



Corporate Engagement Update

Sustainable, Responsible and Impact Investing | Bailard

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

ENVIRONMENTAL

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

SOCIAL

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

GOVERNANCE

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

Recent Activity

Stakeholder Engagement

- As part of the 2024 CDP Non-Disclosure campaign, we had a discussion with Clearway Energy to learn about reasons why the company would/would not complete this year's disclosure.
- We reached out to General Mills to learn more about the company's regenerative agriculture policies and practices.
- A recent national survey of 800 shareholders shows a broad consensus wanting a code of conduct for corporate political spending. The Zicklin Center and CPA have proposed a Model Code of Conduct for Corporate Political Spending, which is under consideration by a number of leading corporations. Bailard is a co-sponsor of the annual CPA-Zicklin Index.

Thought Leadership

- Bailard's Blaine Townsend quoted in U.S. News & World Report: *7 Best Carbon Capture and Decarbonization Investments*.

Firm Updates

- Bailard named *One of the Top Workplaces in the San Francisco Bay Area*.¹
- Bailard recognized by *San Francisco Business Times* as a *Top Corporate Philanthropist for the Fourth Consecutive Year*.²
- Bailard CEO Sonya Mughal wins *Top Leader by the San Francisco Chronicle for its Category*.³

Firm Impact

- Bailard Foundation Distributes *\$1M in its First Five Years*.
- Hosted a few employee volunteer events in support of local organizations including the SF Marin Food Bank and La Casa de las Madres.

¹The 2024 Top Workplaces is an annual award from the San Francisco Chronicle, released in August 2024, where Bailard ranked #2 out of 105 participants in the small company category (35-149 employees). There were no fees to enter. This widely-regarded list is based entirely on employee feedback gathered through a confidential, third-party survey conducted by Energage LLC, a leader in employee engagement technology. The survey uniquely assessed key aspects of the employee experience, including respect, support, growth opportunities, and empowerment. ²The list features 100 top corporate philanthropists in the Bay Area ranked by local cash giving. The Corporate Philanthropy Awards program was founded in partnership with Northern California Grantmakers. This achievement does not evaluate the quality of services provided to clients and is not indicative of Bailard's future performance. All for-profit companies – whether public or private – along with nonprofit health care organizations were eligible. Companies were required to provide a detailed breakdown of philanthropic contributions. The award was given to Bailard by the San Francisco Business Times in July 2024, where Bailard ranked #71 out of 100. There was no fee to enter. ³For a leader of a company or nonprofit, one of the best ways to be recognized is through employees' admiration. That's why the 2024 Energage awards for top leaders in three categories (small, midsize and large businesses) are so meaningful. Sonya Mughal, Bailard's CEO, won in the small business category based on employee feedback for the San Francisco Chronicle Bay Area Top Workplaces. The recognition was announced in August 2024. There was no fee to enter.

Partner Organizations

As You Sow

The goal of As You Sow (AYS) is to create large-scale systemic change by establishing sustainable and equitable corporate practices. Bailard supports the corporate engagement work of AYS, and Bailard's Blaine Townsend (SRII Director) has been collaborating with AYS since 1997.

www.asyousow.org

Ceres

Ceres works with investors specifically to better manage carbon, water and supply chain risks, and to ramp up global investments in clean energy and sustainable food and water systems. Bailard is a member of the Ceres Investor Network.

www.ceres.org

CPA-Zicklin Index

Bailard is a sponsor of the CPA-Zicklin Index, which benchmarks the political disclosure and accountability policies and practices of leading U.S. public companies. It is produced by the Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research.

www.politicalaccountability.net

CDP

CDP is a nonprofit that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts, with a focus on disclosure of carbon emissions, water use and deforestation. Bailard is a CDP Investor Signatory.

www.cdp.net

PRI

The PRI seeks to build a sustainable global financial system by encouraging adoption and implementation of the six Principles for Responsible Investment. Bailard is a signatory of the Principles for Responsible Investment. The PRI is supported by, but not part of, the United Nations.

www.unpri.org

ICCR

Bailard is an affiliate member of the Interfaith Center for Corporate Responsibility (ICCR) - a membership organization of over 300 faith and values-based organizations, which engage hundreds of large multi-national corporations each year on social and environmental issues.

www.iccr.org

Moskowitz Prize

Bailard is a sponsor of the Moskowitz Prize, a premier global prize for research in sustainable and responsible finance. The prize is currently presented by Northwestern University's Kellogg School of Management.

www.kellogg.northwestern.edu/social-impact/academics/moskowitz-prize.aspx

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

– Ceres

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