of:		
UK dividends not taxable	(34)	(29)
Gains on investments not taxable	(4,358)	(6,159)
Overseas dividends not taxable	(558)	(641)
Overseas tax suffered	251	287
Increase in excess management and loan expenses	533	494
Total tax charge for the year	251	287

As at 31 January 2025, the Company had unutilised management expenses of £49 million (2024: £46 million) carried forward. Due to the Company's status as an investment trust and the intention to continue to meet the conditions required to obtain approval for that status in the foreseeable future, the Company has not provided deferred tax on capital gains and losses arising on the revaluation or disposal of investments.

Note 5: Returns per share

	Year ended 31 January 2025	Year ended 31 January 2024
The returns and net asset value per Ordinary share are calculated with reference to the following figures:		
Revenue return £000	1,330	1,750
Capital return £000	16,087	24,327
Total return £000	17,417	26,077
Weighted average number of shares in issue during the year	66,047,646	73,994,270
Revenue return per share	2.01p	2.37p
Capital return per share	24.36p	32.87p
Total return per share	26.37p	35.24p

Note 6: Dividends

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Year ended 31 January 2023 - fourth interim dividend of 1.50p	-	1,118
Year ended 31 January 2024 - fourth interim dividend of 1.50p	1,041	-
Year ended 31 January 2025 - first interim dividend of 0.90p (2024: 0.90p)	606	675
Year ended 31 January 2025 - second interim dividend of 0.90p (2024: 0.90p)	586	662
Year ended 31 January 2025 - third interim dividend of 0.90p (2024: 0.90p)	551	647
	2,784	3,102

Revenue return per share for the year ended 31 January 2025 is 2.01p (2024: 2.37p), refer to note 5 on page 67 for details of calculation.

The fourth interim dividend for the years ended 31 January 2024 and 31 January 2023 have been allocated to the realised capital reserve. The first, second and third interim dividend for the years ended 31 January 2025 and 31 January 2024 have been allocated to the revenue reserve.

Set out below are the total dividends paid/payable in respect of the financial year which forms the basis on which the requirements of s1158-1159 of the Corporation Taxes Act 2010 are considered.

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
First interim dividend of 0.90p for the year ended 31 January 2025 (2024: 0.90p)	606	675
Second interim dividend of 0.90p for the year ended 31 January 2025 (2024: 0.90p)	586	662
Third interim dividend of 0.90p for the year ended 31 January 2025 (2024: 0.90p)	551	647
Fourth interim dividend of 1.50p for the year ended 31 January 2025 (2024: 1.50p)	886	1,041
	2,629	3,025

Note 7: Investments at fair value through profit or loss

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Opening book cost	193,168	210,334
Opening investment holding gains	71,619	67,272
Opening market value	264,787	277,606
Additions at cost	93,479	80,424
Disposals proceeds received	(145,418)	(118,874)
Gains on investments	17,427	25,631
Market value of investments held at 31 January	230,275	264,787
Closing book cost	177,314	193,168
Closing investment holding gains	52,961	71,619
Closing market value	230,275	264,787

The Company received £145,418,000 (2024: £118,874,000) from investments sold in the year. The book cost of these investments when they were purchased was £109,333,000 (2024: £97,590,000).

The transaction costs in acquiring investments during the year were £75,000 (2024: £105,000). For disposals, transaction costs were £45,000 (2024: £62,000).

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Net realised gains on investments	36,085	21,284
Net change in unrealised (losses)/gains on investments	(18,658)	4,347
Total capital gains	17,427	25,631

Note 8: Trade receivables

	As at 31 January 2025 £000	As at 31 January 2024 £000
Sales awaiting settlement	2,008	655
Taxation recoverable	303	296
Dividends receivable	28	27
VAT recoverable	–	11
Other debtors	21	40
	2,360	1,029

Note 9: Cash and cash equivalents

	As at 31 January 2025 £000	As at 31 January 2024 £000
Sterling bank account	1,900	1,922
	1,900	1,922

Note 10: Trade payables

	As at 31 January 2025 £000	As at 31 January 2024 £000
Amounts falling due within one year:		
Purchases awaiting settlement	**1,777**	–
Ordinary shares bought back awaiting settlement	**227**	584
Investment management fees	**89**	85
Interest accrued on bank loan	**–**	130
Other payables	**216**	162
	2,309	961
Bank loan[1]	**–**	10,000

[1]On 23 November 2023, the Company entered into an unsecured three-year £10 million sterling term revolving loan facility with the Royal Bank of Scotland International Limited ('RBSI'). This loan was drawn down in full on 23 November 2023. It was fully repaid and closed on 25 November 2024.

The facility agreement contained covenants that the adjusted investment portfolio value at each month end should not be less than £120 million, the gross borrowings should not exceed 30% of the Company's adjusted investment portfolio value and the portfolio must contain at least 22 eligible investments. The facility was shown at amortised cost.

Finance costs are charged to capital (80%) and revenue (20%) in accordance with the Company's accounting policies.

Note 11: Ordinary shares of 5p

	Number of shares	Year to 31 January 2025 £000	Number of shares	Year to 31 January 2024 £000
Ordinary shares of 5p				
Ordinary shares in issue at the beginning of the year	71,228,807	3,560	76,105,554	3,804
Ordinary shares issued from Treasury during the year	–	–	675,000	34
Ordinary shares bought back to Treasury during the year	(10,546,133)	(527)	(5,551,747)	(278)
Ordinary shares in issue at end of the year	60,682,674	3,033	71,228,807	3,560

	Number of shares	Year to 31 January 2025 £000	Number of shares	Year to 31 January 2024 £000
Treasury shares (Ordinary shares of 5p)				
Treasury shares in issue at the beginning of the year	27,447,100	1,374	22,570,353	1,130
Ordinary shares issued from Treasury during the year	–	–	(675,000)	(34)
Ordinary shares bought back to Treasury during the year	10,546,133	527	5,551,747	278
Treasury shares in issue at end of the year	37,993,233	1,901	27,447,100	1,374
Total Ordinary shares in issue and in Treasury at the end of the year	98,675,907	4,934	98,675,907	4,934

For the financial year to 31 January 2025, the payments made for shares bought back to Treasury was £39,184,000 (2024: the payments made for shares bought back to Treasury less proceeds received for shares issued from Treasury was £15,966,000).

Between 1 February 2025 and 15 April 2025, 2,060,649 Ordinary shares of 5p were bought back to Treasury.

Note 12: Capital reserves

	Realised capital reserve £000	Unrealised investment holding gains £000	Total capital reserve £000
As at 31 January 2024	156,688	71,619	228,307
Gains on realisation of investments at fair value	36,085	–	36,085
Movement in fair value gains of investments	–	(18,658)	(18,658)
Realised currency gains during the year	4	1	5
Cost of shares bought back into Treasury	(39,184)	–	(39,184)
Capital expenses	(1,345)	–	(1,345)
Dividends paid	(1,041)	–	(1,041)
As at 31 January 2025	**151,207**	**52,962**	**204,169**

	Realised capital reserve £000	Unrealised investment holding gains £000	Total capital reserve £000
As at 31 January 2023	154,191	67,272	221,463
Gains on realisation of investments at fair value	21,284	–	21,284
Movement in fair value gains of investments	–	4,347	4,347
Proceeds from the issue of Shares from Treasury	1,940	–	1,940
Cost of shares bought back into Treasury	(18,305)	–	(18,305)
Capital expenses	(1,304)	–	(1,304)
Dividends paid	(1,118)	–	(1,118)
As at 31 January 2024	156,688	71,619	228,307

The above split in capital reserve is shown in accordance with provisions of the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts 2022'.

Note 13: Net asset value per share

	As at 31 January 2025	As at 31 January 2024
Net assets attributable to shareholders	£232,226,000	£256,777,000
Number of shares in issue at the year end	60,682,674	71,228,807
Net asset value per share	382.7p	360.5p

Note 14: Related party transactions

With the exception of the investment management fees (as disclosed on page 40), Directors' fees (disclosed on page 50), and Directors' shareholdings (disclosed on page 49), there have been no related party transactions during the year, or in the prior year.

The amounts payable for Directors' fees as at 31 January 2025 are £40,037 (2024: £37,864).

Note 15: Financial instruments

The Company's financial instruments comprise securities and other investments, cash balances, receivables and payables that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and receivables for accrued income.

The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, for the purpose of managing currency and market risks arising from the Company's activities.

The main risks the Company faces from its financial instruments are (a) market price risk (comprising of (i) interest rate risk, (ii) currency risk and (iii) other price risk), (b) liquidity risk and (c) credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The AIFM's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term receivables and payables, other than for currency disclosures.

(a) Market price risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, currency risk and other price risk.

(i) Market risk arising from interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate and reviews these on a regular basis. Borrowings may comprise fixed rate, revolving, and uncommitted facilities. Current guidelines state that the total borrowings will not exceed 20% of the net assets of the Company at time of drawdown. On 23 November 2023, the Company entered into an unsecured three-year £10 million sterling term revolving loan facility which was drawn down in full. On 25 November 2024, the facility was closed and repaid in full. The loan was shown at amortised cost in the prior year.

Interest risk profile

The interest rate risk profile of the Company at the reporting date was as follows:

	As at 31 January 2025	As at 31 January 2024
Cash and cash equivalents	1,900	1,922
Bank loan - revolving facility	–	(10,000)
Total net exposure to interest rate risk	1,900	(8,078)

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the statement of financial position date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If the above level of exposure was maintained for a year and interest rates had been 1% (2024: 1%) higher or lower with all other variables were held constant, the Company's profit for the year ended 31 January 2025 would increase/decrease by £19,000 (2024: increase/decrease by £81,000).

This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances.

(ii) Market risk arising from foreign currency risk

A significant proportion of the Company's investment portfolio is invested in overseas securities and the statement of financial position can be significantly affected by movements in foreign exchange rates. It is not currently the Company's policy to hedge this risk.

The revenue account is subject to currency fluctuation arising on overseas income.

Foreign currency risk profile

Foreign currency risk exposure by currency of denomination:

	Year ended 31 January 2025 Total currency exposure £000	Year ended 31 January 2024 Total currency exposure £000
US dollar	**128,238**	138,389
Euro	**62,421**	80,481
Swedish krona	**13,235**	24,521
Danish krone	**9,821**	6,752
Australian dollar	**5,482**	8,945
Swiss franc	**5,466**	–
Canadian dollar	**4,788**	–
Total overseas investments	**229,451**	259,088
Sterling	**2,775**	(2,311)
Total	**232,226**	256,777

The asset allocation between specific markets can vary from time to time based on the portfolio manager's opinion of the attractiveness of individual stocks.

Foreign currency sensitivity

At 31 January 2025, if sterling had strengthened by 5% in relation to all currencies, with all other variables held constant, total net assets and total return on ordinary activities would have decreased by the amounts shown below. A 5% weakening of sterling against all currencies, with all other variables held constant, would have had an equal but opposite effect on the financial statement amounts. The level of change is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	Year ended 31 January 2025 £000	Year ended 31 January 2024 £000
Total net sensitivity to foreign currencies	**11,473**	12,954

(iii) Market risk arising from other price risk

Other price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector. The allocation of assets to international markets as detailed on page 74, and the stock selection process both act to reduce market risk. The investment manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. All investments held by the Company are listed on various stock exchanges worldwide.

Other price risk sensitivity

If market prices at the statement of financial position date had been 30% (2024: 30%) higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders at the year ended 31 January 2025 would have increased/decreased by £69,100,000 (2024: increase/decrease of £79,400,000) and capital reserves would have increased/ decreased by the same amount. This level of change is considered to be reasonably possible based on observation of market conditions and historic trends.

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary.

(c) Credit risk

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit ratings are reviewed periodically by the portfolio manager, and limits are set on the amount that may be due from any one broker; and
- cash is held only with reputable banks with high-quality external credit ratings.

The maximum credit risk exposure as at 31 January 2025 was £4,260,000 (2024: £2,951,000). This was due to trade receivables and cash as per notes 8 and 9.

Fair values of financial assets and financial liabilities

All financial assets and liabilities of the Company are included in the statement of financial position at fair value or a reasonable approximation of fair value with no material difference in the carrying amount.

Note 16: Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern;
- to maximise the return to its equity shareholders through an appropriate balance of equity capital and debt; and
- to limit gearing to 20% of net assets at time of drawdown.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes the nature and planned level of gearing, which takes account of the portfolio manager's views on the market and the extent to which revenue in excess of that which is required to be distributed under the investment trust rules should be retained.

The capital of the Company consists of the equity reserves as shown on the equity section of the statement of financial position, and the bank loan as disclosed in the liabilities section. On 25 November 2024, the facility was closed and repaid in full.

Note 17: Fair value hierarchy

Under FRS 102, the Company is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc);
- Level 3: significant unobservable input (including the Company's own assumptions in determining the fair value of investments).

The financial assets measured at fair value through profit and loss are grouped into the fair value hierarchy as follows:

	At 31 January 2025 £000	At 31 January 2024 £000
Level 1	230,275	264,787
Net fair value	230,275	264,787

Note 18: Post balance sheet events

On 27 March 2025, the Board declared a fourth interim dividend of 1.50p per share.

Effective 1 March 2025, the investment management fee will be amended to 0.40% of the Company's NAV (excluding income).

Following the year end, global equity market volatility has been very high after the introduction of widespread tariffs by the United States. Between 31 January 2025 and 15 April 2025, the net asset value of the Company fell 19.4% from £232,226,000 to £187,160,000. The cum-income NAV per share fell 16.6% from 382.7p to 319.3p.

Between 1 February and 15 April 2025, the Company bought back into Treasury 2,060,649 ordinary shares at an average price of 348.0p per share.

On 15 April 2025, the Company changed its name from Martin Currie Global Portfolio Trust plc to Franklin Global Trust plc.

4: Investor information

Investor information

Directors and Advisers

Directors

Christopher Metcalfe (Chair)
Lindsay Dodsworth
Marian Glen
Gary Le Sueur
Krishna Shanmuganathan

Alternative Investment Fund Manager and Company Secretary

Franklin Templeton Investment Trust Management Limited
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Edinburgh EH3 8BH

Investment Manager

Martin Currie Investment Management Limited
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Martin Currie Investment Management Limited is authorised and regulated by the Financial Conduct Authority.

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Registered in Scotland, registered number SC192761

Independent Auditors

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Broker

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Registrar

MUFG Corporate Markets
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Depositary

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Custodian

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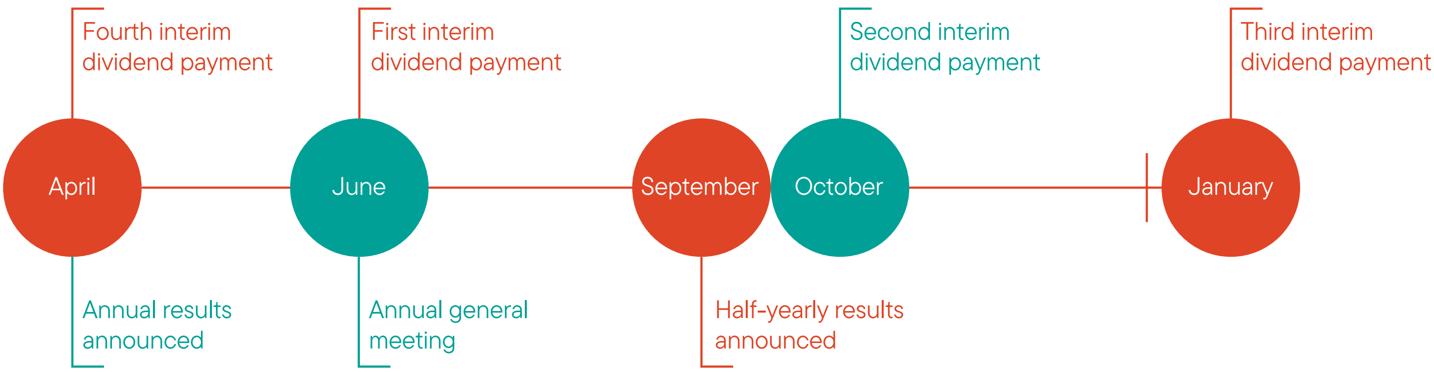
Franklin Global Trust plc is a member of the AIC (the trade body of the investment company industry).

Financial calendar – key dates 2025/26



Alternative performance measures

The European Securities and Markets Authority ('ESMA') has published guidelines on Alternative Performance Measures ('APMs'). APMs are defined as being a 'financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable accounting framework.' The guidelines aim to improve comparability, reliability and/or comprehensibility of APMs. The Company uses the following APMs throughout the annual report, financial statements and notes to the financial statements:

Benchmark total return

A measure showing how the benchmark has performed over a period of time, considering both capital returns and dividends paid to shareholders.

Discount/Premium

Discount

The amount, expressed as a percentage, by which the share price is less than the net asset value per share.

Premium

The amount, expressed as a percentage, by which the share price is more than the net asset value per share.

As at 31 January 2025 the share price was 381.0p and the net asset value per share (cum-income) was 382.7p, the discount was therefore 0.4% (2024: 2.9%).

Gearing

Gearing means borrowing money to buy more assets in the hope that the company makes enough profit to pay back the debt and interest and leave something extra for shareholders. However, if the investment portfolio does not perform well, gearing can increase losses. The more an investment company gears, the higher the risk.

The gearing on 31 January 2025 was 0.0% (2024: 3.9%). The calculation of gearing is provided below.

	2025 £000	2024 £000
(a) Borrowing (Note 10)	–	10,000
(b) Net assets per the Statement of Financial Position	232,226	256,777
Gearing % (a)/(b)	0.0%	3.9%

NAV per share

A common measure of the underlying value of a share in an investment company.

The net asset value ('NAV') is the value of the investment company's assets, less any liabilities that it has. The NAV per share is the NAV divided by the number of shares in issue. This will very often be different to the share price. The difference is known as the discount or premium.

The NAV per share quoted is the cum-income NAV per share unless otherwise noted.

As shown in note 13 the NAV per share was 382.7p as at 31 January 2025 (2024: 360.5p).

NAV total return

A measure showing how the NAV per share has performed over a period of time, considering both capital returns and dividends paid to shareholders.

NAV total return shows performance which is not affected by movements in discounts and premiums. It also considers the fact that different investment companies pay out different levels of dividends.

The NAV total return performance calculated using the cum-income NAV for the year end 31 January 2025 was 7.3%.

	2025	2024
NAV at start of financial year per the Statement of Financial Position	360.5p	328.2p
NAV at end of financial year per the Statement of Financial Position	382.7p	360.5p
Dividends paid	4.20p	4.20p
Effect of dividend reinvestment[1]	0.0p	0.4p
NAV at the end of the financial year including effect of dividends	386.9p	365.1p
NAV Total Return	7.3%	11.2%

[1]Dividend assumed to be reinvested on ex-date (see table of ex-dates overleaf).

Share price total return

A measure showing how the share price has performed over a period of time, considering both capital returns and dividends paid to shareholders. The share price total return for the year end 31 January 2025 was 10.1%.

	2025	2024
Share price at start of financial year	350.0p	319.0p
Share price at end of financial year	381.0p	350.0p
Dividends paid	4.20p	4.20p
Effect of dividend reinvestment[1]	0.1p	0.3p
Share price at the end of the year including effect of dividends	385.3p	354.5p
Share price total return	10.1%	11.1%

[1]Dividend assumed to be reinvested on ex-date (see table of ex-dates overleaf).

31 January 2025	Dividend rate	NAV	Share price
31 January 2024 (prior year end)	n/a	360.5p	350.0p
4 April 2024 (ex-dividend)	1.5p	388.6p	385.0p
4 July 2024 (ex-dividend)	0.9p	383.4p	376.0p
3 October 2024 (ex-dividend)	0.9p	373.5p	366.0p
9 January 2025 (ex-dividend)	0.9p	381.6p	374.0p
31 January 2025 (year end)	n/a	382.7p	381.0p

31 January 2024			
31 January 2023 (prior year end)	n/a	328.2p	319.0p
6 April 2023 (ex-dividend)	1.5p	337.9p	342.0p
6 July 2023 (ex-dividend)	0.9p	340.5p	336.0p
5 October 2023 (ex-dividend)	0.9p	317.5p	309.0p
4 January 2024 (ex-dividend)	0.9p	338.3p	332.0p
31 January 2024 (year end)	n/a	360.5p	350.0p

Ongoing charges

Ongoing charges are the total of the Company's expenses, including both the investment management fee and other costs expressed as a percentage of NAV. The calculation of the ongoing charges is carried out in accordance with the AIC's methodology.

Ongoing charges are calculated with reference to the following figures:

	Year ended 31 January 2025			Year ended 31 January 2024		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Investment management fee	(226)	(906)	(1,132)	(226)	(904)	(1,130)
Other expenses	(502)	–	(502)	(468)	–	(468)
Total expenses	(728)	(906)	(1,634)	(694)	(904)	(1,598)
Average net assets over the year			250,841			250,695
Ongoing charges			0.65%			0.64%

Full details of the investment management fee are included in the Report of the Directors on page 40, details of the Directors' fees are included in the Directors' remuneration statement on pages 49 to 50.

Glossary

Assets

Anything owned or controlled that has value. For investment companies, this might include shares and securities, property, cash etc.

Benchmark

An index or other measure against which the performance of an investment company is compared or its objectives are set.

The financial statements will include an explanation of how a company has performed against its benchmark over the year and the reasons for any under or over performance.

Bid price

The price at which you sell your shares when two prices are quoted. This is sometimes shown as the 'sell' price and will be the lower of the two prices shown.

Dividend

Income from an investment in shares. Dividends are usually paid twice a year but can also be paid quarterly or monthly. Not all investment companies pay dividends. Dividend income is not guaranteed and may fall as well as rise.

Environmental, social and corporate governance ('ESG')

Assessment of material ESG factors and the potential impact on that company's cash flows, statement of financial position, reputation and, ultimately, corporate value in the long term.

Generative AI

Artificial intelligence programmes which use advanced computing techniques to generate new text, images, videos or other data. Generative AI models analyse the patterns and structure of existing information and are then able to generate new content based on information learned from the existing information.

Leverage

Leverage is defined in the AIFM Regulations as any method by which the Company increases its exposure, whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. Leverage is measured in terms of the Company's exposure and is expressed as a percentage of net asset value. Pursuant to the AIFM Regulations, it can be calculated using a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Internal and external AIFM

Under the AIFM Regulations, the AIFM of a company may be either (a) another person appointed by or on behalf the company and which, through that appointment, is responsible for managing the company (an 'external AIFM'); or (b) where the legal form of the company permits internal management and the board chooses not to appoint an external AIFM, the company itself (an 'internal AIFM'). Franklin Templeton Investment Trust Management Limited is the external AIFM of the Company.

Investment company

A closed-ended fund which invests in a diversified portfolio of assets. Investors buy and sell their shares in the investment company on a stock exchange.

Investment trust

An investment company which is based in the UK and which meets certain tax conditions so that it does not pay tax on gains made within the portfolio.

Net assets – cum-income

A measure of the size of an investment company. The total value of all assets held, less liabilities and prior charges, including income for the current year.

Net assets – excluding income

A measure of the size of an investment company. The total value of all assets held, less liabilities and prior charges, excluding income for the current year.

Offer price

The price at which you can buy shares when two prices are quoted. This is also shown as the 'buy' price and will be the higher of the two prices.

Peer group

The Board monitors performance against the Company's peer group, the AIC Global Sector.

Share buybacks

Describes an investment company buying its own shares and reducing the number of shares held in the market.

Share buybacks can be used to return money to shareholders but are also often used to address a company's discount. Discounts may reflect an imbalance between the demand for shares and the number of shares held in the market. The expectation is that, by reducing the number of shares held in the market, the buyback will help to prevent the discount widening or even reduce it. See also under Treasury shares below.

Share price

The price of a share as determined by the stock market.

If you see a single share price shown, it is likely that this is the mid-market price. This is different to the price at which you buy and sell the shares, which are known as the bid price (sell) and offer price (buy).

Treasury shares

Shares in a company's own share capital which the company itself owns and which can be sold to investors to raise new funds.

Treasury shares come into existence only when a company buys back shares. Instead of cancelling the shares (i.e. they cease to exist) they are held 'in Treasury' by the company and can be sold at a later date to raise new funds.

Volatility

A measure of how much a share moves up and down in price over a period of time.

Zero discount policy

A mechanism that aims to ensure that, in normal market conditions, the share price trades close to NAV.

Ways to invest in the Company

The Company's shares qualify for tax efficient wrapper products like individual savings accounts ('ISAs') and self-invested personal pensions ('SIPPs') as well as many other investment wrappers, including those designed for children.

Platforms, fund supermarkets and online stockbrokers

You can invest using a number of fund platforms and fund supermarkets. Many offer wrapper products like ISAs and SIPPs and children's savings products. A number of real-time execution-only stockbroking services also allow you to trade online, manage your portfolio and buy UK listed shares. These services do not offer financial advice and if you are unsure about investing, we recommend that you speak to a qualified financial adviser.

Independent financial advisers

An increasing number of independent financial advisers are including investment trusts within their investment recommendations for clients. To find an adviser who advises on investment trusts, visit www.unbiased.co.uk.

Private client stockbrokers

If you have a large sum to invest, you may want to contact a private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit the Personal Investment Management & Financial Advice Association: www.pimfa.co.uk.

Trading codes

(You may be asked for these when investing)

TIDM code: FRGT	Sedol: 0537241
Reuters code: FRGT.L	ISIN: GB0005372411

Shareholder services

The registrars of the Company are MUFG Corporate Markets (previously Link Group). You can buy and sell shares directly by calling the MUFG Corporate Markets dealing team on 0371 664 0454 or by visiting https://uk.investorcentre.mpms.mufg.com/Login. For other services you can contact MUFG Corporate Markets by telephone, online or by email to shareholderenquiries@cm.mpms.mufg.com.

Contact details	MUFG Investor Centre	MUFG Corporate Markets
Opening times	24 hours	9:00am - 5:30pm Monday to Friday
Opening times	–	0371 664 0300
Change your address	✓	✓
Request dividend confirmations	–	✓
Valuation	✓	✓
Online proxy voting	✓	–
Dividend payment records	✓	✓
Register and change bank mandate instructions for receipt of dividends	✓	✓
Elect to receive shareholder communication electronically	✓	✓
Request/download shareholder forms	✓	✓

Checking the share price

The share price is available through many sources including www.londonstockexchange.com and www.franklinglobaltrust.com.

Notice is hereby given that the annual general meeting ('AGM') of Franklin Global Trust plc (the 'Company') will be held at the offices of Franklin Templeton, 5 Morrison Street, Edinburgh EH3 8BH on Thursday, 19 June 2025 at 11.30 am, to consider and, if thought fit, pass the resolutions below. Your vote is very important to us. Voting at the AGM this year will be on a poll and will reflect all proxy instructions duly received.

The resolutions numbered 1 to 11 are proposed as ordinary resolutions and must receive more than 50% of the votes cast in favour in order to be passed. The resolutions numbered 12 to 15 are proposed as special resolutions and must receive at least 75% of the votes cast in favour in order to be passed.

Ordinary business

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. That the Report of the Directors and auditors and the financial statements for the year ended 31 January 2025 be received;
2. That the Directors' annual remuneration report for the year ended 31 January 2025 be approved;
3. That the Directors' remuneration policy be approved;
4. That the dividend policy be approved;
5. That Marian Glen be re-elected as a Director;
6. That Christopher Metcalfe be re-elected as a Director;
7. That Lindsay Dodsworth be re-elected as a Director;
8. That Krishna Shanmuganathan be elected as a Director;
9. That Ernst & Young LLP be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company;
10. That the Directors be authorised to fix the remuneration of the auditors for the year ending 31 January 2026; and
11. That, in substitution for any existing authority, the directors of the Company be and are hereby generally and unconditionally authorised pursuant to s551 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in s560 of the Act) up to a maximum nominal amount of £977,033 (being approximately one third of the issued share capital of the Company (excluding Treasury shares) as at 15 April 2025, being the latest practicable date before the date of this notice) provided that the authority hereby given shall expire on 31 July 2026 or, if earlier, the conclusion of the annual general meeting of the Company in 2026 save that the Company may, at any time before the expiry of such authority, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such authority and the directors may allot equity securities in pursuance of such an offer or agreement as if such authority had not expired.

Special business

To consider and, if thought fit, pass the following resolutions as special resolutions:

12. That, pursuant to Article 12 of the Articles of Association of the Company and in accordance with s701 of the Companies Act 2006 (the 'Act') and in substitution for any existing authority, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of s693(4) of the Act) of Ordinary shares of 5 pence each in the capital of the Company provided that:
    (a) the maximum aggregate number of Ordinary shares hereby authorised to be purchased is 8,787,441 (or, if less, 14.99% of the number of Ordinary shares in issue (excluding Treasury shares) immediately prior to the passing of this resolution);
    (b) the minimum price which may be paid for an Ordinary share is 5 pence (exclusive of expenses);
    (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be not more than the higher of
        (i) 5% above the average of the mid-market quotations for an Ordinary share of the Company as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the date of purchase; and
        (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange;
    (d) the authority hereby conferred shall expire 15 months after the date of passing of this resolution or, if earlier, at the conclusion of the AGM of the Company in 2026, unless such authority is renewed, issued or revoked prior to such time; and
    (e) the Company may conclude a contract to purchase Ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of Ordinary shares in pursuance of any such contract as if the authority hereby conferred had not expired.

13. That the Directors be and they are hereby empowered in accordance with s570 and s573 of the Companies Act 2006 (the ‘Act’) to allot equity securities (as defined in s560 of the Act), where they are generally authorised pursuant to the authority to allot equity securities conferred upon them by resolution 11 and/or to sell Ordinary shares held by the Company as Treasury shares, for cash, as if s561 of the Act did not apply provided that the power conferred by this resolution shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £293,110 (being an amount equal to 10% of issued equity share capital (excluding Treasury shares) as at 15 April 2025 being the latest practicable date before the date of this notice). Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 July 2026 or, if earlier, at the conclusion of the annual general meeting of the Company in 2026, save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

14. That, in addition to any authority granted under resolution 13, the Directors be and they are hereby empowered in accordance with s570 and s573 of the Companies Act 2006 (the ‘Act’) to allot equity securities (as defined in s560 of the Act), where they are generally authorised pursuant to the authority to allot equity securities conferred upon them by resolution 11 and/or to sell Ordinary shares held by the Company as Treasury shares, for cash, as if s561 of the Act did not apply provided that the power conferred by this resolution shall be limited to the further allotment of equity securities having a nominal amount not exceeding in aggregate £293,110 (being an amount equal to 10% of issued equity share capital (excluding Treasury shares) as at 15 April 2025 being the latest practicable date before the date of this notice).

    Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 July 2026 or, if earlier, at the conclusion of the annual general meeting of the Company in 2026, save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

15. That a general meeting, other than an annual general meeting, may be called on not less than 14 clear days’ notice. Unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 July 2026 or, if earlier, at the conclusion of the annual general meeting of the Company in 2026.

By order of the Board
Franklin Templeton Investment Trust Management Limited
Secretary
17 April 2025
Registered office: 5 Morrison Street, Edinburgh EH3 8BH

Notes

1. All shareholders are entitled to attend or vote at the meeting. Shareholders are strongly encouraged to appoint a proxy in accordance with note 3.
2. The Company has specified that to be entitled to attend and vote at the meeting (and for the purpose of determining the number of votes they may cast), members must be entered on the register of members 48 hours before the time fixed for the meeting.
3. A member entitled to attend, speak and vote may appoint a proxy or proxies to attend and, on a poll, vote instead of them. A proxy need not be a member of the Company.
A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To be valid, proxies must be lodged at the office of the registrars of the Company at MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street, Leeds LS1 4DL not less than 48 hours (excluding non-working days) before the time of the meeting. A form of proxy is enclosed. Alternatively, you can vote electronically via Investor Centre app or web browser at https://uk.investorcentre.mpms.mufg.com/
In usual circumstances, appointment of a proxy will not preclude a member from attending and voting in person.
4. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a member provided that no more than one corporate representative exercises powers over the same share.
5. Any person to whom this notice is sent who is a person nominated under s146 of the Companies Act 2006 to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the annual general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
6. There are no contracts between the Company and the directors, other than their letters of appointment and deeds of indemnity.
7. As at 15 April 2025 (being the latest practicable date prior to the publication of this Notice) the Company's issued voting share capital consisted of 58,622,025 Ordinary shares (carrying one vote each). Therefore, the total voting rights in the Company as at 15 April 2025 were 58,622,025 votes, in respect of the Ordinary shares only.
8. Shareholders can vote electronically via the Investor Centre, a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at:
https://uk.investorcentre.mpms.mufg.com/

Download on the App Store

GET IT ON Google Play

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, MUFG Corporate Markets (CREST Participant ID: RA10), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) with which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

10. Proxymity Voting – if you are an institutional investor, you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged not less than 48 hours (excluding non-working days) before the meeting in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting.
    Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
11. Unless otherwise indicated on the Form of Proxy, CREST voting, Proxymity or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
12. All resolutions will be put to vote on a poll. This will result in an accurate reflection of the views of shareholders by ensuring that every vote is recognised, including the votes of all shareholders who are unable to attend the meeting but who appoint a proxy for the meeting. On a poll, each shareholder has one vote for every share held.
13. Pursuant to s319A of the Companies Act 2006, the Company must provide an answer to any question which is put by a member attending the annual general meeting relating to the business being considered, except if a response would not be in the interest of the Company or for the good order of the meeting or if to do so would involve the disclosure of confidential information.
14. Members may require the Company to place on its website a statement, made available also to the Company's auditors, setting out any matter relating to the audit of the Company's financial statements, including the independent auditors' report and the conduct of the audit, which members intend to raise at the annual general meeting. The Company becomes required to place such a statement on the website once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted such a request to the Company. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.
15. In accordance with s338 of the Companies Act 2006, shareholders may require the Company to give members notice of a resolution which may properly be moved and is intended to be moved at the annual general meeting. The request must be received by the Company at least six weeks before the AGM and not later than 8 May 2025. The resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise). The resolution must not be defamatory of any person, frivolous or vexatious.
    The request must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported. The Company becomes required to give members notice of a resolution to be moved at the annual general meeting once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted a request to the Company in accordance with the provisions of this paragraph. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.

16. In accordance with s338A of the Companies Act 2006, shareholders may require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business).
The request must be received by the Company at least six weeks before the AGM and not later than 8 May 2025.
The matter of business must not be defamatory of any person, frivolous or vexatious. The request must identify the matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported.

    The request must be accompanied by a statement setting out the grounds for the request. The Company becomes required to give members notice of a resolution to be moved at the annual general meeting once a) members with at least 5% of the total voting rights of the Company or b) at least 100 members who are entitled to vote and on whose shares an average sum per member of at least £100 has been paid have submitted such a request to the Company in accordance with the provisions of this paragraph. Members seeking to do this should write to the Company providing their full name and address or email the Company at ftcosec@franklintempleton.com providing their full name and address, stating 'AGM' in the subject line of the email.

17. Information regarding the annual general meeting, including the information required by s311A of the Companies Act 2006, is available from: franklinglobaltrust.com.

18. If you require additional hard copy form of proxy (or assistance with how to complete, sign and return it) or assistance in submitting your proxy appointment electronically, please email at shareholderenquiries@cm.mpms.mufg.com or call MUFG Corporate Markets on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9:00 a.m. to 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales.

Our website

Franklin Global Trust has an award winning website at **franklinglobaltrust.com**.
This offers a wealth of information about the Company.

Register for monthly updates

Subscribe to monthly email updates that offer information on the following:

- latest prices
- manager videos
- performance data
- portfolio information
- latest factsheet
- research
- press releases and articles
- annual and half-yearly reports

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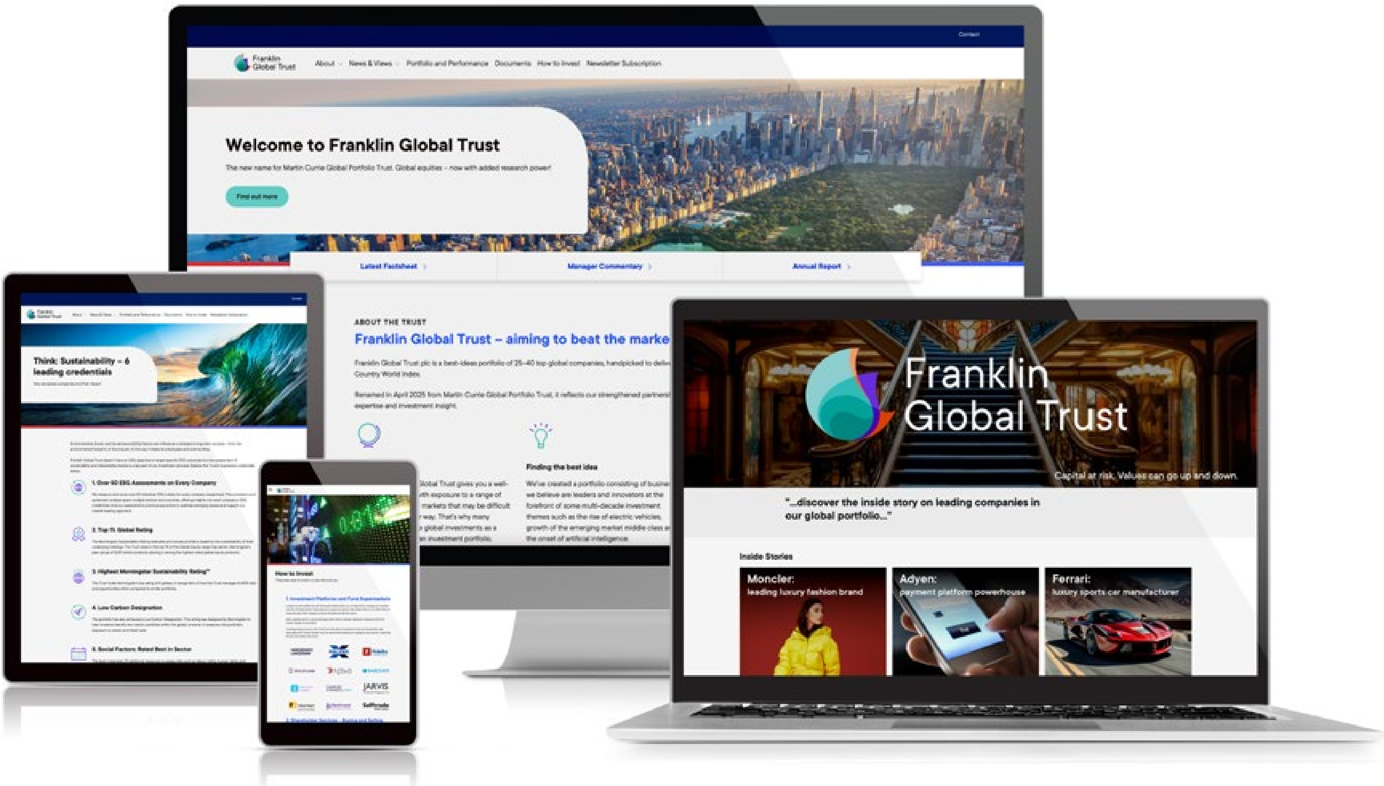

Enquiries

If you have an enquiry about Franklin Global Trust plc, please get in touch.

ftcosec@franklintempleton.com

Mail: The Chair
c/o Company secretary
Franklin Global Trust plc
5 Morrison Street
Edinburgh
EH3 8BH

Franklin Global Trust

How to contact us

Email: ftcosec@franklintempleton.com

www.franklinglobaltrust.com

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