.TRANSPARENCY

THE 7 FACETS OF TRANSPARENCY

Those who know us well recognise how important transparency is for our work, right from the outset. It is not a static concept or some kind of measurement of raw information but rather a dynamic idea, which changes in relation to how and what information is given.

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Transparency is the foundation of our .trust research, because without it there can be no solid relationship of trust between stakeholders and companies. Transparency is the common ground for all interactions and exchanges, the cornerstone on which trust is built, earned and maintained.

Our definition differs from and expands on the traditional understanding of transparency: generally, the definition used by companies is limited to the disclosure of reporting information for stakeholders.

We take a broader view of the term, driven by the need to respond to a more dynamic situation that combines achievements, actions and future objectives, where the focus is always on the end user. It is an ongoing commitment, not a once-a-year obligation.

A two-way relationship

On this basis, transparency is the dimension through which a company can proactively demonstrate that it is committed to establishing a genuine relationship with its stakeholders and to clarifying who they are and what they represent.

Think of it as a "license" to communicate at all levels, a necessary first step to a trusting relationship with various stakeholders.

Below we have outlined seven aspects that together make a company's communications transparent and provide a basis on which to build a relationship of trust. We have used the latest edition of Webranking by Comprend Switzerland Listed 2020-21 to identify examples to illustrate these 7 pillars of transparency.

1 OUTSIDE IN

Users approach companies with a clear perspective: to find information that they find interesting and relevant to them, to understand a brand or organisation.

Companies must therefore be able to anticipate their stakeholders' point of view, to answer and satisfy their requests as clearly and comprehensively as possible.

SWISSCOM

SWISSCOM'S website sets the stage for responsible and transparent communication with both financial and non-financial information presented in a clear, in-depth and user-friendly manner. The investor relations section is practical and easy to browse, with key information on the share presented just before the reasons why to invest in Swisscom.
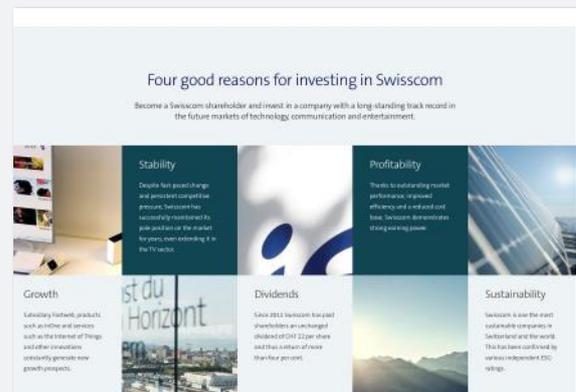
2 EFFECTIVELY CONCISE

Corporate information cannot be an encyclopaedia tossed into users' hands. It is essential for companies to be able to organise content logically and to distribute it in such a way as to guide the reader in their progression into greater depth or related topics.

Specific, relevant information is more useful than labyrinths of text that reader risks getting lost in.

SWISS PRIME SITE

Laid out in six key points, **SWISS PRIME SITE** is an example of an easily digestible investor story.

No frills, no unnecessary paragraphs: just straight to the point. Users are guided through the company's strengths in an accessible manner.
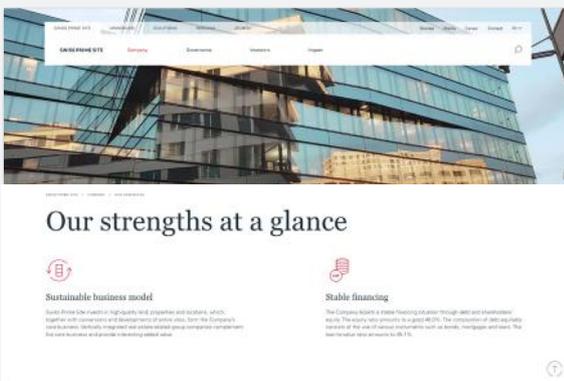

3 ACCESSIBLE CONTENT

In order to ensure you are understood by your audience, you need to speak the same language. Transparent companies are those that are able to make even the most complicated concepts accessible and intelligible to all users. They know how to adapt data and make it accessible, not only technically but also culturally.

SCHINDLER

SCHINDLER presents the company in a simple and distinctive way for jobseekers, from values to compensation and supported by testimonials.

The information is written specifically for jobseekers, and spans career areas, the approach to diversity, employee benefits and development opportunities. The career section is complete, well presented, with accessible and relevant information. This illustrates the company's ability to invest in talent acquisition and as such, to look towards the future.
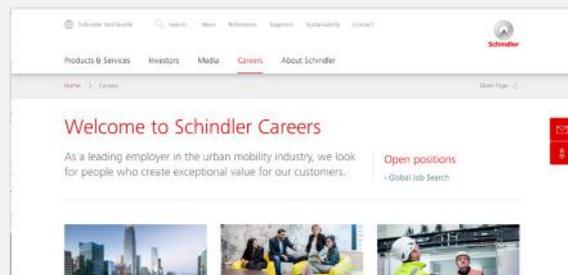
4 CONTEXT

Just as when taking a photo, your subject is always shown in relation to the context in which it is placed.

In the same way, transparent companies must be able to widen the frame of their corporate content and place it in a contextual scenario that allows the user to have an overview of the landscape in which the company operates.

LONZA

Healthcare solution provider **LONZA** presents clear mega-trends which address the critical global challenges that affect its business (and the part they are playing to find solutions). These are integrated within the presentation of the company's strategy thus providing the market context and the main trends in an comprehensible way.


5 BEFRIEND THE USER

If digital communication is to be transparent, it must also be set up according to precise rules of usability, which make it easier to find useful information, not only through text but also through visual elements such as video and infographics.

User-friendly means providing access to simple and intuitive content which makes the user's experience positive and inclusive also in terms of accessibility, and thus combating all forms of "digital divide".

SIKA

The design of **SIKA'S** website pages supports and enhances the company's digital communication. The content is accessible and easy to navigate. The use of introductory text to highlight key information, the presence of videos and infographics help the user digest the content of each page.
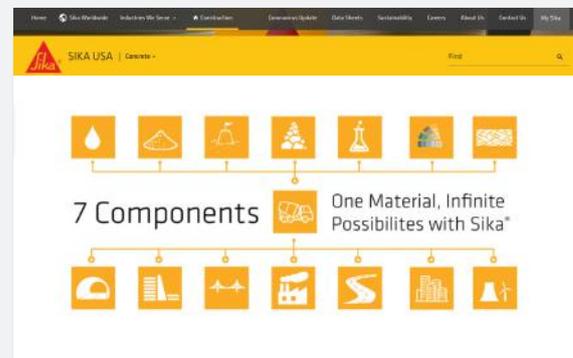
6 IN-DEPTH INFORMATION

Being transparent means deploying well-structured information in a way that lets users choose how deep to go in their navigation and exploration.

Any text must therefore be exhaustive overall but also give clear levels to go further in-depth, through documents and specific focus areas made available to the user through download or navigation.

NESTLÉ

NESTLÉ'S "Our impact" section illustrates the company's commitment to integrating sustainability into its broader business strategy. Divided into nine priority points which can be further explored by clicking on the boxes at the bottom of the page, the company successfully lays out its plans to create value for both shareholders and society. Users can drill down through links to second-level pages and articles as well as additional documents available for download.

NOVARTIS

NOVARTIS clearly presents its sustainability targets, covering environmental, social and governance (ESG) topics, in alignment with their company-level priority of building trust with society.

The topics include environmental sustainability, pricing and access to medicines, global health, ethics, risk and compliance. Results for the previous year are included towards the end of the page in PDF. The information provided is complete, relevant, transparent, and accessible. This illustrates Novartis' commitment to creating a fair business environment.

7 A CONSTANT COMMITMENT

Transparency is an organisational commitment that involves the leadership and the entire corporate culture. It must always be renewed and never taken for granted.

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Being transparent is only the start of the journey. You have to convey a strategic vision and back up commitments with substance.

Examples of transparency in Webranking 2020-21

The 17th edition of the Swiss Webranking survey took place in a special year and the protocol also reflected the major trends in communications and the digital world.

Which companies communicated most transparently? Here is the 5, 4 and 3 star* ranking:

5 STARS

RANK	DIFFERENCE	COMPANY	POINTS
1	▶	Swisscom*	83.3

4 STARS

RANK	DIFFERENCE	COMPANY	POINTS
2	▶	Sika*	77.4
3	▲	Givaudan*	73.8

3 STARS

RANK	DIFFERENCE	COMPANY	POINTS
4	▲	Zurich Insurance Group*	63.7
5	▲	Barry Callebaut*	63.4
6	▼	Nestlé*	61.9
7	▼	Sonova*	60.4
8	▼	Roche*	58.9
9	▲	Novartis*	52.4
9	▲	Swiss Re*	52.4
11	▲	Schindler*	51.2
12	▶	UBS*	50.8
13	▶	Georg Fischer*	50.5
13	▲	Credit Suisse*	50.5

*Note: *5 stars, companies that achieved over 80 points. 4 stars, companies that achieved over 65 points. 3 stars, are the cut-off for being granted access to Lundquist's .trust research series.*

The role of Webranking

How to help companies to improve the quality of externally requested information and create a culture of transparency? The leading international research that assesses transparency on digital channels of the largest listed companies, based on key stakeholder requirements.

For further information you can download the whitepaper on our website: **lundquist.it/our-thinking/webranking-by-comprend/**

17th EDITION IN SWITZERLAND

54 COMPANIES EVALUATED

246 ASSESSMENT POINTS

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