



Corporate Engagement Update

Sustainable, Responsible and Impact Investing | Bailard Wealth Management

Bailard's approach to corporate engagement focuses on both the shareholder process and supporting other stakeholders working to improve disclosures on important environmental, social, and governance (ESG) issues. Bailard's Sustainable, Responsible and Impact Investing (SRII) group typically focuses its corporate engagement efforts on the following areas:

ENVIRONMENTAL

- Climate change
- Greenhouse gas emissions
- Global water issues
- Biodiversity & habitat protection
- Sustainability reporting

SOCIAL

- Human rights
- Diversity & gender equality
- Social justice
- Supply chain management
- Workplace practices

GOVERNANCE

- Shareholder rights
- Board structure & independence
- Executive compensation
- Risk management
- Ethical standards
- Policies & procedures on corporate political giving

Recent Activity

In early May of 2019, we attended the Ceres Conference in San Francisco. The conference convened over 700 attendees including investors, policy makers, and non-profits. The purpose of this annual conference is to reaffirm the business case for sustainability, share best practices, and learn about leading innovations. A key theme of the conference was how to evaluate and act on water risks in investment portfolios.

We continue to be involved with the Climate Action 100+ initiative, which engages the worst greenhouse gas emitters on a global scale to drive clean energy adoption. Many of the targeted companies have been very cooperative with these ongoing engagements thus far. We look forward to the Annual Progress Report next quarter.

Ceres Investor Network

Ceres works with investors, companies, and non-profits to better manage carbon, water, and supply chain risks and to ramp up global investments in clean energy and sustainable food and water systems. Bailard is a member of the Ceres Investor Network (formerly the Ceres Network on Climate Change), which focuses on carbon asset risk, disclosure, human rights, water, climate change, and governance policy.

Learn more about the Ceres Investor Network here: www.ceres.org/networks/ceres-investor-network

Ceres Spotlight: Ceres' Annual Conference, which took place at the beginning of May, also celebrated the organization's 30th Anniversary. Congratulations to Ceres on 30 years of influencing and organizing sustainable business practices!

Moskowitz Prize

Bailard is a sponsor of the Moskowitz Prize, the only global award recognizing outstanding quantitative research in sustainable and responsible investing. Since its launch in 1996 by Berkeley-Haas and The Forum for Sustainable and Responsible Investment (US SIF), its winners have explored shareholder activism, socially responsible mutual funds, and socially responsible investing as a catalyst to improved financial performance, among other topics.

Learn more about the Moskowitz Prize here:

www.responsiblebusiness.haas.berkeley.edu/research/moskowitz-research-prize.html

CPA-Zicklin Index

Bailard is a sponsor of the CPA-Zicklin Index, which benchmarks the political disclosure and accountability policies and practices of leading U.S. public companies. Issued annually, it is produced by the Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania.

Learn more about the CPA-Zicklin Index here:

www.politicalaccountability.net

Disclosures

This communication is for informational purposes only and is not a recommendation of, or an offer to sell or solicitation of an offer to buy, any particular security, strategy or investment product. This communication does not take into account the particular investment objectives, financial situations or needs of individual clients. References to specific stocks are for illustrative purposes only and are not intended to represent any past, present or future investment recommendations. Certain of Bailard's clients may hold shares of specific securities referenced. All investments have the risk of loss. There is no assurance that Bailard or any of its investment strategies can achieve their investment objectives. **Past performance is no guarantee of future results.** This communication contains the current opinion of its author and such opinions are subject to change without notice. Information contained herein has been obtained from sources believed to be reliable but is not guaranteed. Bailard cannot provide investment advice in any jurisdiction where it is prohibited from doing so. The application of various environmental, social and governance screens may result in the exclusion of securities that might otherwise merit investment, potentially adversely affecting performance.

ICCR

Founded in 1971, the Interfaith Center for Corporate Responsibility (ICCR) is a membership organization of over 300 members of faith and values-based organizations including socially responsible asset management firms, pension funds, colleges and universities. ICCR staff and members engage hundreds of large multi-national corporations per year on social and environmental issues. In 2016, the ICCR filed 257 resolutions. Bailard is an affiliate member of the ICCR.

Learn more about the ICCR here:
www.iccr.org

As You Sow

Bailard is proud to support the corporate engagement work of As You Sow (AYS), which works with corporations on important environmental and social issues. AYS's goal is to create large-scale systemic change by establishing sustainable and equitable corporate practices. Blaine Townsend, Bailard's SRI Director, has been collaborating with AYS since 1997.

Learn more about As You Sow here: www.asyousow.org



“Disclosure on environmental and social performance is increasingly the expectation rather than the exception”

– Ceres

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