

Q2 2024

QUARTERLY UPDATE

Small Cap Value Strategy

Seeking to invest in responsible companies that are attractively valued, under scrutinized, and irrationally mispriced.

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Bailard

Market Commentary

Q2 2024 UPDATE

The equity markets continued to narrow in Q2. Large growth was the only winning style, and even that was deceptive as large growth returns were concentrated in the usual handful of mega caps perceived to be artificial intelligence (AI) beneficiaries. While showing some signs of weakness, economic growth remained positive while inflation continued to roughly moderate through the period. Interest rates rose in April, fell in May and were largely flat in June, ending the quarter very close to where they started.

Slow growth, declining inflation and the prospect of eventual interest rate cuts are a growth stock investor's dream, so it is not shocking that in this environment growth has done well. What is more surprising is how few growth stocks are actually doing well. The prospect of AI has put many companies' spending plans on hold, avoiding making investment commitments for fear that AI will somehow disrupt them, and hoarding cash so they will be able to purchase AI in whatever form it eventually takes.

Small cap value stocks were the worst performing equity style quadrant for the second quarter in a row and are down slightly YTD. This is in stark contrast to large growth's almost +21% gain over the same period. In the past, we have pointed out

continued on next page

MARKET INDICES TOTAL RETURN

	QTR	YTD	1 Year	Comments
S&P 500 Index	4.3%	15.3%	26.7%	Very narrow, mega cap tech driven market.
Russell 1000 Growth Index	8.3%	20.7%	35.7%	Large growth beat large value, with AI exposure dominating.
Russell 1000 Value Index	-2.2%	6.6%	14.9%	
Russell 2000 Growth Index	-2.9%	4.4%	11.2%	No place to hide in small caps, as investors' focus remains on large growth.
Russell 2000 Value Index	-3.7%	-0.9%	12.5%	
Russell Micro Cap Value Index	-6.1%	-2.8%	8.5%	Early indications of a slowing economy were not helpful to micro cap value.
MSCI USA Small Cap Index	-3.6%	1.8%	11.9%	ESG leaders lost as electric vehicle enthusiasm wanes.
MSCI USA Small Cap ESG Leaders Index	-4.3%	1.5%	10.8%	

Data through June 30, 2024. Source: Bloomberg, Morningstar. The total return performance of these market indices does not represent the past or future performance of any Bailard strategy, account or product. **Past performance is no indication of future results.** All investments have the risk of loss. Please see the Market Index section at the back of this presentation for additional information.

Market Commentary

performance (and valuation) disparities of this magnitude have historically reversed themselves, but instead of belaboring that point, let's focus on each group's prospects for the remainder of the year. Consensus earnings estimates for large cap growth (and the Magnificent 7) indicate slowing in second half of 2024, while estimates for small value stocks predict accelerating growth. If these estimates pan out, it is difficult to see relative investor expectations remaining so strongly biased toward large growth.

Micro cap value stocks lagged small value stocks for the quarter after outperforming in Q1. Slightly rising recession fears and higher micro cap exposure to financial stocks may have driven the performance differential.

Small cap ESG companies (as measured by the MSCI USA Small Cap ESG Leaders Index) underperformed their comparable non-ESG focused counterparts in Q1, as fear of consumer resistance to all electric cars grows.

Performance Commentary as of June 30, 2024

Q2 2024 PERFORMANCE¹

The Strategy beat the benchmark Russell 2000 Value Index in Q2. Our historically successful alpha characteristics worked well during the quarter, again only lagging during temporary sentiment shifts toward “risk on” stocks and low-quality stocks.

TOTAL RETURN^{1, 2}

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Bailard Composite (Gross of fee)	-3.12%	1.19%	16.28%	3.58%	10.78%	7.63%
Bailard Composite (Net of fee)	-3.21%	1.00%	15.85%	3.19%	10.37%	7.23%
Russell 2000 Value Index	-3.65%	-0.86%	10.88%	-0.55%	7.05%	6.21%
Russell Micro Cap Value Index	-5.12%	-1.68%	7.96%	-3.94%	6.72%	6.49%

ACTIVE RETURN, NET OF FEE^{1,2}

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Vs. Russell 2000 Value Index	0.44%	1.86%	4.97%	3.74%	3.32%	1.02%
Vs. Russell Micro Cap Value Index	1.91%	2.68%	7.89%	7.13%	3.65%	0.74%

¹ The “Bailard Composite” is the Bailard, Inc. Small Cap Value Composite. The Bailard Small Cap Value Composite includes a Bailard portfolio invested solely in small and micro capitalization U.S. equities that exhibit value characteristics. The benchmark is the Russell 2000 Value Index. The indices presented do not have fees. **Past performance is no indication of future results.** Please see additional performance on page 5. See back of this presentation for important disclosures and market definitions. Source: Bloomberg.

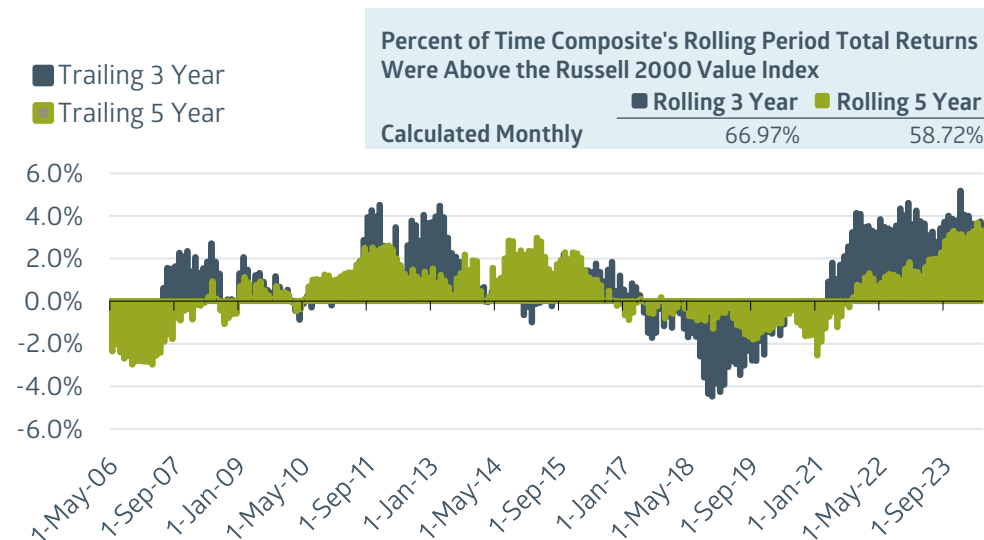
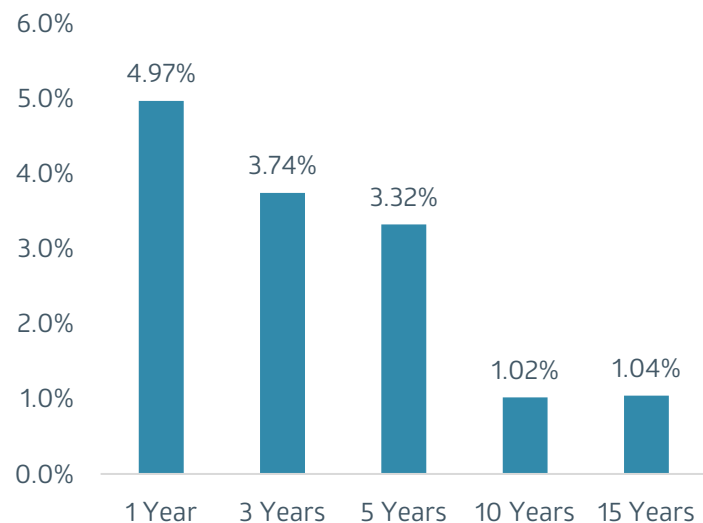
² Active return is the difference between the return of the strategy and the return of the index. Performance statistics are annualized for periods greater than one year.

Performance: Portfolio Risk and Returns

Annualized Active Returns (Net) vs Russell 2000 Value Index^{1,2,3}

As of 6/30/24

Rolling Periods, 5/31/2006 – 6/30/2024



Performance Summary¹ as of 6/30/24

	TOTAL RETURN annualized for periods > 1 year					ANNUALIZED STD. DEV.				SHARPE RATIO			
	1 Year	3 Years	5 Years	10 Years	15 Years	3 Years	5 Years	10 Years	15 Years	3 Years	5 Years	10 Years	15 Years
Composite (Gross of Fee)	16.28%	3.58%	10.78%	7.63%	12.04%	20.79%	23.86%	20.24%	19.30%	0.03	0.36	0.30	0.57
Composite (Net of Fee)	15.85%	3.19%	10.37%	7.23%	11.63%	20.78%	23.85%	20.24%	19.30%	0.01	0.34	0.28	0.55
Russell 2000 Value Index	10.88%	-0.55%	7.05%	6.21%	10.58%	21.62%	24.51%	20.81%	19.96%	-0.17	0.20	0.23	0.48

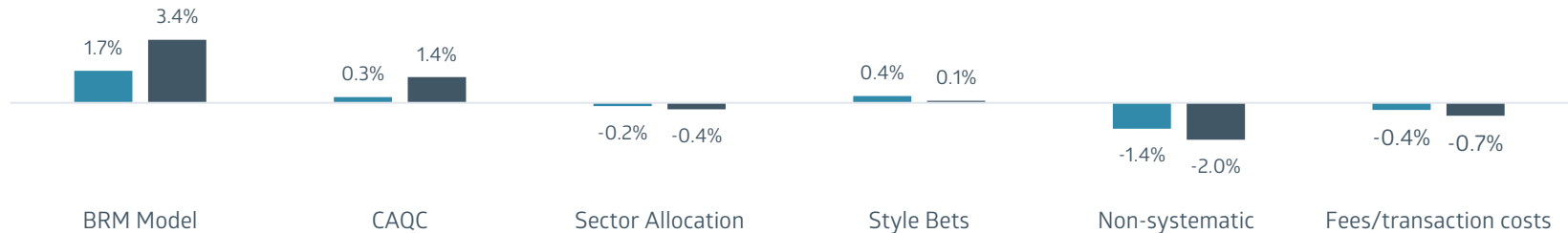
¹ Please see additional performance on page 3, and pages 22-24 for important disclosures. **Past performance is no indication of future results.** Sources: Bloomberg, Bailard.

² Trailing returns calculated monthly. ³ Performance statistics are annualized for periods greater than one year.

Attribution Commentary as of June 30, 2024

ATTRIBUTION - NET ACTIVE RETURN VS INDEX*

■ Q ■ YTD



Q2 2024 ATTRIBUTION

Our primary stock selection tool, our multi-factor Bailard Ranking Model (BRM), delivered strongly positive relative performance for the quarter. Our Earnings Quality factor produced positive results in both our small cap and micro cap models. Our Relative Expectations Bias factor delivered strongly positive results in both small cap and micro cap, while our more forward-looking Analyst Expectations' Bias factor was negative in small cap and flat in micro cap. Our Hype (excessive investor attention) factor really shined in small cap but was essentially flat in micro cap for the quarter. Our Analyst Herding Bias factor again delivered strongly positive results. Our improved, Path-Dependent Anchoring Bias factor was flat in small cap, and slightly negative in micro cap.

Within our subsector-specific stock selection models, the bank model and the pharmaceutical & biotech model both produced









strongly positive results. The insurance and utilities models were essentially flat and the REIT model produced strongly negative results.

Sector allocation slightly detracted from performance with an underweight to the outperforming bank subsector the primary culprit. Style bets were additive this quarter. CAQC (Curated Assessment of Qualitative Conviction, our proprietary measure of sophisticated investor interest in stocks that lack quantifiable appeal) outperformed slightly after a strong Q1, with CAQC's larger small cap size bias accounting for much of the gain. Our non-systematic tilts and individual stock selection in larger and growthier small caps and micro caps generally detracted from performance for the quarter.

* The benchmark is the Russell 2000 Value Index. Please see the back of this presentation for important disclosures. Our Behavioral Ranking Model (BRM) is a proprietary, multi-factor, quantitative tool for determining relative stock attractiveness within each of the 24 economic sub sectors. CAQC (Curated Assessment of Qualitative Conviction is our proprietary measure of sophisticated investor interest in stocks that lack quantifiable appeal). **Past performance is no indication of future results.** Sources: Russell, Bailard.

Small Cap Value Strategy Outlook

SMALL CAP VALUE RETURN DRIVERS

	Positive	Neutral	Negative	Comments
Absolute Valuations				Historically undervalued.
Relative Valuations				Relatively cheap versus style alternatives.
Economic Cycle				The odds of a soft landing seem to have increased, but the risk of a recession still lingers.
Interest Rates				Rates rose early in the quarter, then declined, but finished slightly higher overall.
Volatility/Sentiment				VIX stayed very low, favoring growth. The Put/Call Ratio fell slightly, favoring value. On balance, indicators are favoring growth.
Earnings Revisions				Revisions were barely negative for both small cap and large cap companies, but very slightly worse for small caps.
Dollar				The dollar rose slightly through the quarter and remains at levels favoring domestically-focused companies.
ESG				Politics has been playing a larger role in ESG recently, but long-term favorable drivers remain in place.

Source: Bailard as of 6/30/2024. All investments involve the risk of loss.

Small Cap Value Strategy Outlook

OUTLOOK SUMMARY

On balance, historically significant return drivers for small cap value stocks remain marginally, favorably aligned toward small cap value outperformance. Absolute and relative valuations remain historically cheap, and similar past discounts of this magnitude were followed by strong one-year and three-year returns.

CURRENT P/E TO 20-YEAR AVERAGE*

As of 6/30/2024	Value	Growth
Small	86.8%	85.7%
Large	103.2%	147.6%

Value vs. Growth

While small cap value stocks have historically outperformed in most portions of the economic cycle, they typically do best in the early stages of economic recovery, and when economic growth is strong. Inflation appears to be generally tapering off, while the economy, though showing some signs of weakness, remains in slow to moderate growth mode. Small cap valuations suggest they should be primed for at least a relative rally, but investors have been favoring growth and large cap in the recent economic environment.

Value stocks of all sizes benefit from investors shortening their investment time horizons, as value stocks typically deliver higher current earnings and dividend yields versus the more distant potential payoffs from growth stocks. Higher interest rates increase the discount rate applied to future earnings, making them less valuable today and thus, favoring value stocks. 10-year Treasury yields rose in April, but then declined in May and were largely flat for June. Overall, interest rates at quarter end appeared neutral from a relative equity style valuation standpoint.

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*We begin by creating an investable universe at the end of June of every year. Prior to June 2015, investable universe includes largest 3000 stocks trading in New York, American and Nasdaq Stocks Exchanges. We only select ordinary common shares of US companies (excluding ADRS, SBIs and Units). After June 2015, investable universe is the same as the Russell 3000 Index. We then split the universe as the top 3rd with respect to ranked Market Cap being large cap and the rest being small cap. Within each size bucket, we split the stocks into two groups using median P/B ratio of that respective category. Each stock is then kept in that same category until the June of next year. After June 2015, P/B value used for classification uses the most recently reported book value. Prior to June 2015, we don't have access to report dates, hence P/B value used for classification uses the book value from Q1 of each year. **Past performance is no indication of future results.** All investments involve the risk of loss. Please see important disclosures at the back of this presentation.

Small Cap Small Cap Value Strategy Outlook

Falling uncertainty increases confidence that distant prospective returns will materialize, increasing the appeal of growth stocks and decreasing the attractiveness of value stocks. Investor uncertainty can be approximated and quantified using expected measures of future market volatility. Derived from the price inputs of S&P 500 Index options, the CBOE VIX Index represents the market's expectation of 30-day forward-looking volatility.

The put/call ratio measures the relative volume of put options versus call options currently traded in the market. A low ratio has historically tended to favor value stocks performance over growth stocks, while a high ratio has corresponded with growth stocks marginally outperforming or performing as well as value stocks.

VIX declined through the quarter and remains at historically low levels, favoring growth. The put call ratio ended the quarter down a bit and remained near its five-year average, very slightly favoring value stocks. On balance, these sentiment indicators currently favor growth stocks.

Small Cap vs. Large Cap

Large cap companies derive more of their revenues and profits internationally than do small cap companies. A strong dollar makes U.S. goods and services relatively more expensive to foreign purchasers and also lowers the profits of U.S.-based companies' overseas operations when those profits are repatriated into U.S. dollars. The dollar rose slightly through Q2, favoring small cap companies.

ESG Investing

Unfortunately, ESG investing has recently become somewhat of a political issue. We believe that political concerns will fade with time, but they are currently acting as a headwind.

Longer term, there is intuitive appeal to many aspects of ESG investing. Companies should expect to benefit from treating their employees and customers well. Effective resource stewardship ought to result in long-run cost savings. Good corporate governance should help to avoid negative externalities. As empirical evidence mounts to support these beliefs, ESG's attractiveness should continue to broaden.

Small Companies Making a Big Difference

Beyond generally enlightened business practices, the companies profiled here each quarter are providing actual solutions to some of the major concerns of ESG investors.

ESG Solutions Company Focus Example: Legacy Housing

“The need for affordable housing in the United States is undeniable. The company is built to be a legacy for future generations, and we are doing just that with affordable housing for all.”

Our Analysis

Legacy Housing (LEGH) is the fourth largest manufactured home producer in the country. It is also an industry leader in the tiny house market, with offerings between 320 and 399 square feet. Legacy’s tiny houses have been featured on HGTV’s show, *Tiny House Hunters*.

Manufactured housing is a more affordable alternative to custom, “stick built” new houses due to greater standardization and in-factory instead of on-site construction. Legacy produces a range of +80 floorplans from one to five bedrooms in sizes up to 2,600 square feet. Manufactured housing offers a compelling value proposition for cost conscious buyers.

Because Legacy is vertically integrated, it is able to produce higher quality homes at reasonable prices. The company not only directly sources all of its raw materials and produces its homes in one of its three factories, it also delivers the homes with its own fleet of trucks, and offers tailored financing solutions to its customers.

With housing affordability at historic lows, Legacy Housing is providing solutions that allow more families access to a key element of the American Dream.

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The reference to a specific security is intended only to *illustrate the type* of company/stock that Bailard’s portfolio Small Cap Value Strategy might hold. The company equity mentioned here was not a holding within Bailard’s Small Cap Value Strategy portfolio as of June 30, 2024. It does not represent any past, present, or future *recommendation* of Bailard. Specific investments described herein do not represent 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.

Why We Do What We Do: The Measures We Take to Help Produce Consistent Outperformance



- ✓ **We have outperformed our benchmark index for five consecutive years (calendar years 2019, 2020, 2021, 2022, 2023).**
- ✓ **We had a very high batting average over the past five years as well, beating the Index in 39 out of the 60 months ending December 31, 2023.**
- ✓ **Versus our small value competitors, we were in the third percentile for batting average over the past five years (1st percentile is best.)¹**
- ✓ **We also were in the third percentile for information ratio over the 5 years, indicating we got a lot of return for the smaller amount of risk that we took.¹**

Past performance is no indication of future results. All investments involve the risk of loss. There is no guarantee this strategy will achieve its performance or investment objectives.

¹Source: eVestment U.S. Small Cap Value Equity Universe peer group rankings and quarterly observations compared to the Russell 2000 Value Index. Rankings are from 1 to 100, with 1 being the best and 100 being the worst. There were 204 constituents in the Universe over the 5 years ending March 31, 2024. Batting average measures a manager's ability to meet or beat an index, with higher being the most desirable. Information ratio is defined as excess return over the benchmark divided by tracking error.

Portfolio Characteristic Comparison¹

As of 06/30/2024

	Bailard, Inc. Small Cap Value Composite ²	Russell 2000 Value Index
BRM Score	74.3	55.8
ESG Capture [®]	64.2	55.3
Price/Book Value	2.6x	1.6x
Price/Earnings (trailing 12 mo.)	29.6x	36.0x
Price/Cash Flow	11.4x	24.8x
Return on Equity	12.6%	5.4%
Debt to Capital	40.5%	40.1%
Number of Holdings	325	1,401
Avg. Market Cap \$MM	\$3,285	\$2,536
% Micro Cap Stocks	27.0%	18.4%

Sources: Factset, Bailard. ¹The information presented on this page, while representative of the Bailard Asset Management Small Cap Value Strategy, should not be solely relied on as it can differ from client to client and could vary over time. ²The Bailard Small Cap Value Composite (the "Composite") consists of a Bailard Asset Management portfolio that is invested solely in small and micro capitalization U.S. equities which exhibit value characteristics. Data regarding the portfolio characteristics of the Composite reflect ownership information as of the date shown and are not intended to represent any past, present or future specific investment recommendations. Portfolio characteristics are subject to change without notice.

Small Cap Value Strategy Team

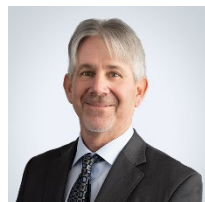


THOMAS J. MUDGE III, CFA

Portfolio Manager | SVP | Director, Equity Research

Investment experience: 37 years; 37 years with firm

Tom leads Bailard's equity research and serves as portfolio manager of the Small Cap Value Strategy. As a Behavioral Finance enthusiast, he leveraged his extensive knowledge of the small and micro-cap value universe to create the original small cap value strategy in 2001. Tom earned his BA at Northern Michigan University in 1985 and the Chartered Financial Analyst® designation in 1994, and is a member of the CFA Institute and the CFA Society of San Francisco. He completed the certificate program in Investment Decisions and Behavioral Finance at Harvard University's John F. Kennedy School of Government.



BLAINE TOWNSEND, CIMC®, CIMA®

Portfolio Manager | EVP | Director, Sustainable, Responsible and Impact Investing

Investment experience: 30 years; 8 years with firm

Blaine leads Bailard's Sustainable, Responsible and Impact Investing (SRII) team, and is a portfolio manager of Bailard's Small Cap Value Strategy. As a pioneer and thought leader in the field of sustainable investing, Blaine was the original architect of the proprietary ESG Capture® framework first applied to the strategy in 2019. Blaine began his career in SRI/ESG in 1991 at the Muir Investment Trust, the nation's first environmentally screened bond fund. From 1996 through 2009, he led the California office for Trillium Asset Management, where he managed socially responsible and sustainably focused portfolios, served on the firm's investment committee and worked on corporate engagement efforts. After Trillium, Blaine spent 8 years at Wells Fargo's ESG firm Nelson Capital Management as a partner and senior portfolio manager, and on the firm's leadership team and investment committee. 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.



OSMAN AKGUN, PH.D., CFA

Portfolio Manager | SVP, Domestic Equities

Investment experience: 13 years; 12 years with firm

Osman serves as Vice President of Domestic Equities and as a portfolio manager for Bailard's Small Cap Value Strategy. He uses his passion for finding creative and sensible solutions to complex investment problems and focuses on quantitative research, model building, and portfolio optimization. Osman joined Bailard in 2012 after receiving his Ph.D. in Industrial Engineering and Operations Research at the University of California, Berkeley. Prior to his Ph.D. program, Osman received Masters' Degrees in Statistics as well as in Industrial Engineering and Operations Research, both from the University of California, Berkeley. During this time, Osman worked as a Research Assistant focusing on stochastic modeling and optimization, with applications to finance, service operations and computer communications. Prior to his graduate work, he received a B.S. in Industrial Engineering from Bogazici University, Turkey. Osman received his Chartered Financial Analyst® designation in 2017 and is a member of the CFA Institute and the CFA Society of San Francisco.

Small Cap Value Strategy Team



ANNALISE DURANTE

VP | Senior SRII Research Analyst

Investment experience: 9 years; 6 years with firm

Annalise rejoined Bailard in 2023 and serves as both a Senior SRII Research Analyst and Investment Counselor for the Sustainable, Responsible and Impact Investing (SRII) group. As a Senior SRII Research 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.



GLENN A. DAVIS, CFA

SVP | Head Trader

Investment experience: 33 years; 33 years with firm

Glenn joined the firm in 1991. As head trader, Glenn's responsibilities include execution of all purchases and sales of domestic securities. With more than 25 years of trading experience, he excels in trading small and micro-cap stocks while working diligently to minimize market impact. Glenn received his BS from Santa Clara University in 1988 and his Chartered Financial Analyst® designation in 1995, and is a member of the CFA Institute and the CFA Society of San Francisco.

Investment Philosophy

- **Behavioral anomalies can provide an enduring source of alpha.**
 - Market participant irrationality is recurring, predictable, and therefore exploitable.
- **Less scrutiny can mean greater opportunity in our Bailard Ranking Model and ESG.**
 - Bargains or advantages are rare where everyone else is looking.
 - Small and micro cap stocks can be fertile ground for behavioral biases and unidentified ESG opportunities. These can be effectively exploited through a disciplined and systematic approach.
- **Avoid unnecessary risk.**
 - Control for economic sector exposure, bankruptcy risk, idiosyncratic risk, ESG risk, alpha instability, beta deviation and false precision in stock selection.

Our Bailard Ranking Model (BRM) is a proprietary, multi-factor, quantitative tool for determining relative stock attractiveness within each of the 24 economic sub sectors.

Sustainable and Responsible Investing Framework

Product & Industry Screens

No companies deriving more than 25% of revenues* from the following sources:

- × Firearms
- × Controversial weapons (landmines, cluster munitions)
- × Alcohol
- × Tobacco
- × Gambling
- × Adult Entertainment
- × Predatory Lending (payday loans, rent-to-own)
- × Private Prisons

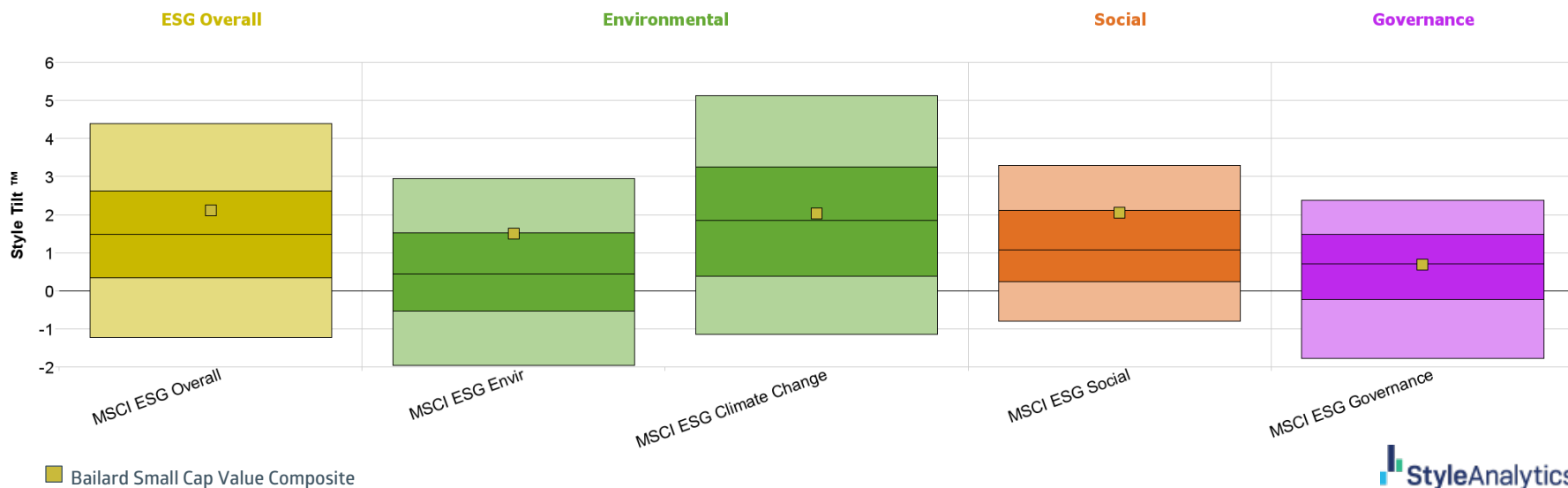
* This revenue threshold removes clear offenders while not excluding grocery stores, hotels, airlines, restaurants, cable television, cell phone service providers, etc.

ESG Integration

- ✓ Exclude the bottom scoring 20% of Bailard's ESG Capture® rankings.
- ✓ Portfolio's average ESG score will always exceed the benchmark's score.
- ✓ Additionally, we use qualitative measures to screen out companies that have egregious patterns of behavior on ESG issues that may not be fully reflected in ESG Capture® rankings.

Third-Party Validation of ESG Focus

Company size bias highlights the importance of making ESG comparisons within the appropriate universe.



Source: Style Analytics (holdings-based factor exposure / tilt analysis tool). The Peer Style Skyline™ displays the distribution of the benchmark relative MSCI ESG factor exposures calculated for all constituents within the identified peer group, eVestment's U.S. Small Cap Value Equity universe. The benchmark is the iShares Russell 2000 Value ETF, used as a proxy for the Russell 2000 Value Index. Inner and outer quartiles of the distribution are designated for each factor using darker and lighter shaded sections. To learn more about the MSCI ESG factors, please visit <https://www.msci.com/documents/1296102/21901542/ESG-Ratings-Methodology-Exec-Summary.pdf>







Holdings data is as of March 31, 2024. There were 176 constituents included from eVestment's U.S. Small Cap Value Equity universe. The top and bottom 5% (outliers) are excluded. The eVestment U.S. Small Cap Value Equity universe consists of US equity products that primarily invest in small capitalization stocks that may be trading at prices lower than their fundamental or intrinsic value. The members of this universe may or may not be similar to the Bailard Small Cap Value Composite. Please see <https://www.evestment.com> for more information.

Neither StyleAnalytics nor eVestment require members of the universe to subscribe in order to be included in peer comparisons; however, Bailard pays a subscription fee to StyleAnalytics and eVestment for access to their respective database and analytical tools.

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.

Factor tilt interpretation guidelines: +/-0.5 Benchmark like. +/-1.0 Compelling deviation from benchmark. +/-2.0 Very significant deviation from benchmark.

Why the Bailard Small Cap Value Strategy?

SMALL CAP INVESTING CHALLENGES	OUR SOLUTIONS
Thousands of Stocks With No Top-heavy Concentration	 <p>Systematic methods helps allow for broader analysis of thousands of companies, identifying potential winners easily missed by more narrowly focused competitors. The nature of the small value investable universe requires a larger portfolio to adequately cover risk exposures.</p>
Higher Volatility	 <p>We hold 250-300 stocks, limiting individual stock risk. We are consistently invested in all 11 economic sectors and all 24 economic subsectors, reducing economic cycle risk. Our ESG Capture® methodology also helps to limit volatility by avoiding companies with significant potential negative externalities and lagging ESG practices.</p>
Limited Information	 <p>In addition to sometimes-limited financial statement data and analysis, we identify more universal behavioral finance anomalies to broaden our alpha opportunities, and employ advanced valuation techniques.</p>
Higher Bankruptcy Risk	 <p>Our earnings quality focus, accounting and auditor red flag screening, credit risk measurement, and factor beta “value trap” identification all help weed out companies with going concern issues.</p>
Liquidity Constraints	 <p>We employ proprietary and often contrarian stock selection factors to avoid crowding. We emphasize characteristics more than individual stocks, allowing for patient, flexible trading. We broadly diversify, limiting maximum position sizes, and have deep trading experience and expertise.</p>
Limited ESG Data and Poor ESG Vendor Score Coverage	 <p>We have proprietary E, S, and G factors with comprehensive small cap value coverage. We also combine ESG scores from multiple vendors to create a comparable composite score with much greater universe coverage.</p>

About Bailard, Inc.

1969

Founded in 1969

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

73%

Current and former employee owned

- Current and former employees own 56% and 17%, respectively
- No institutional ownership; outside ownership comprised of individuals (including founder shares)
- Broad employee ownership: 68% of current employees own stock

52%

Women and minority owned

78

78 employees

- Average investment professional tenure of 15 years
- 43% of employees are women
- Led by a female CEO

\$6.2B

Assets Under Management

Disclosures and Key Risks

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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. **Unless otherwise indicated, the performance data in this presentation does not reflect the performance of any Bailard product, strategy or account.**

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

Key Risks

The Bailard Small Cap Value Strategy is not by itself a complete investment program and is best suited for investors who can accept the above average risk generally associated with small cap and micro cap stocks. These companies may face greater economic cycle risk, credit risk, geographic risk, product, and customer concentration risk than that faced by larger companies. Small cap and—to a greater extent—micro cap stocks are more volatile and less liquid than larger cap stocks and may be more difficult to trade. There are times when the small cap value equity style underperforms other equity investment styles.

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 higher or 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.

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.

The market value of an investment will fluctuate as the securities markets fluctuate. There can be no assurance that this or any investment strategy will achieve its investment objectives. All investments have the risk of loss

Performance 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. The description of the Bailard Ranking Model provided in this presentation is for conceptual illustration purposes only and is not meant to represent a complete example of the use of the model with respect to the Bailard Institutional Small Cap Value Strategy.

Small Cap Value Composite Performance Disclosures

The Bailard Small Cap Value Composite (the "Composite") includes a Bailard portfolio invested solely in small and micro capitalization U.S. equities that exhibit value characteristics. The Small Cap Value Strategy is implemented within the Bailard Small Cap Value Composite. As of June 30, 2024, the Composite consisted of a single mutual fund which Bailard has been managing in an advisory or sub-advisory capacity since 2001 with a market value of \$100.6 million, which represented 1.6% of the total assets under Bailard's management. The ESG Capture component was explicitly introduced to the portfolio in December 2019. Prior to 2006, the Composite had less consistent and lower overall exposure to micro cap stocks. The Composite's returns are total returns presented as labeled, either net of, or both gross and net of management fees ("net of fees") payable to Bailard and assume reinvestment of dividends and other earnings. The returns do not reflect a fiduciary fulfillment fee payable to Bailard (where applicable), or custody and other account expenses not payable to Bailard. The return of this Composite is not the NAV return of the mutual fund.

Both gross of fee and net of fee returns are taken directly from Bailard's portfolio accounting system, and net of fee performance was calculated by netting down the gross return by actual management fee paid by the mutual fund client to Bailard as of the date paid. Composite returns do not reflect a fiduciary fulfillment fee payable to Bailard (where applicable), or custody and other expenses not payable to Bailard which the composite account incurred.

The Firm's annual fee schedule for new accounts is: 0.90% of the first \$25 million, 0.70% of the next \$25 million, 0.60% on the next \$50 million, and 0.50% on assets over \$100 million. The Composite's complete return history and a list of Bailard's composites are available upon request.

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Performance Disclosures (Continued)

Market Indices Definitions

The S&P 500 Index, the Russell 1000 Growth Index, the Russell 1000 Value Index, the Russell 2000 Growth Index, the Russell 2000 Index, the MSCI USA Small Cap ESG Leaders Index, the Russell 2000 Value Index, and the Russell Micro Cap Value Index shown in this presentation are different from a managed account in that they are unmanaged, uninvestable and do not reflect any transaction costs.

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. The Russell Microcap Value Index measures the performance of the microcap value segment of the U.S. equity market. It includes Russell Microcap companies that are considered more value oriented relative to the overall market as defined by Russell's leading style methodology. Unlike the Russell 2000 Value Index and the Russell Microcap Value Index, the Composite account can acquire stocks in initial public offerings and can hold cash equivalents and exchange-traded funds. The Composite account's stock holdings may differ materially from those of the Russell 2000 Value Index and the Russell Microcap Value Index, as the Composite: 1) can invest in stocks that are not in the indices; and 2) may omit securities that may otherwise merit investment due to the application of various environmental, social and governance screens. The Composite can hold microcap stocks and will tend to hold a higher percentage of microcap stocks (defined as stocks in the bottom 1% of major U.S. exchange-traded securities when measured by market capitalization) than the Russell 2000 Value Index. The Composite can hold small cap value stocks and will tend to hold a higher percentage of small cap value stocks (defined as stocks with lower price-to-book ratios and lower expected growth values and between 1% and 11% of major U.S. exchange-traded securities when measured by market capitalization) than the Russell Micro Cap Value Index. The Small Cap Value Strategy's model portfolio holdings will differ materially from the index due to the model portfolios' selection of only a portion each of these indices' securities. The Small Cap Value Strategy's hypothetical returns differ materially from that of the indices. As a result, the indices are not indicative of the past or future performance of the model portfolios.

S&P 500: The S&P 500 Index is a commonly used U.S. stock index of 500 large capitalization stocks.

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 Index: The Russell 2000 Index measures the performance of the small-cap segment of the US equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.

MSCI USA Small Cap ESG Leaders Index: The MSCI USA Small Cap ESG Leaders Index is a capitalization weighted index that provides exposure to companies with high Environmental, Social and Governance (ESG) performance relative to their sector peers. MSCI USA Small Cap ESG Leaders Index consists of small cap companies in the US market. The Index is designed for investors seeking a broad, diversified sustainability benchmark with relatively low tracking error to the underlying equity market. The index is a member of the MSCI ESG Leaders Index series. Constituent selection is based on data from MSCI ESG Research.

Other Performance Definitions

Standard deviation is the annualized standard deviation of monthly returns. "Information ratio" is the ratio of added value to tracking error. "Tracking error" is the annualized standard deviation of monthly added value, where added value is [Composite return – benchmark return].

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

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