Smart SRI ADR Strategy

Q3 2025 Fact Sheet | Sustainable, Responsible and Impact Investing

Investment Approach

The Bailard Smart SRI ADR Strategy combines high responsible and sustainable investing standards with our proprietary NFI Capture framework[1] and portfolio optimization techniques to deliver a non-US equity portfolio with a low tracking error to the MSCI EAFE Index. We employ this proprietary process of scoring responsible and sustainable attributes to uncover leaders and avoid laggards to help mitigate long-term portfolio risk. We also seek to avoid investments in fossil fuels, controversial weapons and a number of products that adversely affect women, girls, and disadvantaged communities. This Smart SRI strategy[1] typically holds 35-45 American depository receipts (ADRs) on average, diversified across industry sectors.

Performance[2]

TRAILING PERFORMANCE total return for periods ending 9/30/2025

	Quarter	Year to Date	1 Year	3 Year	5 Year	Since Inception
Portfolio (Gross)	1.77%	20.73%	10.08%	23.72%	12.36%	9.20%
Portfolio (Net)	1.62%	20.26%	9.51%	23.12%	11.78%	8.62%
MSCI EAFE Index	4.77%	25.14%	14.99%	21.70%	11.15%	7.37%
+/- (Gross vs. Index)	-3.00%	-4.41%	-4.91%	2.01%	1.20%	1.83%

CALENDAR YEAR RETURNS total return

	2H 2018	2019	2020	2021	2022	2023	2024
Portfolio (Gross)	-11.58%	23.47%	10.99%	14.99%	-14.86%	23.99%	7.20%
Portfolio (Net)	-11.90%	22.65%	10.32%	14.36%	-15.32%	23.35%	6.74%
MSCI EAFE Index	-11.35%	22.01%	7.82%	11.26%	-14.45%	18.24%	3.82%
+/- (Gross vs. Index)	-0.22%	1.46%	3.17%	3.73%	-0.41%	5.75%	3.37%

Portfolio Statistics[3] as of 9/30/2025

10 LARGEST HOLDINGS

	% of Portfolio
ASML HLDG ADR	4.2%
BANK OF NOVA SCOTIA ADR	4.1%
NOVARTIS AG - ADR	3.6%
IBERDROLA SA - ADR	3.6%
MIZUHO FINANCIAL GROUP-ADR	3.3%
SIEMENS AG-SPONS ADR	3.3%
SCHNEIDER ELECTRIC- ADR	3.3%
DNB BANK ASA - ADR	3.3%
AXA ADR	3.3%
ABB LTD	3.3%

SECTOR ALLOCATION

	Portfolio	MSCI EAFE	+/-
FINANCIALS	33.2%	24.7%	8.5%
INFORMATION TECHNOLOGY	11.9%	8.3%	3.6%
UTILITIES	6.2%	3.4%	2.8%
MATERIALS	6.3%	5.6%	0.7%
REAL ESTATE	2.3%	1.9%	0.4%
INDUSTRIALS	18.2%	19.4%	-1.1%
CONSUMER DISCRETIONARY	9.1%	10.2%	-1.2%
COMMUNICATION SERVICES	2.0%	4.9%	-2.9%
CONSUMER STAPLES	4.6%	7.5%	-3.0%
ENERGY	0.0%	3.2%	-3.2%
HEALTH CARE	6.3%	10.8%	-4.5%

[1] Please see disclosures for definitions. [2] Sources: INDATA, Bailard. Since inception (6/30/2018) returns are annualized. The Smart SRI ADR Strategy (the "Strategy") is implemented in the international equity segment of accounts in the ESG ADR Composite. The composite consists of portfolios that invest their international equity assets in the Strategy, utilizing 35-45 American depository receipts (ADRs), diversified across countries and industry sectors, benchmarked to the MSCI EAFE Index. ***Past performance is no indication of future results.*** *All investments have the risk of loss. Please see following page for important disclosures and market index definitions. [3] Data regarding specific security holdings reflect information as of September 30, 2025, and are not intended to represent any past, present or future investment recommendations. Holdings are subject to change.*

Portfolio Statistics[4,5] as of 9/30/2025

TOP 5 OVERWEIGHT VS. EAFE

	Portfolio	MSCI EAFE	+/-
CANADA	4.1%	0.0%	4.1%
NORWAY	3.3%	0.6%	2.7%
FRANCE	13.3%	10.9%	2.4%
UNITED STATES	2.3%	0.0%	2.3%
SWITZERLAND	11.1%	9.3%	1.8%

TOP 5 UNDERWEIGHT VS. EAFE

	Portfolio	MSCI EAFE	+/-
AUSTRALIA	2.7%	6.8%	-4.1%
UNITED KINGDOM	12.0%	14.7%	-2.8%
SWEDEN	1.2%	3.6%	-2.4%
ISRAEL	0.0%	1.1%	-1.1%
FINLAND	0.0%	1.1%	-1.1%

REPRESENTATIVE ACCOUNT PORTFOLIO CHARACTERISTICS

	Portfolio	MSCI EAFE
Price/Earnings	18.26	20.07
Price/Book	2.02	2.09
Return on Equity	11.8	10.85
Beta	0.82	N/A

MARKET CAPITALIZATION

	Portfolio	MSCI EAFE
Less than $1.5B	0.0%	0.0%
$1.5B - $5B	0.0%	0.1%
$5B and up	100.0%	99.9%

[4] Sources: MSCI, INDATA, Bailard, FactSet, Cap IQ. Data regarding holdings reflect ownership information as of September 30, 2025, and are not intended to represent any past, present or future investment recommendations. Holdings are subject change.

Risks

The Bailard Smart SRI ADR Strategy is only suitable for clients that can handle the risk of investing in international large cap equities.

The use of screens based on non-financial information (NFI) as an input to the strategy may exclude certain investments and result in performance that differs from strategies not using such inputs. NFI assessments are inherently subjective, and investors may disagree on what constitutes favorable NFI characteristics. We rely on third-party NFI data, which may be incomplete or inconsistent, and our application of NFI criteria may not always align with an investor's values. Our evaluation of NFI criteria may change over time.

The market value of an investment will fluctuate as the stock securities markets fluctuate. International investments – including investments in ADRs – may involve the risk of capital loss from unfavorable fluctuations in foreign exchange rates, from differences in generally accepted accounting principles, or from economic or political instability in other countries. Emerging markets may have heightened risk as well as increased volatility and lower trading volumes. 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

Composite Definition: The Bailard Smart SRI ADR Strategy (the "Strategy") is implemented in the international equity segment of accounts in the ESG ADR Composite. The composite consists of portfolios that invest their international equity assets in the Strategy, utilizing 35-45 American depository receipts (ADRs), diversified across countries and industry sectors, benchmarked to the MSCI EAFE Index. This Smart SRI strategy seeks to invest in companies with above average environmental, social and governance (ESG) characteristics, while incorporating traditional socially responsible investing avoidance screens. Additionally, this strategy seeks to avoid investments in fossil fuels, controversial weapons and a number of products that adversely affect women, girls, and disadvantaged communities. The Strategy predominantly invests in ADRs from international developed markets and may also invest in ADRs from emerging markets.

Return Calculation Methodology: Composite returns shown are for the international equity segment of the composite accounts, and are total returns including the effect of dividends. Returns are presented both gross and net of investment advisory fees, and net of trading commissions. Each account may be subject to separately arranged custodial fees and other account-related charges not payable to Bailard, which will reduce net return to the client. In addition, results do not reflect the impact of taxes, which can reduce returns for taxable investors. Net of fee returns reflect the deduction of actual investment advisory fees. Composite returns are a dollar weighted average of the total returns for each account, and include the effect of a cash allocation. Cash is allocated alongside an account's equity segment according to the proportion of cash in the total portfolio. As of 9/30/2025, the Composite included 9 accounts with $7.6 million in assets.

Market Indices and Category Definitions: The MSCI EAFE Index (MSCI EAFE) is a free float-adjusted market capitalization index designed to measure equity market performance of international developed markets. The index is presented in U.S. dollar terms on a total return basis, reinvesting dividends after the deduction of withholding taxes (if any), and is unmanaged, uninvestable, and does not reflect transaction costs. The Bailard Smart SRI ADR Strategy's total account holdings will differ materially from the index as the Strategy invests in emerging markets and ADRs, employing different country, sector, and security weights in varying proportions over time. As a result, the index is not indicative of the past or future performance of the Strategy.

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

Other Definitions

NFI Capture Definition: NFI Capture is a proprietary scoring framework designed to help minimize risk and identify leaders and laggards on corporate governance, social, and environmental issues.

Smart SRI Definition: Smart SRI utilizes NFI Capture to create the investable universe of stocks, then optimization software to construct a portfolio designed to have low tracking error to the benchmark.

Other Disclosures

The information in this publication is based primarily on data available as of September 30, 2025, has been obtained from sources believed to be reliable, but its accuracy, completeness and interpretation are not guaranteed. Bailard undertakes no duty to update any of the information contained herein. We do not think this publication should be relied upon as a sole source of information and opinion. This publication is not a recommendation of, or an offer to sell or 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. Bailard cannot provide investment advice in any jurisdiction where it is prohibited from doing so.

Bailard

Published October 2025
www.bailard.com

235 Pine Street, Suite 1800
San Francisco, CA 94104

950 Tower Lane, Suite 1900
Foster City, California 94404