

## Transparency Index™: Investment Performance + Impact



**Investment Thesis:** Transparency Global believes transparent companies – as measured by the six key performance indicators of transparency - have less friction, superior cultures, greater innovation and creates impact that results in higher level growth.

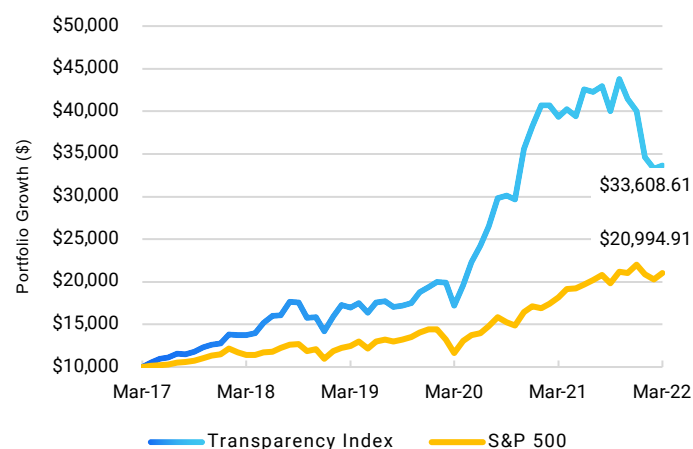


**Growth Potential:** The Transparency Index™ tracks the top 100 transparent companies in the world. Transparency Global believes that transparency is a catalyst for impact and growth that is set to transform industries.



**Index Classification:** Thematic Impact Investing

## Transparency Index: Market Performance



The graph shows cumulative returns for the period from April 1, 2017 to March 31, 2022. Starting value \$10,000 hypothetical investment, assuming no withdrawal and no dividends. Using an archive back test, the number of transparent companies varied each year beginning in 2016. As such, the monthly returns were calculated for the number of transparent companies available in each year until June 30, 2021. Beginning on July 1, 2021, the monthly returns from the live index were included as part of annual return calculation.

## Transparency Index Performance

As of March 31, 2022

	1YR	3YR	5YR
Transparency Index	-14.51%	25.6%	27.44%
S&P 500	15.65%	18.93%	15.99%

The annual return performance presented is the back-tested performance. Beginning on July 1, 2021, the monthly returns from the live index were included as part of annual return calculation. Annual Returns shown before the index launch date reflect hypothetical historical performance. Please see disclaimer for important legal information. Data source for S&P 500 is S&P Global Inc.

## Index Details

As of March 31, 2022

Index Name	Transparency Index
ISIN	DE000SL0DL14
Index Listings	Bloomberg and Reuters
Bloomberg Ticker	TRANSPCY Index
RIC	.TRANSPCY
Inception Date	06/16/2021
Index Management	Passive
Average Market Cap	\$92.88 Billion
Median Market Cap	\$10.37 Billion

## About The Index

Starting with a universe of 55 thousand global equity securities, the Transparency Index consists of 100 most transparent companies in the world derived by applying the Six Key Performance Indicators of Transparency. The index is composed of equity securities and ADRs listed on US stock exchanges ( NYSE, NASDAQ and AMEX).

## Top 10 Holdings

As of March 31, 2022

Company Name	Weight
1 AEROVIRONMENT, INC.	1.81%
2 SPLUNK, INC.	1.53%
3 PEARSON PLC	1.44%
4 NATURA & CO HOLDINGS	1.40%
5 CANADIAN SOLAR	1.35%
6 CROWDSTRIKE HOLDINGS, INC.	1.32%
7 SONOCO PRODUCTS COMPANY	1.30%
8 CHARGEPOINT HOLDINGS, INC.	1.24%
9 QUALYS, INC.	1.24%
10 MCCORMICK & COMPANY, INC.	1.23%

Holdings are subject to change. Index holdings should not be considered as investment advice or a recommendation to buy, sell or hold any particular security. It should not be assumed that an investment in the securities identified was or will be profitable. Index weights will be reweighted at the end of each quarter on the rebalancing date back to a 1% weighting for each index constituent.

## Market Capitalization

As of March 31, 2022

Mega (\$100B+)	12.19%
Large (\$10 - \$100B)	39.96%
Medium (\$3 - \$10B)	37.61%
Small (\$0M - \$3B)	13.24%

## Sector Breakdown

As of March 31, 2022

Communication Services	6.31%
Consumer Discretionary	21.90%
Consumer Staples	4.56%
Financials	1.79%
Healthcare	7.41%
Industrial	9.82%
Information Technology	45.99%
Materials	2.22%

Sector Breakdown is based on Global Industry Classification Standard (GICS)

## Geographic Breakdown

As of March 31, 2022

North America	85.46%
Western Europe	6.84%
Asia Pacific	3.60%
Emerging Markets	2.40%
Africa/Middle East	1.71%

## Summary of Index Methodology

Index Classification	Thematic Impact Investing
Selection Universe	Global Equities
Minimum Market Cap	\$3 Billion
IPO Criteria	One Calendar Year Publicly Traded
Listed Exchanges	NYSE, NASDAQ, AMEX (ADRS)
Revenue	No pre-revenue companies
Security Selection	Rules Based
6 KPIs <sup>1</sup>	Transparency Benchmarks, Terms, Accountability, Cost, Truth, Trust
Index Management	Passive
Number of Constituents	100
Rebalancing	Quarterly: March, June, September and December: Last business day of each quarter
Portfolio Weighting	Equally Weighted Portfolio, 1%
Excluded Industries	Alcohol, Banking, Chemical, Confectionary, Fossil Fuel Transportation, Gambling, Metals & Minerals, Oil & Natural Gas and Tobacco

<sup>1</sup>Explanation of 6 KPIs can be found [HERE](#)

Transparency Index™ Powered Using Refinitiv Data

## Index Calculation

Transparency Global has contracted with Solactive AG to maintain the Index rules and methodology, calculate the Index and disseminate information about the Index including the performance shown herein. Solactive does not manage actual assets. The Index is unmanaged, which means that the companies included in the Index are selected automatically according to a proprietary algorithm of Transparency Global that serves as the basis of the Index methodology. The Index is equal-weighted, which means that the 100 companies included in the Index each represents approximately 1% of the Index – with variations due to market performance. Solactive rebalances the Index back to a 1% weight for each index constituent at the end of every quarter/3 months using the Index methodology explained herein.

The Index and the performance shown herein to do not reflect the payment of any sales charges or fees that an investor may pay to purchase the securities underlying the Index or the securities of any investment funds that seek to track the performance of the Index. The imposition of such fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. Additional details regarding the calculation of the Index are available by contacting Solactive AG.

## Back-Tested Performance

The Transparency Index (“the Index”) commenced on June 16th, 2021 following the market close. All information presented prior to this date is backtested. Back-tested performance is hypothetical performance, not actual performance. Back-tested performance is prepared by retrospectively applying the Index methodology to historical information with the benefit of hindsight. Back-tested performance, therefore, does not reflect the results of actual trading. Back-tested, as well as actual performance, are not indicative of future results. The back-tested performance uses the same methodology that was in effect when the Index officially launched on June 16th, 2021. The back-tested performance shown in this presentation is unaudited and does not reflect the investment of dividends or other earnings. The Index does not reflect the reinvestment of dividends.

Using an archive back test, the number of transparent companies varied each year beginning in 2016. As such, the monthly returns were calculated for the number of transparent companies available in each year until June 30, 2021. Beginning on July 1, 2021, the monthly returns from the live index were included as part of annual return calculation. As a result of the archive backtest, the number of companies available at the beginning of each year was: 43 companies – 2016, 46 companies – 2017, 51 companies – 2018, 64 companies – 2019, 83 companies – 2020, 100 companies – 2021, 100 companies – 2022.

The index methodology does not overweight or underweight any particular industry, sector or geography. All KPIs are equally weighted. Company selection into the index is based on the level of organizational transparency as quantified by the 6 KPIs. Examples of reasons why companies did not make the index include: 1. KPI score less than 60% 2. Market cap less than \$3 billion on a 30-day moving average basis 3. No company website 4. In an excluded industry 4. Not listed on a U.S stock exchange and 5. Not yet IPOed or IPOed less than 1 calendar year.

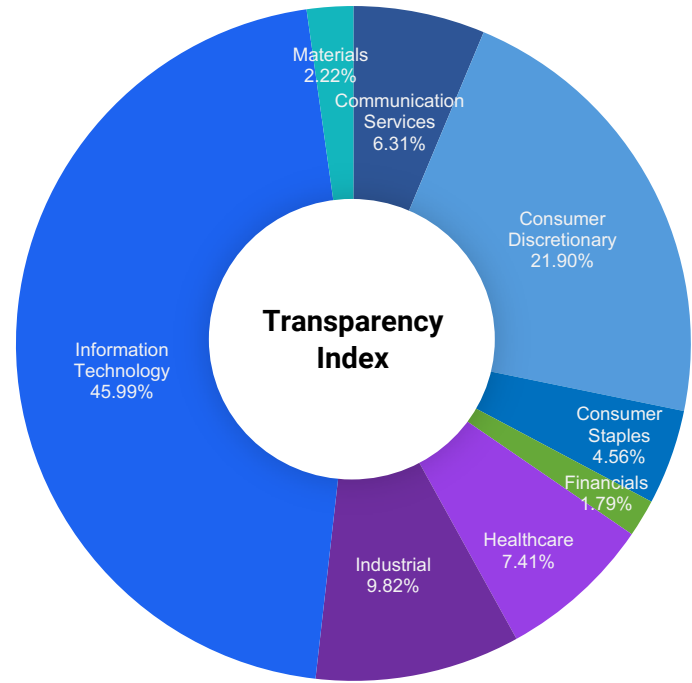
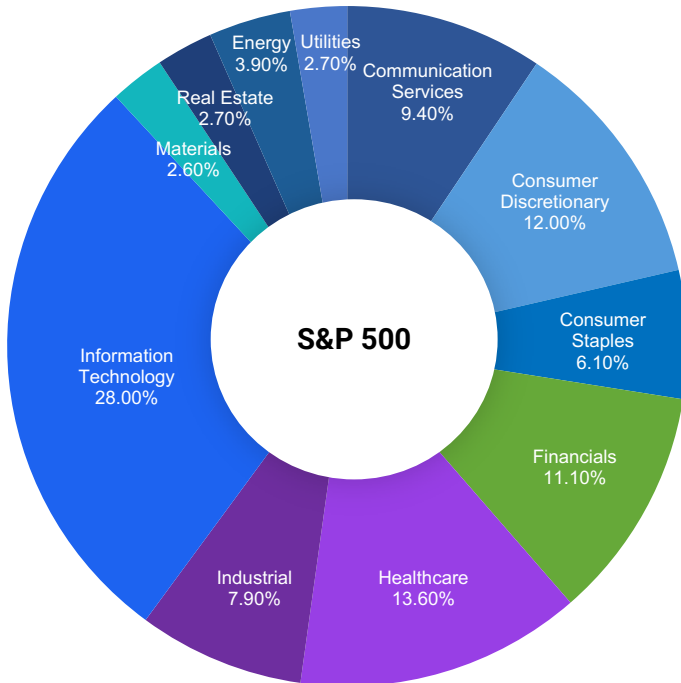
8  
Sectors\*

35  
Industries\*

\$93B  
Avg. Market Cap\*

Equally Weighted  
Portfolio: 1%\*

82% Domestic  
18% International\*



- \* The Standard & Poor's (S&P) 500 Index is an index consisting of the 500 largest US publicly traded companies. The S&P 500 Index is weighted by market cap.
- \* The source for The Standard & Poor's (S&P) 500 Index sector breakdown is S&P Global, Inc.
- \* Sector Breakdown is based on Global Industry Classification Standard (GICS) as of March 31, 2022.
- \* Industry Breakdown is based on Global Industry Classification Standard (GICS) as of March 31, 2022.
- \* As of March 31, 2022, excluded sectors from Transparency Index are energy and utilities.
- \* Average Market Cap Data as of March 31, 2022.
- \* Domestic vs International Exposure as of March 31, 2022.
- \* Index weights will be reweighted at the end of each quarter on the rebalancing date back to a 1% weighting for each index constituent.
- \* Holdings are subject to change. Index holdings should not be considered as investment advice or a recommendation to buy, sell or hold any particular security.

## Transparency Index

## S&P 500

Company Overlap <sup>1</sup>	5.20%	
5 Year CAGR <sup>2</sup>	27%	16%
Average Market Cap <sup>3</sup>	\$93B	\$80B
International Exposure <sup>4</sup>	18%	4%
Tracking Error <sup>5</sup>	11%	
Correlation <sup>6</sup>	0.74	
Revenue Growth <sup>7</sup>	12.04%	9.41%
Excluded Companies <sup>8</sup> (Companies from 9 Excluded Industries)	0	157

The Standard & Poor's (S&P) 500 Index is an index consisting of the 500 largest US publicly traded companies. The S&P 500 Index is weighted by market cap.

- Company Overlap shows percentage of companies that are in the Transparency Index that are also included in S&P 500.
- 5 Year CAGR is for the period from April 1, 2017 - March 31, 2022. 5 Year CAGR for Transparency Index is calculated using an archive back test. Using an archive back test, the number of transparent companies varied each year beginning in 2016. As such, the monthly returns were calculated for the number of transparent companies available in each year until June 30, 2021. Beginning on July 1, 2021, the monthly returns from the live index were included as part of annual return calculation.
- Average Market Cap data as of March 31, 2022.
- International Exposure as of March 31, 2022.
- Tracking Error shows 5-year average Tracking Error of Transparency Index against the benchmark S&P 500 for the period from Jan 1, 2017 to Dec 31, 2021.
- Correlation shows 5-year average Correlation of Transparency Index with the benchmark S&P 500 for the period from Jan 1, 2017 to Dec 31, 2021.
- Revenue Growth shows 5-year average revenue growth of Transparency Index vs. S&P 500 for the period from Jan 1, 2016 - Dec 31, 2020.
- Excluded Companies are defined as companies from non-transparent industries and industries that are harmful.

**Transparency Global** operates a digital platform accelerating the world's adoption of Transparency. The platform includes certifications, rankings, research, education, surveys, and a Financial Index. Transparency Global certifies companies that meet the highest levels of organizational transparency analyzing over 55,000 globally traded public companies creating the world's largest Transparency database of both public and private companies.