

Refugee ETF is the first retail investment product that facilitates investment in a global index of publicly listed companies that support refugee economic integration. Our ETF incentivizes private sector refugee investment by screening for companies that support refugees through hiring & supply chains, entrepreneur support, and education / skills development. Refugee ETF outperforms the market while delivering scalable and sustainable impact for refugees.

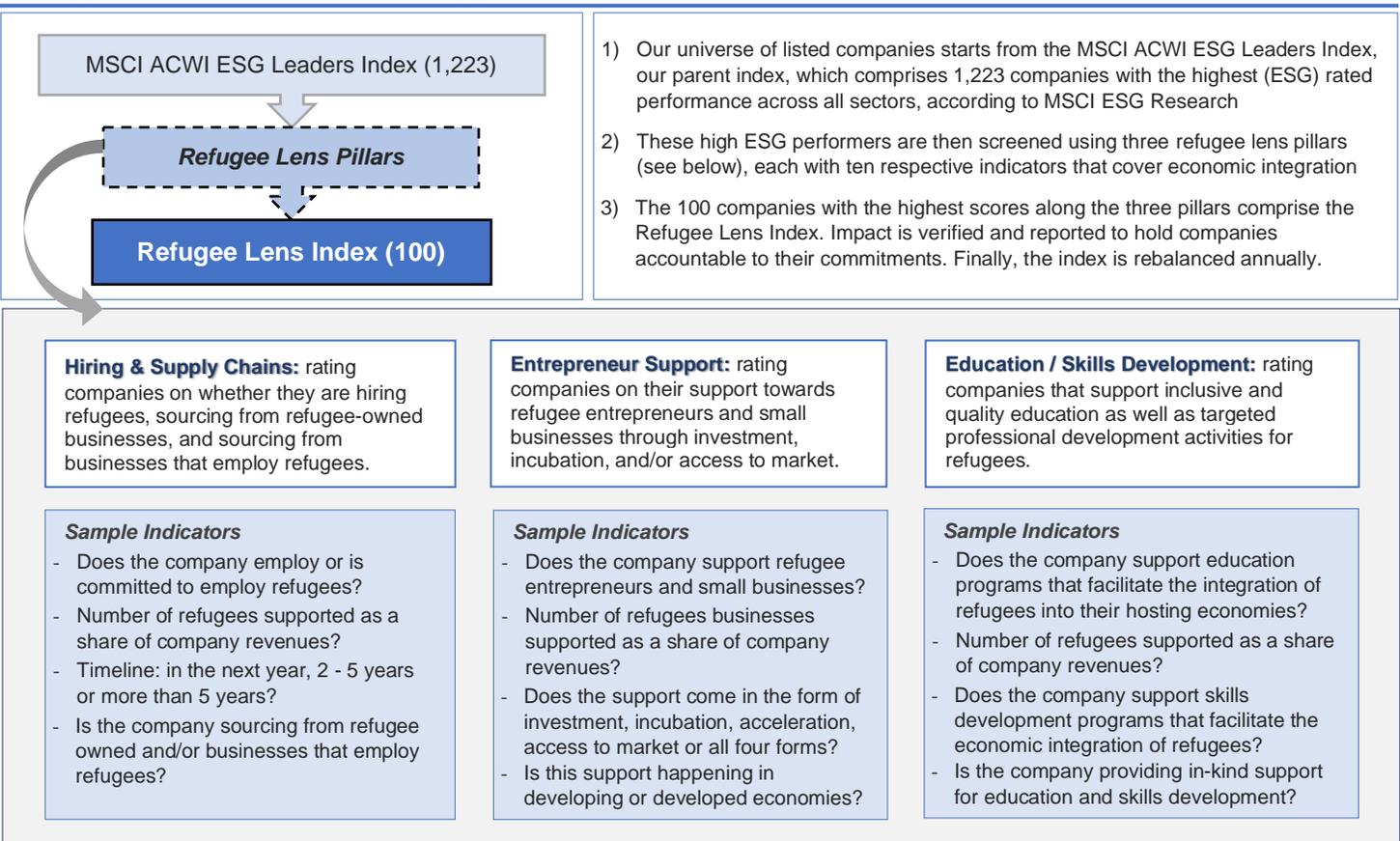
Opportunity / Problem

- 1) Over 70 million people are currently forcibly displaced worldwide, including 25M refugees; and is projected to grow to over 300M by 2030. Refugees are displaced for over 25 years on average, thus making economic integration the most efficient, realistic and sustainable solution to improve the dignity and livelihood of refugees
- 2) Refugee displacement and refugee economic integration are not converging, leading to increasing negative effects on refugees as well as the global economy. Several studies have shown that lack of refugee economic integration, together with other social, environmental and governance issues, negatively impact corporations in three ways: 1) Productivity Loss; 2) Customer Loss; 3) Supply Chain Disruption
- 3) The private sector is uniquely capable of accelerating refugee economic integration as governments and philanthropy often do not have the finances and capacity to hire and educate refugees, and/or support their entrepreneurial endeavors at scale
- 4) There are currently no investment products that reward corporations that support and/or incentivize them to scale the economic integration of refugees. Along with issues like climate change, investors will start scrutinizing companies on refugee integration
- 5) Private Market solutions with a refugee lens are currently small, difficult to scale and only available to institutional investors or are directly funded by governments, philanthropies, and multilateral organizations
- 6) Refugee ETF capitalizes on the growing market trend of ESG investments and socially themed ETFs. Companies listed in socially themed ETFs are incentivized to create impact around their theme because it creates competitive advantage.

Solution / Investment Thesis

Refugee ETF tracks the *Refugee Lens Index*, which lists companies with strong policies and practices on economic integration of refugees. The purpose of Refugee ETF is to 1) Raise awareness of refugee contribution through a widely available retail investment product; 2) Scale refugee investment by crowding in retail, high-net-worth, and institutional investors; 3) Incentivize companies to launch or continue refugee investment.

Refugee Lens Index Methodology



*Sources: Opportunity/Problem: 1) UNHCR Global Trends – Forced Displacement Report 2018; 2) Tent & Center for Global Development – The Economic and Fiscal Effects of Granting Refugees Formal Labour Market Access; 3) IFC & The Bridgespan Group – Private Sector & Refugees, Pathways to Scale; 4) The Wall Street Journal - BlackRock to hold companies and itself to higher standards on climate risk.; 5) RIN – Paradigm Shift, How Investment can Unlock the Potential of Refugees; 6) CNBC – Boom in ETFs continues with SRI

Fund Profile

Fund Terms

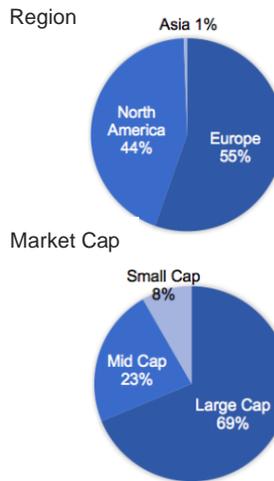
Fund Type	Exchange Traded Fund
Asset Class	Equity
Market Cap.	Broad Market
Geographic Focus	Global
General Attribute	Refugees
Benchmark	MSCI ACWI ESG Leaders Index
Number of Holdings	100
Expense Ratio	0.6%
Expected Fund Size (1Y)	USD 100 Million

* Expense Ratio is an estimate, which is the average of expense ratios of similar impact themed ETFs (e.g. SDGA ETF, Vegan ETF, etc.)
 * Expected Fund Size is estimated to be USD 100 Million in 1 year with no minimum ticket.

Target Investors

Refugee ETF is targeted for retail and institutional investors seeking to help alleviate the refugee crisis with both a scalable solution and a liquid, public market product. This product also caters to impact and sustainable investors that want to diversify their exposure to critical social themes such as refugee investment. It also caters to young investors who are increasingly investing along impact themes.

Portfolio Breakdown



Industry	
Information Technology	24.1%
Financials	19.9%
Consumer Discretionary	16.9%
Industrials	13.9%
Communication Services	12.0%
Energy	4.2%
Consumer Services	3.6%
Consumer Staples	3.0%
Health Care	2.4%

* Region classifications are based on the location of the headquarters of companies.
 * Industries classifications are based on the Bloomberg classification.

Impact

Examples of Impact from our Top Holdings

- **Generali** is committed to empowering refugees to set up 500 new businesses. Starting in Germany and France, refugees can access a competitive 6- to 8-month program of incubation, training and funding to equip them with the skills, resources and tools for becoming successful entrepreneurs
- **Starbucks** is leading a global effort to welcome and employ 10,000 refugees by 2022. This is ~4% of its current total workforce. Moreover, the company is playing a key role in funding specialized job training programs to create job ready refugees
- **Salesforce** is offering financial and in-kind services in support of integrating and upskilling more than 1,500 refugees in order to help them progress into stable jobs, predominantly in the IT sector.

Aggregated Impact Data from our Holdings

- ~\$80.6 million allocated to the economic integration across USA, Europe, Asia and MENA of refugees is
- **Hiring & Supply Chains: 20,220** total refugees hired or expected to be hired in the next 5 years
- **Entrepreneur Support: 624** total refugee linked start-ups funded, incubated and/or accelerated
- **Education / Skills Development: 238,000** total refugees provided/to be provided with education/skills development

* This data is highly conservative as we are currently only using publicly available data from Refugee focused orgs. such as Tent, UNHCR, IRC and sustainability reports of the holdings and there could be the possibility to use private data if the product is launched. Refugees impacted come from all over the world (e.g. Venezuela, Syria, Iraq, El Salvador, Honduras, Guatemala, Somalia, S. Sudan, DRC, Myanmar, etc.)

Financial Performance and Top Holdings

Top 15 Holdings

ING Groep NV	6.0%
Assicurazioni Generali SpA	4.8%
HP Inc	4.2%
Teleperformance SE	4.2%
Salesforce.Com Inc	4.2%
BNP Paribas SA	3.6%
Hilton Worldwide Holdings Inc	3.6%
SAP SE	3.6%
Care.com Inc	3.6%
Accenture PLC	3.0%
Accor SA	3.0%
Starbucks Corp	3.0%
Signify NV	3.0%
Western Union Co	3.0%
Jerash Holdings (US) Inc	3.0%
Total	56.0%

Assumptions

- Weight of holdings based on pillar indicator impact scores. Indicators are currently 5 per pillar instead of 10. Indicators will be revised with refugee focused organizations
- Risk and Return is as of 12/31/19 because it is on a yearly basis from 12/31/18
- Performance and Risk modelled for a basket of 48 rated companies instead of 100 as currently there are only 48 companies with public refugee economic integration information. We assume that more companies will join this growing trend, thus allowing for a larger basket of 100 highly rated companies
- For calculations of USD-adjusted Market Capitalization, an exchange rate as of 12/31/2018/ was used, given weighting using the market cap as of 12/31/2018
- Investment is in the common stock market.

Performance and Risk

Return	1 Y
Fund	33.8%
S&P 500	31.5%
MSCI ACWI ESG Leaders Index	24.7%

Risk	Fund vs S&P 500
Correlation	0.88
Beta	0.87

Risk	Fund vs MSCI ACWI ESG Leaders Index
Correlation	0.91
Beta	1.15

* Holdings are subject to change. Current makeup: 11 large cap, 2 mid cap, 2 small cap

Risk and Risk Mitigants

Risk	Probability	Materiality	Risk Description and Mitigation
Political	Medium	High	Like with issues such as climate change and gender equality, even in conservative countries, which go against the integration of refugees, corporations are independently and increasingly taking action on these issues including the alleviation of the refugee crisis
Impact	Medium	Medium	The risk of not achieving impact at scale can be mitigated by having a robust set of refugee-linked indicators, which can truly measure the impact of companies on this specific issue and score them accordingly while also partnering with refugee focused orgs.(UNHCR, Tent,...) to track companies' progress and hold them accountable
Scale of Problem	High	High	The root causes of refugee displacement are driven by armed or political conflict, ethnic tension, systematic discrimination, climate change or natural disaster. Therefore, it is hard to reduce the growth of the displacement, but we can certainly increase economic integration
Reputational	Low	High	Only a tiny portion of companies included in the index have been attacked by conservative press and institutions around their commitments and action in integrating refugees. Most companies believe solving this issue is the moral thing to do and also makes economic sense
Financial	Low	Medium	This is a highly liquid and diversified product that based on our analysis would outperform its two benchmarks.