



Social Impact Report

Bailard's Sustainable, Responsible and Impact Investing (SRII) team supports the seventeen Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development. We seek to align our investment process, corporate engagement work, and thought leadership strategy with them. In this preliminary report, we provide some details on how we believe our processes map to the SDGs.

Bailard

Sustainable, Responsible and Impact Investing | Bailard, Inc. | December 2023



Bailard Investment Process and the SDGs

Our investment process positions our portfolios away from companies with egregious patterns of behavior on corporate social responsibility issues, human rights, environmental practices, supply-chain management and corporate governance. The process involves the utilization of environmental, social and governance (ESG) analysis, through our proprietary ESG Capture® process, and product and industry screens. The goal is to build portfolios tilted toward high ESG scores and ESG metrics and, when possible, into the solutions-based economy. ESG Capture® and our product and industry screens overlap closely with the SDGs.



Product & Industry Screens and the SDGs

In practice, we avoid companies with egregious behavior patterns on social and environmental issues. However, we also have specific product and industry avoidance screens across our different strategies. Our screens align with the SDGs as follows:

Screens SDG Alignment

Screen	SDG
No Private Prisons	1, 8, 10
No All-Male Boards	5, 8, 16
No Alcohol	1, 3, 5, 10
No Tobacco	1, 3, 10
No Guns	3, 10, 16
No Gambling	1, 3, 10, 16
No Adult Entertainment	1, 5, 10
No Fossil Fuels/Extraction	7, 9, 10, 11, 13, 14, 15



ESG Capture® and the SDGs

From the screening of our potential universe of stocks to portfolio construction and ex-post monitoring, we utilize a scoring system called ESG Capture®.

- ESG Capture® is a proprietary process of scoring ESG attributes at the individual security, industry sector, and total portfolio levels.
- Depending on the portfolio strategy, ESG Capture® combines between three and ten distinct inputs, chosen and weighted by Baillard's SRI investment team.
- The process provides information on the absolute and relative levels of disclosure and performance in multiple areas that fall into the ESG realm.
- The scoring process reflects sensitivity analysis at the sector and industry level to better reflect the financial materiality of the factors.
- Heavy weight is given to transparency, disclosure, and policies relative to environmental issues and good corporate governance practices.
- The process includes analysis by both ESG vendors and in-house research.

ESG Capture® is also a feedback loop on specific factors we believe add value to our investment process, like gender, climate change, and corporate political giving, and provides information on the pace and direction of change with respect to the ESG factors in our portfolio. We believe a portfolio with a higher ESG Capture® score will protect investors from some of the risks associated with poor corporate governance, poor environmental management, and problems with the global supply chain or workplace practices. ESG Capture® aligns with the SDGs as follows:

ESG Capture® SDG Alignment

Factor	SDG
Broad ESG Scores*	1-17
Corporate Governance	8, 10, 16
ESG Disclosure and Transparency	13, 16
Political Giving & Lobbying	16
Gender Equality	5, 10
Diversity, Equity, and Inclusion	5, 10
Environmental Opportunities	6, 7, 9, 11, 12, 13, 14, 15
Climate Gap	7, 9, 11, 12, 13, 14, 15

*The broad ESG scores that we utilize aggregate 1000s of key performance indicators across industry sectors by multiple ESG research providers.





"Plastic trash is found in 90 percent of seabirds. The rate is growing steadily as global production of plastics increases."

Source: National Geographic, "Nearly Every Seabird on Earth Is Eating Plastic", September 2, 2015

Impact Investing and the SDGs

Our clients' impact investing portfolios address nearly all of the SDGs. Most frequently, they align with the SDGs as follows:

Impact Investing SDG Alignment

Factor	SDG
Individual Corporate green bonds	6, 7, 9, 11, 12, 13, 14, 15
Individual government and municipal green bonds	6, 7, 9, 11, 12, 13, 14, 15
Greenbacker Renewable Energy Company fund*	7, 8, 9, 11, 13, 14, 15
Calvert's Community Investment Notes*	1-15



*Greenbacker Renewable Energy Company (GREC) is a publicly reporting, non-traded limited liability company that acquires and manages income-generating renewable energy and other energy-related businesses. Calvert's Community Investment Note® (Note) is a publicly-available fixed income security that channels capital to a diversified portfolio of organizations that aim to create measurable social and environmental impact around the world. See disclosures at the back of this document for important additional details.

Corporate Engagement & Thought Leadership and the SDGs

Mapping to the SDGs as a part of portfolio construction and management is important. However, it is also important to address the SDGs more broadly than just at the portfolio level. To achieve broad adoption of and momentum on the SDGs as we head toward 2030, investors need to be committed to corporate engagement and thought leadership on as many of the issues that fall under the SDGs framework as possible, raising the profile and urgency of these issues in the public consciousness. The Bailard SRII team is committed to corporate engagement—directly and in concert with our stakeholder partners—as well as thought leadership focused on improving company-specific and industry-wide behavior on any and all social, environmental, and governance issues that fall under the seventeen SDGs. You can learn more about our SRII team’s corporate engagement and thought leadership work by viewing our Corporate Engagement Updates on the SRII page of the Bailard website.

Bailard seeks to support all of the seventeen SDGs through our corporate engagement work and collaboration with our stakeholder partner organizations. Our stakeholder partners include:



A proud participant of:



By collaborating with a variety of stakeholders, our corporate engagement work strives to impact multiple areas that align with the SDGs:

ENVIRONMENTAL

SDGS: 3, 6, 7, 9, 11 - 15

- Climate change
- Greenhouse gas emissions
- Global water issues
- Biodiversity and habitat protection
- Sustainability reporting
- Renewable energy and decarbonization

SOCIAL

SDGS: 1 - 6, 8, 10, 16

- Human rights
- Diversity, equity, and inclusion
- Social justice
- Supply chain management
- Workplace practices
- Income inequality

GOVERNANCE

SDGS: 5, 8, 10, 13, 16

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

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Thought leadership is an important part of promoting the SDGs, and our SRII team looks to leverage our independent research and written pieces to that end. Bailard's SRII Director, Blaine Townsend, is a contributor to Real Leaders, a magazine and media company created specifically to promote corporate leadership within the framework of the SDGs. We have mapped select Bailard SRII thought leadership pieces thematically to the most directly relevant SDGs:

SRII Thought Leadership Mapped to SDGs

Thought Leadership Piece	SDG	Thought Leadership Piece	SDG
From SRI to ESG: The Origins of Socially Responsible and Sustainable Investing (Published in <i>The Journal of Impact and ESG Investing</i>)	16	TP on Big Tobacco Merger	3
Issue Brief on Carbon Pricing	7, 13	TP on Standardized Environmental Reporting	13
TP Plastics in the Ocean	6, 14	TP Opioid Epidemic	3
Issue Brief Gun Control	16	Issue Brief Net Neutrality	17
Issue Brief Gender Lens	5	Issue Brief SASB	1-17
Issue Briefs Solar Tariffs	7, 9	TP Cobalt Supply Chain	8, 12, 16
Issue Brief Women in the C-Suite	5	Issue Brief Green Bonds	6, 7, 11, 13
		TP Responsibility in Business Does Matter	16

“Narrow the gaps. Bridge the divides. Rebuild trust by bringing people together around common goals. Unity is our path. Our future depends on it.”

*António Guterres, Secretary-General of the United Nations
The Sustainable Development Goals Report 2018*



SUSTAINABLE, RESPONSIBLE AND IMPACT INVESTING KEY PERSONNEL



Blaine Townsend, CIMA®, CIMC®
Executive Vice President | Director, SRII

Blaine serves as an Executive Vice President and the Director of Bailard's Sustainable, Responsible and Impact Investing (SRII) group. He also portfolio manager of Bailard's Smart ESG™ US All Cap Strategy, Broad Impact Strategy, and Small Cap Value ESG Strategy. Blaine is on both Bailard's fundamental and SRII investment committees, conducts social research, oversees corporate engagement efforts, and maintains client relationships.

Blaine began researching and writing about corporate social responsibility in the late 1980s. He started his career in Socially Responsible Investing in 1991 at the Muir Investment Trust, the nation's first environmentally screened bond fund. In 1996, he opened the California office for Trillium Asset Management, which he led for thirteen years. While at Trillium, Blaine managed socially responsible and sustainably focused portfolios, served on the firm's investment committee and worked on corporate engagement efforts on a host of social and environmental issues from deforestation to media reform. Blaine also led the effort to create the "Joan Bavaria Awards for Building Sustainability in the Capital Markets", which are presented each year at the Ceres annual conference and was part of the working group that created OpenMic to address net neutrality and media reform. In 2009, he joined Nelson Capital Management, where he was a partner and a senior portfolio manager. He also served on the firm's leadership team and investment committee. Blaine chaired the company's corporate engagement committee and was on the Extraction-Free and Animal-Welfare model teams. Blaine joined Bailard in 2016.

Blaine currently serves as an Advisory Board member for *The Journal of Impact and ESG Investing*. He holds a BA from the University of California, Berkeley and CIMC® and CIMA® credentials. His writings and commentary on social investing have appeared in numerous publications including *Reuters*, *the San Francisco Chronicle*, *MarketWatch*, *Real Leaders*, *American Banker*, and the *San Jose Mercury News*.



Stacy Pearl Dauber, CFP®
Vice President | Investment Counselor

Stacy joined Bailard in 2017. As an Investment Counselor, Stacy is responsible for developing and implementing investment strategies, managing client relationships, providing financial planning, and business development efforts. One of Stacy's primary areas of focus is working with clients interested in socially responsible investing. Similarly, she also serves on the firm's social impact committee.

Stacy completed her undergraduate studies at the University of California, Berkeley and received a Master of Public Policy from Columbia University. Prior to Bailard, she spent eight years at Goldman Sachs within the Investment Management Division, serving high net worth clients from the Los Angeles and New York offices. She earned her CERTIFIED FINANCIAL PLANNER™ designation in 2021.



Annalise Durante
Senior ESG Analyst | Investment Counselor

Annalise rejoined Bailard in 2023 and serves as both a Senior ESG Analyst and Investment Counselor for the Sustainable, Responsible and Impact Investing (SRII) group. As an ESG Analyst, Annalise contributes to ESG/SRI research, thought leadership, and corporate engagement. As an Investment Counselor, Annalise is responsible for managing client relationships and implementing investment strategies. Prior to originally joining Bailard in 2017, Annalise spent two years at Citi Private Bank working with ultra-high-net-worth clients. She also spent

time volunteering for a microfinance organization in Cambodia. Annalise earned a Bachelor's degree in Finance from the University of Miami.



Jon Manchester, CFA, CFP®

Senior Vice President | Chief Strategist, Wealth Management | Portfolio Manager - Sustainable, Responsible and Impact Investing

Jon serves on Bailard's fundamental investment committee and co-manages the firm's U.S. large-cap equity portfolios. He also leads the team responsible for investment strategy within the wealth management group. Prior to Bailard, Jon spent fifteen years at Nelson Capital Management (NCM). While at NCM, Jon was a senior portfolio manager, member of the leadership team, the investment committee, and the corporate engagement committee. Jon was also the model team leader for the Extraction Free and Animal Welfare equity strategies and captained Nelson Capital's fixed income strategy.

Jon holds a BA in economics from Stanford University, a Chartered Financial Analyst designation and a CERTIFIED FINANCIAL PLANNER™ designation.



Frank Marcoux, CFA

Senior Vice President | Portfolio Manager

Frank serves on Bailard's fundamental investment committee and on the investment committee for Bailard Wealth Management's Sustainable, Responsible and Impact Investing group. Prior to joining Bailard, Frank was a partner and senior portfolio manager at Nelson Capital Management. At Nelson, Frank was on the leadership team and investment committee. Frank was the model team leader for the Faith Based strategy, oversaw the asset allocation committee, and managed the firm's portfolio managers. Prior to Nelson Capital Management, Frank served as a research analyst at YCMNET advisors (now Destination Wealth Management) and as a research analyst at Willamette Management Associates and Franklin Templeton. Frank holds a BA in business administration from Sacramento State University and is a CFA charterholder.



Suanne Ramar, CFA

Senior Vice President | Investment Counselor

Sue is on the investment committee for Bailard Wealth Management's Sustainable, Responsible and Impact Investing strategies and manages client relationships. Sue began her career in the investment industry at Nelson Capital Management in 1980, and began working on socially responsible and faith-based portfolios in the 1990s. While at Nelson Capital Management, Sue was a senior portfolio manager, a partner and a member of the leadership team. She also served on the investment committee and the faith-based model team. Sue's focus has been foundations and endowments, high net worth clients and clients with special needs, including women who are experiencing a life-changing financial event such as divorce, death of a spouse and/or inherited wealth.

Sue is currently a board member/chair of the Finance Committee for Uplift Family Services (formerly EMQ/Families First), a member of the investment committee for Senior Communities of the West, past member/president of the Board of Directors for Lytton Gardens Affordable Housing, past member/President of the Board of Trustees for Archbishop Mitty High School in San Jose, member/past president of the Palo Alto University Rotary Club and a member of the Finance Committee for the Episcopal Diocese of El Camino Real.

A Chartered Financial Analyst (CFA) charterholder, Sue was the first female president in the history of the CFA Society of San Francisco and speaks frequently about wealth transition for women. She holds a degree from Mills College and an MBA from the Haas School of Business at the University of California, Berkeley.

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Calvert's Investment Notes are subject to all the risks associated with unsecured investments. The Notes are intended to be held to maturity with no early redemption option and there is no secondary market for the Notes. The Notes' prospectus, available at <https://calvertimpact.org/prospectus>, contains further risk disclosures.

Greenbacker Renewable Energy Company's (Greenbacker) strategic focus will be on the renewable energy, energy efficiency and related sectors, which will subject them to more risks than if it was broadly diversified. The amount of any distributions Greenbacker may pay is uncertain. They may not be able to sustain the payment of distributions, and their distributions may not grow over time. Further discussion of the risk factors associated with Greenbacker is contained in the Greenbacker's Private Placement Memorandum as well as in Greenbacker's Annual Report on Form 10-K (publicly available on the SEC's Edgar website).

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