Bailard

Q1 2024 Update

Technology Strategy

Delivering a high-conviction, durable portfolio of technology-focused companies

Performance as of March 31, 2024

Q1 2024 PERFORMANCE[1,2]

The Bailard Technology Strategy posted a Q1 total return of 17.08% net of fees, meaningfully ahead of the competitor-comprised benchmarks, with the Morningstar U.S. Open End Technology Category return of 8.56% and the Lipper Science and Technology Fund Index return of 12.18%. The Strategy also led both the S&P North American Technology Index return of 15.31% and the mega-cap Nasdaq-100 Index return of 8.72%. Over longer time periods of 3, 5, and 10 years, the Strategy's net returns continued to lead the competitor's peer group benchmarks.

Both the Strategy's security selection and industry allocations were positive for the quarter. Stock selection was strong in Semiconductors, Media & Entertainment, Technology Hardware, and Consumer Discretionary while industry allocation was positive in Semis, Autos, Tech Hardware, and Capital Goods. Software & Services detracted from stock selection due to an extended period of spend optimization by enterprises, and uncertainty around AI monetization models. Consumer Durables and Pharma Biotech had negative contributions from industry allocation.

TOTAL RETURN [1]

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Bailard Composite, Gross	17.19%	17.19%	60.72%	13.10%	22.26%	19.89%
Bailard Composite, Net	17.08%	17.08%	60.00%	12.36%	21.42%	19.06%
Morningstar US OE Tech	8.56%	8.56%	31.14%	1.64%	14.05%	14.51%
Lipper Sci & Tech	12.18%	12.18%	38.74%	5.13%	16.64%	15.87%
S&P NA Tech	15.31%	15.31%	52.97%	13.65%	21.25%	20.18%

ACTIVE RETURN NET OF FEE[1,3]

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Vs. Morningstar US OE Tech	8.52%	8.52%	28.86%	10.72%	7.37%	4.56%
Vs. Lipper Sci & Tech	4.89%	4.89%	21.26%	7.23%	4.78%	3.20%
Vs. S&P NA Tech	1.77%	1.77%	7.03%	-1.29%	0.18%	-1.12%

[1] **Past performance is no indication of future results.** The "Bailard Composite" and the "Bailard Technology Strategy" is the Bailard, Inc. Technology Carve-Out Composite. The Technology Carve-Out Composite ("the Composite") includes a segregated account and carve-out portfolio invested primarily in the stocks of firms that predominately use technology to drive their business. "Morningstar U.S. OE Tech Category" is the Morningstar U.S. Open End Technology category average. The "S&P NA Tech" is the S&P North American Technology Index. "Lipper Sci & Tech" is the Lipper Science and Technology Fund Index. The Bailard Composite, Morningstar U.S. OE Tech Category and Lipper Tech & Sci are presented net of fee; S&P NA Tech does not have fees. Please see additional performance on page 11, and pages 19 - 21 for important disclosures. Sources: Morningstar, Bloomberg, Thomson Reuters (Refinitiv) Eikon.

[2] The holdings identified do not represent all of the securities purchased, sold, or recommended for clients. **Past performance does not guarantee future results.** Please refer to page 5 for a list of the quarter's top contributors and detractors.

[3] Active return is the difference between the return of the strategy and the return of the index. Performance statistics are annualized for periods greater than one year.

Strategy & Sector Commentary

Q1 2024 UPDATE [1]

The beat went on for the technology sector in the first quarter. Semiconductor stocks led as Generative Artificial Intelligence (GenAI) looks primed to drive a significant spending cycle. Choosing the right stocks is crucial as semiconductor stock prices have soared in expectation of better business performance this year and next, even though some have more prospects than others. Our focus on the fundamentals has likely kept us involved and more concentrated in the sector than many of our peers. This has been core to our relative outperformance.

Attention will be immediately drawn to darling NVIDIA with its total return of 82.5% in the first quarter of 2024. However, the stock's valuation based on its EV to EBITDA ratio actually improved by ~10% (valuation based on sales improved by 1% and on earnings by 9%) as sales ramped. The massive growth in fundamental earnings has been driven directly by the build out of advanced servers and data centers customized for artificial intelligence workloads. The most critical driver of throughput in these data centers is high performance compute specific nodes, comprised of accelerators (GPUs, ASICs and DPUs), interconnects, and HBM.[2] As NVIDIA had almost all the market share of advanced GPUs for model training, it derived much of the early revenue. The infrastructure build out for training and inference is not done and we expect continued strong fundamentals. Beyond

Q1 2024 Composite Top Contributors/Detractors[3]

CONTRIBUTORS	AVG. WEIGHT	CONTRIBUTION
NVIDIA Corporation	10.3%	6.5%
Meta Platforms Inc Class A	5.9%	2.0%
Microsoft Corporation	10.8%	1.4%
KLA Corporation	4.9%	1.0%
Micron Technology, Inc.	2.5%	0.9%

DETRACTORS	AVG. WEIGHT	DETRACTION
Braze, Inc. Class A	1.0%	-0.2%
ZoomInfo Technologies Inc	0.9%	-0.2
Snowflake, Inc. Class A	1.1%	-0.2%
Apple Inc.	3.4%	-0.4%
Adobe Inc.	3.5%	-0.5%

Past performance is not indicative of future results. [1] Specific investments described herein may represent some but not all investment decisions made by Bailard. The reader should not assume that investment decisions identified and discussed were or will be profitable. Specific investment advice references provided herein are for illustrative purposes only and are not necessarily representative of investments that will be made in the future. Bailard, Inc. makes no recommendation to buy or sell securities discussed in this section. [2] GPU – Graphics processing unit; ASIC – Application specific IC; DPU – Datacenter processing unit; HBM – High bandwidth memory. [3] **Past performance is no indication of future results.** This performance is not indicative of the past or future performance of the Bailard Technology Strategy or any other Bailard product. Sources: Bailard, Bloomberg. The holdings identified do not represent all of the securities purchased, sold, or recommended for clients.

NVIDIA, we believe the stock price increase for many AI infrastructure companies in the semiconductor sector has been driven by improved outlook of near-term fundamentals. We are optimistic on this broadening trend. In 2024, AMD expects sales from its new advanced GPU node to reach $3.5bn, up from zero the year before. This ramp is impressive, though it pales in comparison to the NVIDIA fundamentals; the mean Wall Street estimate is for NVIDIA to generate more than $110bn in revenues in its current fiscal year, up 81% after growing 126% in the previous fiscal year. Other AI Infrastructure companies are forecasting similar ramps.

The core debate on AI Infrastructure remains the sustainability of the trend. In the medium term, we expect AI infrastructure spending to stay strong. The top cloud companies have raised their 2024 capital expenditure budgets significantly, showing their scale and urgency. It seems that the biggest cloud companies are competing fiercely to outspend each other on compute power. Importantly, we believe many of these investments have shown tangible ROI, justifying the increased spending. Meta Platforms boasts it has one of the largest collections of H100 GPUs in the country while also pointing to the strong, positive impact artificial intelligence technologies have made on key performance indicators like engagement and return on advertising spend. Microsoft is showing early success with Microsoft CoPilot and GitHub Copilot, and is most recently reportedly looking into a $100bn supercomputer project with OpenAI.

Leading Cloud and AI Compute Competitors Capital Expenditure Budgets

	TTM 12-31-23	EST 12-31-24	Delta
MSFT	$35,202	$45,586	**29%**
AMZN	$52,729	$59,940	**14%**
META	$27,266	$34,282	**26%**
GOOGL	$32,251	$37,822	**17%**
AAPL	$9,564	$11,200	**17%**

Sources: Companies' 4Q23 earnings report; Bailard Inc.

We caution that the path will not be linear. Our current priority in AI infrastructure research is to estimate the cyclical TAM. We think that AI is a long-term growth driver that underlies a technology shift similar to PCs, internet, and smartphones (and the steam engine), but there will be phases of capacity creation followed by periods of absorption. We reason that we are in such a powerful investing cycle currently because the semiconductor industry is experiencing both secular and cyclical upswings in high-performance compute capacity.

Strategy & Sector Commentary: Q1 2024

Companies like Dell Technologies Inc., NVIDIA Corp., Broadcom Inc. are confirming the near-term surge, so the important investment questions to ask involve nearer cyclical peaks versus longer-term secular TAMs. Advanced Micro Devices expects $3.5bn in AI accelerator-related sales this year, as mentioned, and projects the Accelerator TAM could reach $400bn by 2027. NVIDIA's CEO sees $1tn in datacenter infrastructure needing replacement over the next four years and total annual AI accelerator TAM (including enterprises) reaching $1tn in 2030. The $100bn 'Stargate' data center collaboration between Microsoft and OpenAI reportedly would launch as soon as 2028, with a smaller $10bn supercomputer expected to be released in 2026.[1]

...and don't forget the memory! Investors are quickly realizing AI computing also requires a lot of memory: NVIDIA's newest Blackwell GPU is configured with 192gb of High Bandwidth Memory (HBM3e is Micron's memory product line). The Blackwell Compute Node has 1.7tb HBM3e memory attached. The GB200 compute node stack has 30terabytes of HBM3e memory attached; and a next gen AI data center may have 32,000 GPUs utilizing 13 petabytes of super-fast memory. Demand for data storage, particularly SSD (including companies such as Western Digital Corp.) and native flash drives (like those produced by Pure Storage, Inc.) is also growing as part of the AI ecosystem.

...and don't forget the memory! Investors are quickly realizing AI computing also requires a lot of memory.

Beyond AI, semiconductor fabrication facilities are moving and expanding after a period of consolidation. Bolstered by the CHIPS Act[2], funds are beginning to flow to companies building new foundry facilities in the U.S. Several companies, such as Micron and Texas Instruments, are simply executing on their long-planned production improvements and capacity expansion. Others, like Intel, are building new revenue streams in outsourced fabrication by entering the foundry business. Foreign foundries, including Samsung Electronics Co. and Taiwan Semiconductor Manufacturing Co., are diversifying their geographical footprint with new projects in Texas and Arizona. While capacity additions underpin the long-term opportunities in semiconductors, we are wary of some of the nearer challenges associated with new capacity, including margin degradation and reduced ROIs during periods of capacity absorption.

 [1] Meet Stargate — the $100 billion AI supercomputer being built by Microsoft and OpenAI | Tom's Guide (tomsguide.com). [2] Creating Helpful Incentives to Produce Semiconductors. H.R.4346 - 117th Congress (2021-2022): Chips and Science Act | Congress.gov | Library of Congress

Strategy & Sector Commentary: Q1 2024

As we exited 2023, we highlighted our increasing exposure to the growth segments of application and infrastructure software. We anticipated that customers would shift from spend optimization to new workloads, driving demand. Some companies are starting to deliver on this growth, especially in areas like data analytics, developer and systems ops, and data infrastructure. We are seeing mixed results from companies that have more of a front office focus—such as marketing and e-commerce channel analytics—where end markets are still uneven, spending remains constrained, and software offerings are very competitive. We remain bullish as the value creation opportunity of AI in the software layer has the potential to drive strong incremental sales.

There are also some emerging trends in the software sector that we need to monitor that could affect future performance. Within cybersecurity, we have held the thesis that platforms will win versus point solutions as customers have indicated preference towards fewer vendors, simplicity over complexity, and the benefit of centralized alerts and monitoring on a single pane of glass. Recently, however, we have seen increased bundling and discounting by prominent cybersecurity platforms, most notably Palo Alto Networks. Our work suggests that demand remains strong—indeed, the core driver of need, the threat landscape, has only gotten worse as the number of cyberattacks has continued to rise unabated. Yet, the increase of discounting raises the risk of broad spending fatigue. Our work suggests that this is stock specific rather than an industry-wide issue, and specifically reflects a move to spur conversions from legacy players within the space—but we are watching these trends closely.

We remain bullish as the value creation opportunity of AI in the software layer has the potential to drive strong incremental sales.

Another trend affecting software pricing, especially for AI applications, is “proliferation before monetization.” As AI infrastructure is expanding, there is a growing anticipation for a wave of AI applications that create new revenue streams. However, we are hearing from companies “not so fast…” While we fully expect the number of AI applications to increase significantly in the near future, and other less visible industries—such as robotics, factory automation, and drug discovery—offer huge value for AI applications, some consumer-facing and front office applications companies are choosing now to spread their apps in the market early and widely before charging for them. For some companies, this disappointed investors as previous expectations for monetization growth were delayed. For instance, Adobe was notable that it postponed pricing plans for some of its AI offerings and the stock price has lacked momentum since. We believe that an acceleration in AI revenues is still ahead for Adobe. Similarly, Microsoft quietly made its Copilot product for Office365 free for web-based users. We anticipate more of this where companies first aim to introduce the functionality of AI apps while monetization is pushed back. We will likely see the benefits of AI sooner, although more subtly, in performance metrics such as engagement hours and higher advertising spending for apps and social networks.

Some AI consumer-facing and front office applications companies are choosing now to spread their apps in the market early and widely before charging for them.

The stock market has shown remarkable gains in the past year and quarter, but we are still at the beginning of building AI systems and spreading apps. We expect some fluctuations in the next quarters, but we have increasing trust in the base drivers and think that investors who “stay the course” will be rewarded further.

Our Positioning

OUR POSITIONING

From an industry perspective, our largest overweight remained in Semiconductors at quarter end. We see differentiated secular drivers within the Semiconductor industry resulting in continued fundamental earnings growth and strong stock returns, particularly as the artificial intelligence infrastructure buildout drives demand in high performance compute, memory, and networking chips. We remained underweight in Hardware—primarily driven by our significant underweight to Apple—and Media, mostly driven by our underweight to Alphabet. We see significant specific issues in both stocks driven by rising competitive concerns.

Although the near-term demand environment remains choppy, we are optimistic on the Software industry in the medium to long term. We remain overweight in secular growth areas of software, such as cybersecurity, front office, and data infrastructure software. We believe both front office and data infrastructure software are primed for a rebound in growth rates.

We have continued to look for opportunities down cap and have used our positions in megacap tech as a source of cash for funding other ideas. At the end of the quarter, our weighted average market cap was $960bn versus the benchmark's weighted average of $1,072bn.

- Our largest overweight remained in Semiconductors at quarter end.
- We remained underweight in Hardware and Media.
- Although the near-term demand environment remains choppy, we are optimistic on the Software industry in the medium to long term. We remain overweight in secular growth areas of software, such as cybersecurity, front office, and data infrastructure software.
- We have continued to look for opportunities down cap, with the Strategy's weighted average market cap at $960bn versus the benchmark's at $1,072bn.

Past performance is not indicative of future results. Specific investments described herein may represent some but not all investment decisions made by Bailard. The reader should not assume that investment decisions identified and discussed were or will be profitable. Specific investment advice references provided herein are for illustrative purposes only and are not necessarily representative of investments that will be made in the future. Bailard, Inc. makes no recommendation to buy or sell securities discussed in this section. Please see important disclosures on pages 19 - 21.

Our Outlook

OUR OUTLOOK

From our vantage point, fundamentals across the technology sector look reasonably healthy. Spending intentions from Chief Investment Officer surveys show modestly improved budgets. While we would hesitate to call it a full on 'recovery' from the days of cost-saving driven optimizations, it is clear to us that wallets are beginning to open back up. We believe this is a bullish indicator, particularly for stocks that were most impacted by optimization trends. This includes front office software, infrastructure software, and select areas of hardware.

We believe a recovery in IT spending will drive a broadening of returns across tech. In particular, we are optimistic that this will catalyze a compression of the valuation gap between large and small cap tech, which remains very elevated compared to past periods. This would drive strong relative returns in the portfolio versus the benchmark. We intend to continue to look for alpha opportunities down cap as we believe this could be a primary story over the next 18 months.

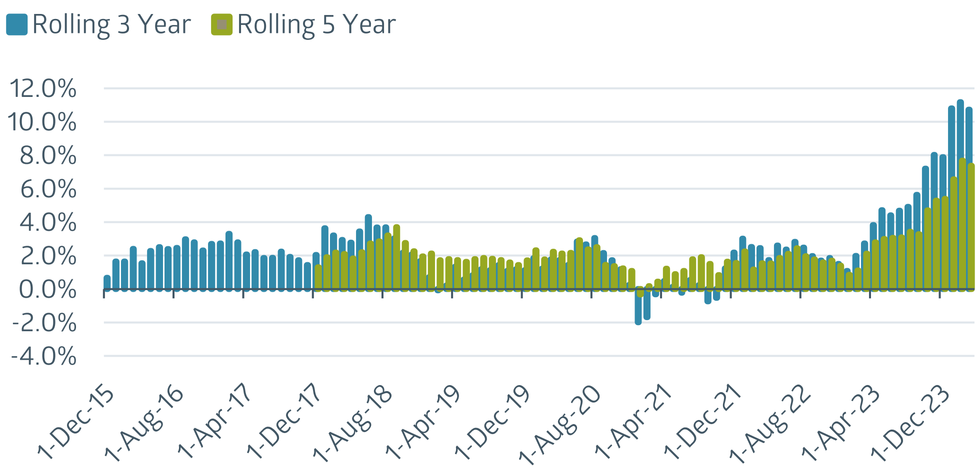
While the pace of adoption has disappointed some investors, we see the impact of Generative AI driving growth as the application and software layer begins to emerge in a meaningful way across the industry in the second half of 2024. Our work suggests that many projects have thus far been exploratory in nature. But—notably—we have seen a large number of success stories across different industries, and management surveys suggest production spending is on the horizon. In addition to being a major beneficiary on the revenue side of GenAI, we also believe the software industry will be one of the major beneficiaries on the cost side, as early studies on coding co-pilots have shown dramatic increases in software engineer productivity. This remains one of the largest cost centers for the software industry and we expect a step function increase in return on investment per engineer hired, leading to improved industry-wide profitability over the coming years. We believe this opportunity is currently underappreciated by investors and expect the software industry to outperform over the coming years.

- Fundamentals across the technology sector look reasonably healthy.
- We are optimistic that a recovery in IT spending will drive a broadening of returns across tech and will catalyze a compression of the valuation gap between large and small cap tech, which remains very elevated.
- We see the impact of Generative AI driving growth as the application and software layer begins to emerge in a meaningful way across the industry in the second half of 2024.

Past performance is not indicative of future results. Specific investments described herein may represent some but not all investment decisions made by Bailard. The reader should not assume that investment decisions identified and discussed were or will be profitable. Specific investment advice references provided herein are for illustrative purposes only and are not necessarily representative of investments that will be made in the future. Bailard, Inc. makes no recommendation to buy or sell securities discussed in this section. Please see important disclosures on pages 19 - 21.

Portfolio Risk & Return

ANNUALIZED ACTIVE RETURNS RELATIVE TO MORNINGSTAR US OE TECH[1,2] 12/31/12 – 3/31/24 (net of fees)



PERCENTAGE OF ROLLING PERIODS BAILARD COMPOSITE TOTAL NET OF FEES RETURN EXCEEDED MORNINGSTAR

	Calculated Annually	Calculated Quarterly	Calculated Monthly
Rolling 3-Year Periods	100%	91%	93%
Rolling 5-Year Periods	100%	100%	99%

STATISTICS SUMMARY[1,3] for periods ending 3/31/24 (net of fees)

	Sharpe Ratio			Standard Deviation			Upside/Downside Capture vs. Broad Benchmarks			
	3 Years	5 Years	10 Years	3 Years	5 Years	10 Years	3 Years Upside	5 Years Upside	3 Years Downside	5 Years Downside
Bailard Composite	0.40	0.81	0.89	24.72%	23.86%	19.92%				
Morningstar US OE Tech	-0.04	0.51	0.68	23.80%	23.55%	19.40%	116%	108%	86%	90%
Lipper Sci & Tech	0.11	0.64	0.76	23.01%	22.80%	19.15%	115%	107%	95%	98%
S&P NA Tech	0.46	0.83	0.96	24.01%	23.16%	19.49%	98%	99%	101%	101%

[1] **Past performance is no indication of future results.** Please see pages 5, 8, and 9 for more returns. Please see important disclosures at the end of this document before the Appendix. Sources: Morningstar, Bloomberg, Thomson Reuters (Refinitiv) Eikon. [2] Bar graph calculated monthly; table calculated annually, quarterly, and monthly [3] Performance statistics are annualized. Upside/downside capture shows whether the Composite has outperformed–gained more or lost less than–the above benchmarks during periods of market strength and weakness, and if so, by how much.

Portfolio Characteristics as of March 31, 2024

TOP 10 HOLDINGS BY PORTFOLIO WEIGHT (%)[1]	
NVIDIA CORP	11.5
MICROSOFT CORP	10.5
META PLATFORMS INC - CLASS A	6.0
KLA-TENCOR CORP	5.1
AMAZON.COM INC	4.3
LAM RESEARCH	4.0
UBER TECHNOLOGIES INC	3.3
MICRON TECHNOLOGY INC	3.3
APPLE INC	3.1
QUALCOMM INC.	3.1
Total	**54.4**

PORTFOLIO STATISTICS[1]	
Total Holdings	35
Equity Weight[2]	99.7%
Cash Equivalents Weight	0.3%
Weighted Avg. Market Cap	$960.1B
Price/Book	10.3x
Wtd. Avg. P/E Ratio (trailing 12 mo.)	37.8x

INDUSTRY EXPOSURE >5% (%)[1]	
Semiconductors & Semiconductor Equipment	34.7
Software	32.4
Interactive Media & Services	9.2
Technology Hardware Storage & Peripherals	5.3

TOP 10 OVERWEIGHTS (%)[3]

	Composite	Relevant Peers[3]	+/(-)
NVIDIA CORPORATION	11.5	6.7	4.8
KLA CORPORATION	5.1	1.1	4.1
INSIGHT ENTERPRISES, INC.	3.0	0.1	2.9
META PLATFORMS INC CLASS A	6.0	3.1	2.9
MICRON TECHNOLOGY, INC.	3.3	0.5	2.8
QUALCOMM INCORPORATED	3.1	0.5	2.6
UBER TECHNOLOGIES, INC.	3.3	0.9	2.5
TAIWAN SEMICONDUCTOR MANUFACTURING LTD SPONSORED ADR	2.8	0.5	2.3
PURE STORAGE, INC. CLASS A	2.2	0.1	2.2
LAM RESEARCH CORPORATION	4.0	1.9	2.2

[1] This is not a recommendation to buy or sell specific securities, there is no assurance that the securities discussed will remain in the portfolio or that securities sold have not been repurchased, the securities discussed do not represent the entire portfolio and may only represent a small portion of the portfolio, and should not assume that the securities discussed were or will be profitable or that recommendations made in the future will be profitable or will equal the performance of the securities discussed. Sources: Bloomberg, Bailard Research, Thomson Reuters (Refinitiv) Eikon. This information, while representative of the current Bailard Technology Strategy, should not be solely relied on as it may differ from client to client and may vary over time. [2] Technology includes information technology, communication services, and internet retail stocks. [3] Relevant Peers is a group developed by Bailard for comparison of the Composite's holdings to its most similar peers. Our Relevant Peers group includes funds within the universe of the Lipper Sci & Tech Fund Index and the Morningstar US OE Tech Category that pursue a broad technology and science mandate and excludes those funds within the universe that significantly concentrate holdings in a specific subsector of either technology or health care. Holdings of Relevant Peers are reflective as of the last mutual fund public disclosure and may be delayed.

Technology Strategy Highlights

Focused strategy providing exposure to secular growth themes in tech and beyond

- Seek to identify companies that utilize technology to drive sustainable, defensible competitive advantages in core markets.
- Deeply fundamental portfolio of 30-50 names superpowered by quantitative screens.
- Focus on thematics with exposure to emerging trends in technology (AI, Cybersecurity, Cloud/Digital Transformation).
- Dedicated technology team with 25 years average PM experience.

Technology Investment Team

Portfolio Managers

DAVE HARRISON SMITH, CFA
Portfolio Manager
15 years' investment experience

CHRIS MOSHY
Portfolio Manager
30 years' investment experience

SONYA MUGHAL, CFA
Portfolio Manager
30 years' investment experience

Analysts

RYAN VASILIK, CFA
Equity Analyst
11 years' investment experience

XAVIER S. JEFFERSON
Equity Research
8 years' investment experience

IRENE LIANDO, CFA
Senior Analyst, International Equities
11 years' investment experience

Data as of March 2024.

Bailard Investment Team

Our Teams Specialize In:

- ✓ Domestic Equities, including Technology and Small Cap;
- ✓ International Equities
- ✓ Socially Responsible, Impact, and ESG Investing
- ✓ Private Real Estate
- ✓ Fixed Income

Chief Investment Officer

Eric P. Leve, CFA
BA, UC Berkeley
37 years

Quantitative

Thomas J. Mudge III, CFA
BA, Northern Michigan University
37 years

Daniel McKellar, CFA
MS, Stanford University
14 years

Amit Valia, CFA
MS, Syracuse University
19 years

Osman Akgun, PhD, CFA
PhD, UC Berkeley
13 years

Raj Dutta
MCS, Illinois Institute of Technology
6 years

Trading

Glenn A. Davis, CFA
BS, Santa Clara University
33 years

Tom Sikora
BS, St. John's University
19 years

Fixed Income

Linda M. Beck, CFA
MBA, University of Chicago
30 years

Jeremy Wager-Smith
BS, UC San Diego
4 years

Fundamental

Sonya Thadhani Mughal, CFA
BA, Randolph-Macon Woman's College
30 years

Dave Harrison Smith, CFA
MBA, UC Berkeley
15 years

Blaine Townsend, CIMC®, CIMA®
BA, UC Berkeley
30 years

Jon Manchester, CFA
BA, Stanford University
23 years

Christopher Moshy
MBA, Cornell University
30 years

Frank Marcoux, CFA
BA, Sacramento State
27 years

Joanne Howard, CFA
MBA, University of Wisconsin
50+ years

Irene Liando, CFA
BS, University of Southern California
11 years

Annalise Durante
BS, University of Miami
9 years

Ryan Vasilik, CFA
BS, Pennsylvania State University
11 years

Xavier Jefferson
BS, Northwestern State University
8 years

Real Estate

Preston R. Sargent
JD, Case Western Reserve University
40 years

Tess Gruenstein
MBA, University of Wisconsin-Madison
17 years

James Pinkerton
BBus, University of Technology Sydney
20 years

Alex Spotswood
MBA, UNC at Chapel Hill
12 years

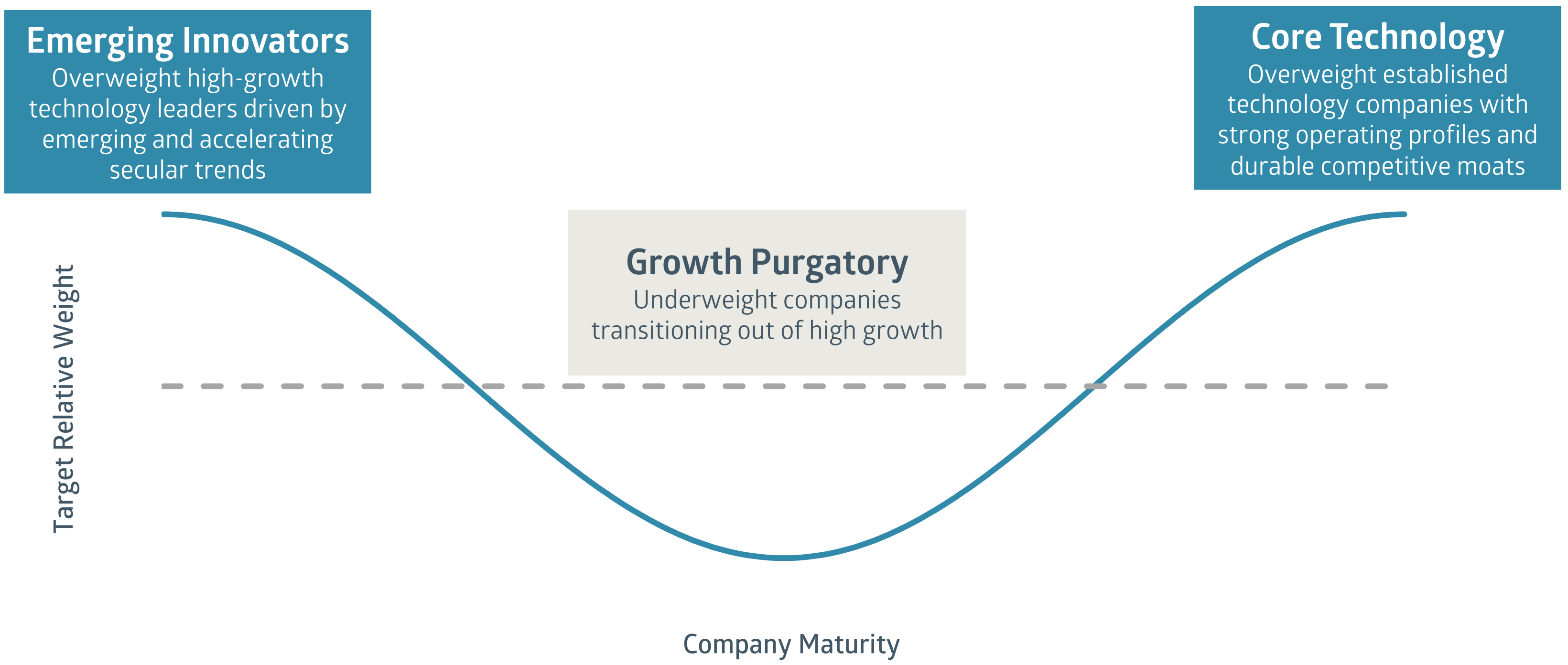
Years represent investment industry experience. Education represents credentials/industry designations held and highest level of education achieved. Data as of March 31, 2024.

Philosophy: Barbell Core and Emerging Innovators

Our portfolios are geared to capture "core" technology opportunities and high-growth technology "emerging innovators"

Target Segments of Technology Ecosystem

We structure our portfolios as a barbell across company lifecycles, strategically underweighting the 'missing middle'

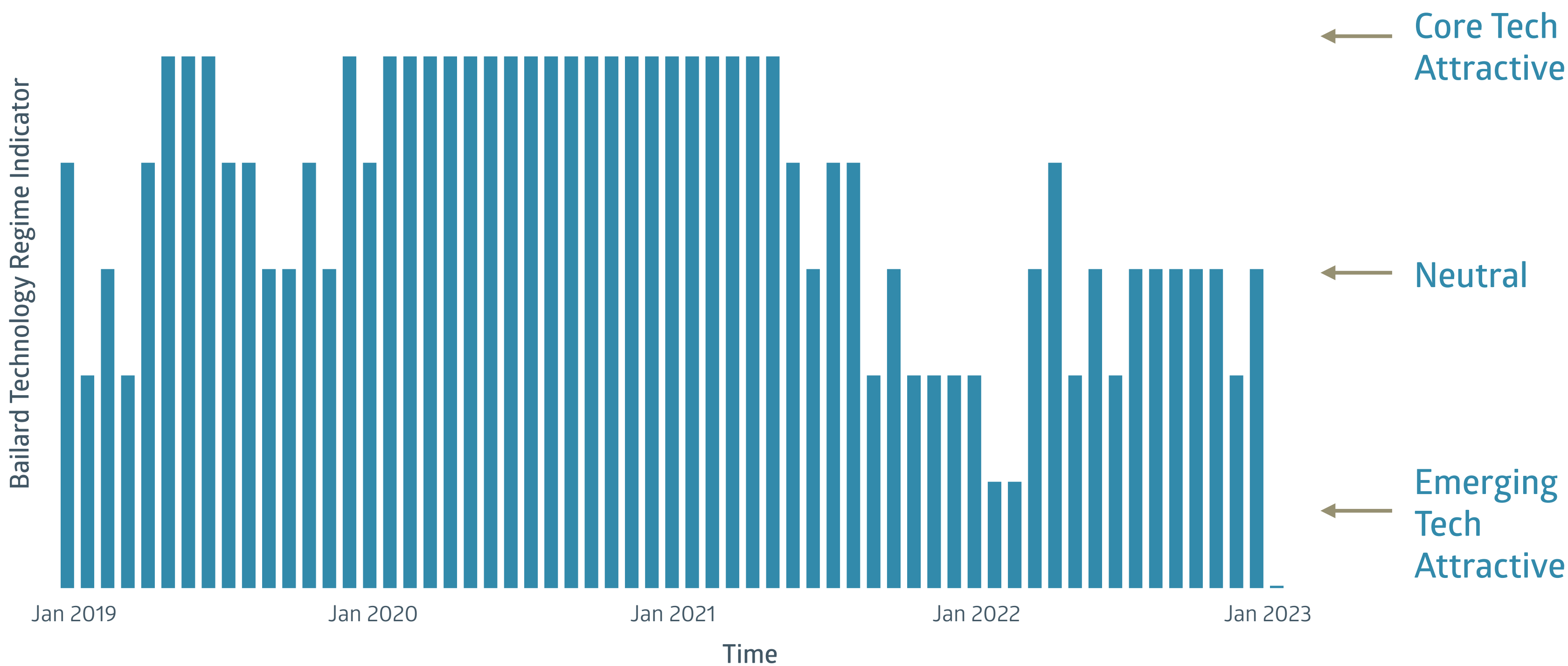


[1] Target relative weight is for illustrative purposes only. [2] We define the tech universe as the GICS Communication Services and Information Technology sectors plus the Internet Retail industry. We define high growth as the top decile of our growth rank methodology. **This chart does not reflect the past or future performance of any Bailard strategy, product or account. Past performance is no indication of future results.** All investments have the risk of loss.

Philosophy: Barbell Core and Emerging Innovators

We vary our barbell skew depending on the relative attractiveness of opportunity in emerging technology stocks

Growth Regime Allocation Model



[1] Target relative weight is for illustrative purposes only. [2] Sources: S&P Capital IQ, Bloomberg, Bailard. The chart above reflects the perceived attractiveness of the Emerging Innovators segment, as determined by our proprietary model consisting of economic, sentiment, and valuation factors. We define the tech universe as the GICS Communication Services and Information Technology sectors plus the Internet Retail industry. We define high growth as the top decile of our growth rank methodology. **This chart does not reflect the past or future performance of any Bailard strategy, product or account. Past performance is no indication of future results.** All investments have the risk of loss.

ESG Capture® in Technology Strategy

We believe that ESG considerations are an important component in a comprehensive investing framework and serve to capture important sources of non-financial risk.

A portfolio with a higher Bailard ESG Capture® score is geared to better protect investors from the risks associated with poor corporate governance, subpar environmental policy management, and discriminatory workplace practices.

Components and Features of Proprietary Scoring Process, ESG Capture®, Applied to Tech

- ✓ Incorporates broad ESG scores from multiple leading vendors including MSCI and OWL Analytics, with excellent coverage in the technology universe
- ✓ Additional sub-components are included to express issues including governance practices, diversity and equality, climate risk, and employee relations
- ✓ Utilizes transitional assessments to augment scores, particularly in newly public and high growth companies where traditional vendor analysis may be incomplete
- ✓ Not a check-the-box system
- ✓ Provides a continuous feedback loop at the security, sector and total portfolio level
- ✓ ESG laggards (CCC MSCI ESG or equivalent) are additionally screened from consideration

MSCI provides ESG scores, as does OWL Analytics. OWL Analytics is an alternative data company that focuses on environmental, social and governance (ESG) research. OWL aggregates hundreds of sources of ESG data and research to create company scores.

About Bailard, Inc.

1969

Founded in 1969
- Independent, established and stable
- Roots in education and financial literacy

73%

Employee owned and controlled
- Current and former employees own 56% and 17%, respectively
- Broad equity ownership: 71% of current employees own stock
- No institutional ownership

52%

Women and minority owned

77

77 employees
- Average investment professional tenure of 15 years
- 45% of employees are women
- Led by a female CEO

$6.0B

Assets Under Management

[1] Data as of March 31, 2024.

Disclosures and Key Risks

This presentation is confidential and may only be used by investment professionals. It may not be reproduced in whole or in part or distributed to anyone else without the permission of Bailard. It is not for retail use. It does not constitute a recommendation of, or an offer to sell or a solicitation of an offer to buy any particular security or investment product. It does not take into consideration the particular investment objectives, financial situations, or needs of individual clients.

The information is current as of the date indicated and Bailard undertakes no duty to update any of the information contained in this presentation. The presentation contains some forward-looking statements, which involve a number of risks and uncertainties, and actual results may differ materially from these forward looking statements.

Any references to specific securities are included solely as general market commentary and were selected on criteria unrelated to Bailard's portfolio recommendations or the past performance of any security held in any Bailard account or fund. There is no guarantee Bailard or this strategy will achieve their performance or investment objectives.

Past performance is no indication of future results. All investments have the risk of loss.

Key Risks

The Bailard Technology Composite is not by itself a complete investment program and is best suited for investors who can accept the above average risk generally associated with growth stocks and technology stocks. The strategy is primarily subject to the risk that the market value of investments will fluctuate as stock markets fluctuate plus the style and sector risks associated with a complete weighting in the technology sector, which may be more volatile than the overall stock market. The strategy is also subject to the size risks associated with investments in smaller market cap stocks in addition to its predominant tilt toward large cap stocks. The strategy may invest in American Depository Receipts (ADRs) and Global Depository Receipts (GDRs) which are subject to the same risks as the foreign securities that they evidence or into which they may be converted (including political or economic instability, the impact of currency rate fluctuations and different accounting standards). The strategy may invest in derivative securities, which may be volatile and may increase investment leverage.

The application of various environmental, social, and governance screens as part of a socially responsible investment strategy may result in the exclusion of securities that might otherwise merit investment, potentially resulting in lower returns than a similar investment strategy without such screens or other strategies that use a different methodology to exclude issuers or evaluate ESG criteria. Investors can differ in their views of what constitutes positive or negative ESG characteristics. As a result, the strategy may invest in issuers that do not reflect the ESG beliefs and values of any particular investor.

Adherence with strategy's ESG criteria is determined at the date of purchase. Individual equity holdings in the strategy may cease to meet the relevant ESG criteria after the initial purchase but may nevertheless remain in the strategy until a future review or rebalance by the Bailard. As a result, certain securities in the strategy or the client's portfolio as a whole, may not meet the relevant ESG criteria at all times.

In evaluating a security or issuer based on ESG criteria, we are dependent upon certain information and data from third party providers of ESG research, which may be incomplete, inaccurate or unavailable. As a result, there is a risk that we may incorrectly assess a security or issuer. There is also a risk that we may not apply the relevant ESG criteria correctly or that the strategy could have indirect exposure to issuers that do not meet the relevant ESG criteria used by the strategy. We do not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such ESG assessment. There may be limitations with respect to availability of ESG data in certain sectors, as well as limited availability of investments with positive ESG assessments in certain sectors. Our evaluation of ESG criteria is subjective and may change over time.

There can be no assurance that Bailard will achieve its investment objectives. All investments have the risk of loss.

Performance and Other Disclosures

Other Disclosures

The information in this presentation is for informational purposes only and is not an offer to provide investment advice, an offer to sell securities or the solicitation of any offer to buy securities. Before making any investment decision, you should review Bailard, Inc.'s Form ADV Part 1A and Bailard's Form ADV Part 2A (available on the SEC's website at https://adviserinfo.sec.gov/firm/summary/110550), as well as Part 2B of Bailard's Form ADV (available from Bailard) and all other information that Bailard provides to you. You should also discuss all matters concerning any prospective investment that you desire with Bailard. The information provided herein is meant to demonstrate Bailard's general investment process. The outline of processes and steps taken is general in nature, and Bailard from time to time will deviate from the specific investment steps, limitations, screens, controls and overall process described.

Technology Composite Performance Disclosures

Composite Definition: The Technology Composite ("the Composite") includes all portfolios invested primarily in the stocks of firms that predominately use technology to drive their business. The Technology Composite is a carve-out (the "Carve-Out") from a composite (the Bailard Inc. Technology & Science Composite) that was managed to the firm's all cap growth / technology and science equity strategy. The Carve Out's portfolio consists of all holdings in the Technology & Science Composite after filtering out health care stocks as defined by GICS. Through June 2016, cash was allocated to the Carve-Out based on the relative value of its holdings within the Technology & Science Composite. Since July 2016 the Carve-Out has been managed as a sub-portfolio with its own cash. As of March 31, 2024, the Composite from which the Carve-Out was drawn consisted of a single mutual fund portfolio, which has been managed in an advisory or subadvisory capacity since 2001. The Composite had a market value of $184.5M as of March 31, 2024. The Composite's returns are total returns presented net of management fees ("net of fees") and assume reinvestment of dividends and other earnings. The returns do not reflect a fiduciary fulfilment fee payable to Bailard (where applicable), or custody and other account expenses not payable to Bailard.

Gross of management fee returns were calculated by Bailard's portfolio accounting system. Through June 2016, net of management fee performance was calculated by netting down the gross return by a model fee of 0.65% (applied by reducing monthly returns by 0.054%). From July 2016, net of management fee performance was calculated by netting down the gross return by a model fee of 0.75% (applied by reducing monthly returns by 0.0625%). This model fee is representative of the fees charged for a separately managed portfolio and is the highest management fee for this strategy. As disclosed in Bailard Institutional's Form ADV Part 2A, Bailard Institutional's annual fee schedule for new accounts is 0.75% of the first $100 million and 0.70% on assets over $100 million. The Composite's complete return history and a list of Bailard's composites are available upon request.

Individual account management and construction will vary depending on each client's investment needs and objectives, including liquidity needs, tax situation, risk tolerance and investment restrictions. Individual accounts may not have the same management fees, expenses, diversification, distributions and cash flows as the Composite account. As a result, an account's actual performance may differ from the performance presented above due to, among other things, timing of investment, contributions and withdrawals, and the client's restrictions, such as restrictions on eligibility to participate in initial public offerings. In addition, performance does not reflect the effects of taxation, which result in lower returns to taxable investors. An investment in this strategy involves a risk of loss, and the value of an investment in this strategy may decrease as well as increase. No representation is made that any account will obtain similar results to those shown above.

For more information on the calculation methodology for the top and bottom contributors and a complete list of each holding's contribution to the overall account's performance during the time period, please contact our Performance Analyst at (650) 571-5800.

Performance Disclosures (continued)

Market Index and Category Definitions: The S&P North American Technology Sector Index ("NA Tech Index") provides investors with a benchmark that represents U.S. equity securities classified under the GICS® technology sector and internet retail sub-industry categories. This index is uninvestable, unmanaged and does not reflect transaction costs. The Morningstar US Open End Tech category ("Universe") is composed of open-end mutual funds that buy technology and health care businesses in the U.S. or outside of the U.S. The Lipper Science and Technology Fund Index ("Lipper Sci & Tech") measures the performance of mutual funds that invest primarily in the equity securities of domestic companies engaged in science and technology and constructs its fund index from an average of other funds in the peer group. The Universe and Lipper Sci & Tech are unmanaged and uninvestable. The NA Tech Index, the Universe, and Lipper Sci & Tech are presented on a total return basis with dividends reinvested. Unlike the NA Tech Index, the Composite may hold cash equivalents, exchange-traded funds, ADRs and GDRs (U.S. dollar denominated foreign securities). Unlike the Composite, the funds in the Universe and Lipper Sci & Tech may have different investment restrictions, may invest in health care and biotechnology stocks, and may invest in different categories of securities than the Composite account. Unlike the Composite returns, the returns of the funds in the Universe and Lipper Sci & Tech are net of all expenses. The Composite's stock holdings can differ materially from that of the NA Tech Index, the Universe, and Lipper Sci & Tech. At times, the Composite's market cap weighting may differ materially from the NA Tech Index, the Universe, and Lipper Sci & Tech. The Composite's holdings may also differ from the NA Tech Index, the Universe, and Lipper Sci & Tech as it may omit certain securities that may otherwise merit investment due to the application of the screening of ESG laggards.

Past performance is no indication of future results. All investments have the risk of loss.

The PHLX Semiconductor Sector Index (SOX) is designed to track the performance of a set of companies engaged in the design, distribution, manufacture, and sale of semiconductors; iShares Expanded Tech-Software Sector ETF (IGV) seeks to track the investment results of an index composed of North American equities in the software industry and select North American equities from interactive home entertainment and interactive media and services industries; iShares Expanded Tech Sector ETF (IGM) seeks to track the investment results of an index composed of North American equities in the technology sector and select North American equities from communication services to consumer discretionary sectors. The S&P 500 (SPX) is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

Russell 1000 Growth: The Russell 1000 Growth Index measures the performance of the large cap growth segment of the US equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value: The Russell 1000® Value Index measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values

Russell 2000 Growth: The Russell 2000 Growth Index measures the performance of the small cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.

Russell 2000 Value Index: The Russell 2000 Value Index is a commonly used index that measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values.

Nasdaq-100®: The companies in the Nasdaq-100® include 100-plus of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization.