

About the Innovation α

The Conference Board Innovation α Index powered by M•CAM features 120 global and 100 US rankings of large public companies in two separate indexes. The constituent companies in the indexes are expected to generate higher stock market performance than those that are not in the index because they invest in intangible assets and effectively deploy their innovations. The US and global indexes enable a direct look at the financial outcomes of the companies’ innovation activity that arises out of their intangible investments such as patents, trademarks and copyrights.

The indexes demonstrate that companies that focus on innovations – those protected with proprietary rights – will perform better in financial markets in the long-term. The companies in the indexes are weighted according to each firm’s ability to invest in, develop, control and deploy intellectual property to achieve strategic advantage over competitors. The index is rules-based and is reweighted quarterly on the first trading day of January, April, July and October. The index is also reconstituted annually on the first trading day of January. During the reconstitution, up to ten percent of the index components may be replaced. Stock prices and market capitalization are not factors in determining index weighting.

In the US index, the top five ranked companies (based on their index weights) are Microsoft Corporation, Boston Scientific Corporation, Lockheed Martin Corporation, QUALCOMM Incorporated, and Kimberly-Clark Corporation. In the global index, the top five ranked companies are Adidas AG, Bayer AG, Daimler AG, Thales SA, and Kering SA. Microsoft Corporation is showing the largest increase in weight going forward in Q3 2019 in both indexes.

A complete ranking of the most innovative companies (US and global), their weights in the indexes, and their changes in weights is presented in the tables below. The tables below also provide more information on sectors and changes in weights. More information on the innovation index is available in a white paper ([available here](#)), which details the methodology and results.

Innovation α US and Global Indexes Outperform their Market Benchmarks in the Long Run

	2019Q3 Return (6/27/2019 - 9/26/2019)	Year-To-Date Return (1/2/2019 - 9/26/2019)	Last Year Return (6/27/2018 - 6/27/2019)
Innovation α US Index	1.59%	19.02%	7.75%
Russell 1000 Index	1.62%	18.77%	3.65%
Innovation α Global Index	0.92%	17.16%	2.73%*
MSCI ACWI Index	0.18%	14.82%	3.88%

* Innovation α Global Index launched on 1/2/2019. The last year return for this index includes the former publication of the data as the CNBC IQ100 powered by M-CAM.

Source: The Conference Board Innovation α Index Powered by M-CAM

TABLES

The Conference Board Innovation α United States Index powered by M-CAM¹

INAU 100 companies

Rank	Company Name	Sector*	Q4 Weight	Q3 Weight	Change in weight from Q3 to Q4
1	Procter & Gamble Company	Consumer Non-Durables	5.46%	1.33%	4.13%
2	Fiserv, Inc.	Technology Services	3.60%	0.65%	2.95%
3	Medtronic Plc	Health Technology	3.60%	1.33%	2.27%
4	AT&T Inc.	Communications	3.23%	0.65%	2.58%
5	Genworth Financial, Inc. Class A	Finance	2.49%	0.65%	1.84%
6	Apple Inc.	Electronic Technology	2.11%	0.65%	1.47%
7	Edwards Lifesciences Corporation	Health Technology	2.11%	0.65%	1.47%
8	L3Harris Technologies Inc	Electronic Technology	2.11%	1.66%	0.46%
9	Lockheed Martin Corporation	Electronic Technology	2.11%	2.97%	-0.86%
10	Chevron Corporation	Energy Minerals	1.74%	0.65%	1.09%
11	Hartford Financial Services Group, Inc.	Finance	1.74%	1.99%	-0.24%
12	Northrop Grumman Corporation	Electronic Technology	1.74%	0.65%	1.09%
13	Nokia Oyj Sponsored ADR	Electronic Technology	1.74%	0.65%	1.09%
14	United Technologies Corporation	Producer Manufacturing	1.74%	0.65%	1.09%
15	Agilent Technologies, Inc.	Health Technology	1.37%	0.65%	0.72%
16	Boeing Company	Electronic Technology	1.37%	0.65%	0.72%
17	Baker Hughes, a GE Company Class A	Industrial Services	1.37%	0.65%	0.72%
18	Booking Holdings Inc.	Consumer Services	1.37%	0.65%	0.72%
19	Eaton Corp. Plc	Producer Manufacturing	1.37%	0.65%	0.72%
20	General Motors Company	Consumer Durables	1.37%	0.65%	0.72%
21	Alphabet Inc. Class A	Technology Services	1.37%	0.65%	0.72%
22	International Business Machines Corporation	Technology Services	1.37%	0.65%	0.72%
23	NIKE, Inc. Class B	Consumer Non-Durables	1.37%	0.65%	0.72%
24	QUALCOMM Incorporated	Electronic Technology	1.37%	2.97%	-1.60%
25	Teradyne, Inc.	Electronic Technology	1.37%	0.65%	0.72%
26	Texas Instruments Incorporated	Electronic Technology	1.37%	0.65%	0.72%
27	Abbott Laboratories	Health Technology	0.65%	0.65%	0.00%
28	Applied Materials, Inc.	Electronic Technology	0.65%	1.66%	-1.01%
29	Advanced Micro Devices, Inc.	Electronic Technology	0.65%	1.66%	-1.01%
30	Amazon.com, Inc.	Retail Trade	0.65%	0.65%	0.00%
31	Broadcom Inc.	Electronic Technology	0.65%	0.65%	0.00%
32	Avery Dennison Corporation	Process Industries	0.65%	0.65%	0.00%
33	American Express Company	Finance	0.65%	1.99%	-1.34%
34	Bank of America Corp	Finance	0.65%	0.65%	0.00%
35	Baxter International Inc.	Health Technology	0.65%	0.65%	0.00%
36	Becton, Dickinson and Company	Health Technology	0.65%	0.65%	0.00%

¹ The index constituents' weights are changing on every trading day due to stock price fluctuations. The weights shown are determined on 9/26/2019 4:30 pm ET for INAU index as indicative values of the weights on 10/1/2019.

37	Berkshire Hathaway Inc. Class B	Finance	0.65%	1.33%	-0.68%
38	Boston Scientific Corporation	Health Technology	0.65%	3.30%	-2.66%
39	Caterpillar Inc.	Producer Manufacturing	0.65%	0.65%	0.00%
40	CBS Corporation Class B	Consumer Services	0.65%	1.33%	-0.68%
41	Clorox Company	Consumer Non-Durables	0.65%	0.65%	0.00%
42	Cree, Inc.	Electronic Technology	0.65%	0.65%	0.00%
43	Cisco Systems, Inc. Cognizant Technology Solutions	Electronic Technology	0.65%	0.65%	0.00%
44	Corporation Class A	Technology Services	0.65%	0.65%	0.00%
45	Citigroup Inc.	Finance	0.65%	0.65%	0.00%
46	Deere & Company	Producer Manufacturing	0.65%	0.65%	0.00%
47	Dick's Sporting Goods, Inc.	Retail Trade	0.65%	0.65%	0.00%
48	Dover Corporation	Producer Manufacturing	0.65%	1.99%	-1.34%
49	DexCom, Inc.	Health Technology	0.65%	1.66%	-1.01%
50	Eastman Chemical Company Telefonaktiebolaget LM Ericsson	Process Industries	0.65%	0.65%	0.00%
51	Sponsored ADR Class B	Electronic Technology	0.65%	0.65%	0.00%
52	General Electric Company	Electronic Technology	0.65%	0.65%	0.00%
53	General Mills, Inc.	Consumer Non-Durables	0.65%	0.65%	0.00%
54	Garmin Ltd.	Electronic Technology	0.65%	0.65%	0.00%
55	Halliburton Company Honda Motor Co., Ltd. Sponsored	Industrial Services	0.65%	0.65%	0.00%
56	ADR	Consumer Durables	0.65%	0.65%	0.00%
57	Hologic, Inc.	Health Technology	0.65%	0.65%	0.00%
58	Honeywell International Inc.	Producer Manufacturing	0.65%	1.99%	-1.34%
59	HP Inc.	Electronic Technology	0.65%	0.65%	0.00%
60	Intel Corporation	Electronic Technology	0.65%	0.65%	0.00%
61	International Paper Company	Process Industries	0.65%	0.65%	0.00%
62	Illinois Tool Works Inc.	Producer Manufacturing	0.65%	0.65%	0.00%
63	Johnson & Johnson	Health Technology	0.65%	1.33%	-0.68%
64	JPMorgan Chase & Co.	Finance	0.65%	0.65%	0.00%
65	Kimberly-Clark Corporation	Consumer Non-Durables	0.65%	2.65%	-2.00%
66	Coca-Cola Company	Consumer Non-Durables	0.65%	1.33%	-0.68%
67	Lam Research Corporation	Electronic Technology	0.65%	0.65%	0.00%
68	Mattel, Inc.	Consumer Durables	0.65%	0.65%	0.00%
69	Mastercard Incorporated Class A Mondelez International, Inc. Class	Finance	0.65%	1.66%	-1.01%
70	A	Consumer Non-Durables	0.65%	1.99%	-1.34%
71	MetLife, Inc.	Finance	0.65%	1.66%	-1.01%
72	3M Company	Producer Manufacturing	0.65%	0.65%	0.00%
73	Microsoft Corporation	Technology Services	0.65%	5.61%	-4.96%
74	Motorola Solutions, Inc.	Electronic Technology	0.65%	0.65%	0.00%
75	NCR Corporation	Electronic Technology	0.65%	1.66%	-1.01%
76	Novartis AG Sponsored ADR	Health Technology	0.65%	1.66%	-1.01%
77	Oracle Corporation	Technology Services	0.65%	0.65%	0.00%
78	Pfizer Inc.	Health Technology	0.65%	0.65%	0.00%
79	Progressive Corporation	Finance	0.65%	0.65%	0.00%
80	Prudential Financial, Inc.	Finance	0.65%	0.65%	0.00%
81	Rockwell Automation, Inc.	Producer Manufacturing	0.65%	0.65%	0.00%
82	Raytheon Company	Electronic Technology	0.65%	0.65%	0.00%
83	Sealed Air Corporation	Process Industries	0.65%	0.65%	0.00%
84	Schlumberger NV	Industrial Services	0.65%	0.65%	0.00%
85	Sonoco Products Company	Process Industries	0.65%	0.65%	0.00%

86	Seagate Technology PLC	Electronic Technology	0.65%	0.65%	0.00%
87	Stryker Corporation	Health Technology	0.65%	0.65%	0.00%
88	TE Connectivity Ltd. Teva Pharmaceutical Industries	Electronic Technology	0.65%	1.99%	-1.34%
89	Limited Sponsored ADR	Health Technology	0.65%	0.65%	0.00%
90	Textron Inc.	Producer Manufacturing	0.65%	0.65%	0.00%
91	UnitedHealth Group Incorporated	Health Services	0.65%	0.65%	0.00%
92	Visa Inc. Class A	Finance	0.65%	0.65%	0.00%
93	Verizon Communications Inc.	Communications	0.65%	0.65%	0.00%
94	Whirlpool Corporation	Consumer Durables	0.65%	0.65%	0.00%
95	WestRock Company	Process Industries	0.65%	0.65%	0.00%
96	Weyerhaeuser Company	Finance	0.65%	0.65%	0.00%
97	Xilinx, Inc.	Electronic Technology	0.65%	0.65%	0.00%
98	Exxon Mobil Corporation	Energy Minerals	0.65%	0.65%	0.00%
99	DENTSPLY SIRONA, Inc.	Health Technology	0.65%	1.33%	-0.68%
100	Xerox Holdings Corporation	Electronic Technology	0.65%	0.65%	0.00%

*The classification system is FactSet Revere Business Industry Classification System (RBICS).

Sources: The Conference Board and M-CAM

The Conference Board Innovation α Global Index powered by M-CAM²

INAG 120 companies

Rank	Company Name	Sector	Q4 Weight	Q3 Weight	Change in weight from Q3 to Q4
1	Bayer AG	Health Technology	2.91%	1.83%	1.08%
2	Daimler AG	Consumer Durables	1.77%	1.83%	-0.06%
3	adidas AG	Consumer Non-Durables	1.77%	2.66%	-0.89%
4	Kering SA	Consumer Non-Durables	1.77%	0.73%	1.05%
5	Thales SA	Electronic Technology	1.77%	1.83%	-0.06%
6	Micron Technology, Inc.	Electronic Technology	1.45%	0.73%	0.72%
7	Experian PLC	Commercial Services	1.33%	1.31%	0.03%
8	Rolls-Royce Holdings plc	Electronic Technology	1.33%	1.31%	0.03%
9	BP p.l.c.	Energy Minerals	1.33%	1.31%	0.03%
10	Smith & Nephew plc	Health Technology	1.33%	1.47%	-0.13%
11	AstraZeneca PLC	Health Technology	1.33%	1.31%	0.03%
12	Anglo American plc	Non-Energy Minerals	1.33%	1.31%	0.03%
13	AT&T Inc.	Communications	1.23%	0.73%	0.51%
14	Koninklijke Philips N.V.	Electronic Technology	1.20%	1.04%	0.16%
15	Umicore Procter & Gamble Company	Non-Energy Minerals Consumer Non-Durables	1.20% 1.13%	1.04% 0.86%	0.16% 0.27%
17	CCL Industries Inc. Class B Techtronic Industries Co., Ltd.	Commercial Services Consumer Durables	1.07% 1.07%	1.24% 1.17%	-0.17% -0.11%
19	N.V.	Consumer Durables	1.07%	1.04%	0.02%
20	Unilever NV	Consumer Non-Durables	1.07%	1.04%	0.02%
21	Nokia Oyj	Electronic Technology	1.07%	1.04%	0.02%
22	Novo Nordisk A/S Class B	Health Technology	1.07%	1.04%	0.02%
23	UCB S.A.	Health Technology	1.07%	1.04%	0.02%
24	Sandvik AB	Producer Manufacturing	1.07%	1.24%	-0.17%
25	BlackBerry Limited	Technology Services	1.07%	1.04%	0.02%
26	Fiserv, Inc. Northrop Grumman Corporation	Technology Services Electronic Technology	1.02% 0.97%	0.73% 0.73%	0.30% 0.25%
27	Western Digital Corporation	Electronic Technology	0.97%	0.73%	0.25%
28	Genworth Financial, Inc. Class A	Finance	0.97%	0.73%	0.25%
29	Edwards Lifesciences Corporation	Health Technology	0.97%	0.73%	0.25%
30	Corporation	Health Technology	0.92%	0.73%	0.19%
31	Medtronic Plc	Health Technology	0.92%	0.73%	0.19%
32	Alphabet Inc. Class A Lockheed Martin Corporation	Technology Services Electronic Technology	0.86% 0.81%	0.73% 1.00%	0.14% -0.19%

² The index constituents' weights are changing on every trading day due to stock price fluctuations. The weights shown are determined on 9/27/2019 4:30 pm ET for INAG index as indicative values of the weights on 10/1/2019.

34	Intel Corporation	Electronic Technology	0.81%	0.73%	0.09%
35	Lam Research Corporation	Electronic Technology	0.81%	0.73%	0.09%
36	Chevron Corporation	Energy Minerals	0.81%	0.73%	0.09%
37	Agilent Technologies, Inc.	Health Technology	0.81%	0.73%	0.09%
38	Owens Corning Packaging Corporation of America	Non-Energy Minerals	0.81%	0.73%	0.09%
39	Verizon Communications Inc.	Process Industries	0.81%	0.73%	0.09%
40	General Motors Company	Communications	0.72%	0.73%	-0.01%
41	Stanley Black & Decker, Inc.	Consumer Durables	0.72%	0.73%	-0.01%
42	Kimberly-Clark Corporation	Consumer Durables	0.72%	0.73%	-0.01%
43	Coca-Cola Company	Consumer Non-Durables	0.72%	1.83%	-1.12%
44	PepsiCo, Inc.	Consumer Non-Durables	0.72%	0.86%	-0.14%
45	eBay Inc.	Consumer Non-Durables	0.72%	0.73%	-0.01%
46	QUALCOMM Incorporated Advanced Micro Devices, Inc.	Consumer Services	0.72%	0.73%	-0.01%
47	General Electric Company	Electronic Technology	0.72%	1.29%	-0.57%
48	L3Harris Technologies Inc Xerox Holdings Corporation	Electronic Technology	0.72%	0.96%	-0.24%
49	Applied Materials, Inc.	Electronic Technology	0.72%	0.81%	-0.10%
50	Broadcom Inc.	Electronic Technology	0.72%	0.81%	-0.10%
51	Boeing Company	Electronic Technology	0.72%	0.81%	-0.10%
52	Cisco Systems, Inc.	Electronic Technology	0.72%	0.73%	-0.01%
53	HP Inc.	Electronic Technology	0.72%	0.73%	-0.01%
54	Seagate Technology PLC Texas Instruments Incorporated	Electronic Technology	0.72%	0.73%	-0.01%
55	ConocoPhillips	Electronic Technology	0.72%	0.73%	-0.01%
56	Marathon Oil Corporation	Energy Minerals	0.72%	0.73%	-0.01%
57	Allstate Corporation	Energy Minerals	0.72%	0.73%	-0.01%
58	JPMorgan Chase & Co. Lincoln National Corporation	Finance	0.72%	0.73%	-0.01%
59	Mastercard Incorporated Class A	Finance	0.72%	0.73%	-0.01%
60	Progressive Corporation	Finance	0.72%	0.73%	-0.01%
61	Visa Inc. Class A	Finance	0.72%	0.73%	-0.01%
62	DexCom, Inc. Boston Scientific Corporation	Health Technology	0.72%	1.00%	-0.29%
63	Pfizer Inc.	Health Technology	0.72%	0.96%	-0.24%
64	Abbott Laboratories	Health Technology	0.72%	0.86%	-0.14%
65	Baxter International Inc. Bausch Health Companies Inc.	Health Technology	0.72%	0.73%	-0.01%
66		Health Technology	0.72%	0.73%	-0.01%

	Bristol-Myers Squibb				
73	Company	Health Technology	0.72%	0.73%	-0.01%
74	Intuitive Surgical, Inc.	Health Technology	0.72%	0.73%	-0.01%
75	Johnson & Johnson	Health Technology	0.72%	0.73%	-0.01%
76	Eli Lilly and Company	Health Technology	0.72%	0.73%	-0.01%
77	Merck & Co., Inc.	Health Technology	0.72%	0.73%	-0.01%
78	Mylan N.V.	Health Technology	0.72%	0.73%	-0.01%
79	Varian Medical Systems, Inc.	Health Technology	0.72%	0.73%	-0.01%
80	Baker Hughes, a GE Company Class A	Industrial Services	0.72%	0.73%	-0.01%
81	Albemarle Corporation	Process Industries	0.72%	0.73%	-0.01%
82	Avery Dennison Corporation	Process Industries	0.72%	0.73%	-0.01%
83	DuPont de Nemours, Inc.	Process Industries	0.72%	0.73%	-0.01%
84	International Paper Company	Process Industries	0.72%	0.73%	-0.01%
85	Sealed Air Corporation	Process Industries	0.72%	0.73%	-0.01%
86	Honeywell International Inc.	Producer Manufacturing	0.72%	1.00%	-0.29%
87	Caterpillar Inc.	Producer Manufacturing	0.72%	0.73%	-0.01%
88	Dana Incorporated	Producer Manufacturing	0.72%	0.73%	-0.01%
89	Deere & Company	Producer Manufacturing	0.72%	0.73%	-0.01%
90	Dover Corporation	Producer Manufacturing	0.72%	0.73%	-0.01%
91	Illinois Tool Works Inc.	Producer Manufacturing	0.72%	0.73%	-0.01%
92	3M Company	Producer Manufacturing	0.72%	0.73%	-0.01%
93	Textron Inc.	Producer Manufacturing	0.72%	0.73%	-0.01%
94	Amazon.com, Inc.	Retail Trade	0.72%	0.73%	-0.01%
95	Target Corporation	Retail Trade	0.72%	0.73%	-0.01%
96	Microsoft Corporation	Technology Services	0.72%	1.53%	-0.81%
97	International Business Machines Corporation	Technology Services	0.72%	0.81%	-0.10%
98	Adobe Inc.	Technology Services	0.72%	0.73%	-0.01%
99	Akamai Technologies, Inc.	Technology Services	0.72%	0.73%	-0.01%
100	Oracle Corporation	Technology Services	0.72%	0.73%	-0.01%
101	Sony Corporation	Consumer Durables	0.63%	0.78%	-0.16%
102	NEC Corp.	Electronic Technology	0.55%	0.48%	0.08%
103	Nintendo Co., Ltd.	Consumer Durables	0.49%	0.57%	-0.08%
104	Bridgestone Corporation	Consumer Durables	0.49%	0.48%	0.01%
105	Toshiba Corporation	Consumer Durables	0.49%	0.48%	0.01%
106	Panasonic Corporation	Consumer Durables	0.49%	0.48%	0.01%
107	Yamaha Corporation	Consumer Durables	0.49%	0.48%	0.01%
108	KONAMI HOLDINGS CORP	Consumer Durables	0.49%	0.48%	0.01%
109	Kao Corp.	Consumer Non-Durables	0.49%	0.48%	0.01%
110	Mitsubishi Electric Corp.	Electronic Technology	0.49%	0.48%	0.01%
111	OMRON Corporation	Electronic Technology	0.49%	0.48%	0.01%
112	Seiko Epson Corp.	Electronic Technology	0.49%	0.48%	0.01%
113	Canon Inc.	Electronic Technology	0.49%	0.48%	0.01%
114	Tokyo Electron Ltd.	Electronic Technology	0.49%	0.48%	0.01%

	Sumitomo Dainippon				
115	Pharma Co. Ltd.	Health Technology	0.49%	0.48%	0.01%
116	Hitachi,Ltd.	Producer Manufacturing	0.49%	0.57%	-0.08%
117	Mitsubishi Materials Corp.	Producer Manufacturing	0.49%	0.48%	0.01%
118	Komatsu Ltd.	Producer Manufacturing	0.49%	0.48%	0.01%
119	DENSO CORPORATION	Producer Manufacturing	0.49%	0.48%	0.01%
120	Trend Micro Incorporated	Technology Services	0.49%	0.48%	0.01%

*The classification system is FactSet Revere Business Industry Classification System (RBICS).

Sources: The Conference Board and M•CAM

About The Conference Board Innovation α United States Index powered by M•CAM

The US index uses a quantitative, rule-based methodology to measure the performance of top 100 U.S. companies in innovation ability. The universe of the index are equities of companies similar to those in the Russell 1000, including the 1000 U.S. companies with the largest market capitalization.

About The Conference Board Innovation α Global Index powered by M•CAM

The global Index uses a quantitative, rule-based methodology to measure the performance of the top 120 global companies in innovation ability. The universe of the index is similar to the MSCI World Index, including companies from the U.S. Europe, Japan, and etc.

M•CAM, the index owner, measures the innovation ability of companies by analyzing their powers in the control and deployment of intellectual property (IP), including patents, trademarks, and copyrights, etc. Since 1998, M•CAM has aggregated and maintained the world's largest organized repository of state-granted IP from over 160 countries. This analysis provides an absolute qualitative and quantitative measure of each individual company's innovation and management thereof. It also provides a relative score of how one company's performance is likely to compare with others with whom it cooperates or competes. M•CAM is the Advisor for the Innovation α ® Series of ETFs (INAU, INAG, and TWAR) listed on the New York Stock Exchange.

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