



Emerging Markets Growth

Quarterly Report
March 31, 2024



SANDS CAPITAL

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On the Cover

The Bandra-Worli Sea Link is a cable-stayed bridge that links Bandra in the Western Suburbs of Mumbai with Worli in South Mumbai. Mumbai is home to the headquarters of many Indian portfolio businesses such as Asian Paints and HDFC Bank.

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Emerging Markets Growth (USD)

Quarterly Report - March 31, 2024

OVERVIEW

Emerging Markets Growth seeks to selectively own what we view as premier emerging market growth businesses. The portfolio consists of businesses driving or benefiting from secular change, including digitization, industry consolidation and formalization, and life sciences innovation.

INVESTMENT CRITERIA

1. Sustainable above-average earnings growth
2. Leadership position in a promising business space
3. Significant competitive advantage/unique business franchise
4. Clear mission and value-added focus
5. Financial strength
6. Rational valuation relative to the market and business prospects

KEY ATTRIBUTES

CONCENTRATED AND CONVICTION WEIGHTED

39

Businesses

46%

Top Ten Weight

LONG-TERM INVESTMENT HORIZON

20%

Turnover-Annual Avg.

5+ Yrs

Expected Holding Period

ABOVE-AVERAGE EPS GROWTH FORECAST

17%

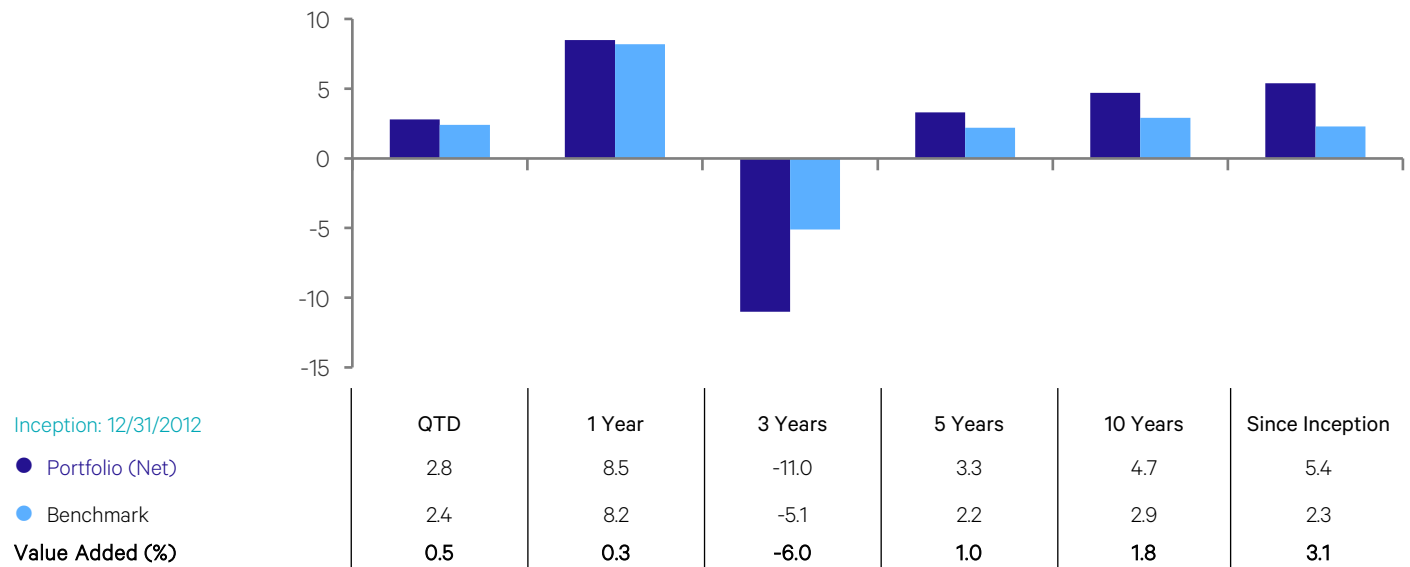
Emerging Markets Growth

17%

MSCI Emerging Markets Index

INVESTMENT RESULTS (%)

Emerging Markets Growth vs. MSCI Emerging Markets Index



CALENDAR YEAR RETURNS (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Portfolio (Net)	-8.9	2.5	39.1	-14.0	28.2	54.8	-9.0	-34.2	11.7	2.8
Benchmark	-14.9	11.2	37.3	-14.6	18.4	18.3	-2.5	-20.1	9.8	2.4
Value Added (%)	6.0	-8.7	1.8	0.6	9.8	36.5	-6.5	-14.1	1.8	0.5

Inception date is 12/31/12. Returns over one year are annualized. The investment results shown are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. The investment results are those of the Emerging Markets Growth Composite. Net of fee performance was calculated by reducing Emerging Markets Growth Composite's monthly gross return by 1/12 of the highest applicable annual fee of 1.25% for the period from January 1, 2013 to March 31, 2019. Beginning on April 1, 2019, the highest applicable annual fee was lowered, and net of fee returns were calculated by reducing the composite's monthly gross return by 1/12 of the highest applicable annual fee of 0.85%. Past performance is not indicative of future results. GIPS Reports found [here](#).











PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
Portfolio Businesses	39	1,376
Active Share	81%	n/a
5-Year Historical EPS Growth	27%	15%
Consensus Long-Term EPS Growth	17%	17%
Consensus Forward P/E - Next 12 mos.	23x	12x
Strategy Assets	\$8B	n/a
Weighted Avg. Market Cap (USD)	\$130.6B	\$127.2B
Median Market Cap (USD)	\$31.9B	\$7.1B
Turnover - Trailing 12 mos.	18%	n/a
Weighted Average Carbon Intensity	57.4	319.0

RETURN & VOLATILITY METRICS

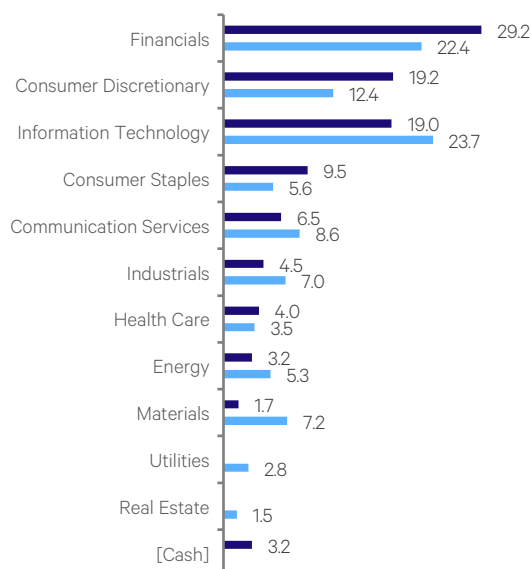
(Trailing 5 Years Net of Fees)	Portfolio	Benchmark
Annualized Excess Return	1.0%	n/a
Beta	0.97	1.00
Information Ratio	0.1	n/a
R-Squared	77.8%	100.0%
Sharpe Ratio	0.1	0.0
Standard Deviation	20.7%	18.9%
Tracking Error	9.8%	n/a
Up Capture	99%	100%
Down Capture	96%	100%

TOP TEN HOLDINGS (46.1% OF ASSETS)

Company	Sector	Domicile	Portfolio (%)	Owned Since
 Taiwan Semiconductor	Information Technology	Taiwan	7.8	2015
 MercadoLibre	Consumer Discretionary	Argentina	6.3	2012
 Nu Holdings	Financials	Brazil	5.5	2021
 Bajaj Finance	Financials	India	5.1	2018
 HDFC Bank	Financials	India	4.0	2017
 Titan	Consumer Discretionary	India	3.9	2019
 Britannia	Consumer Staples	India	3.5	2016
 Anta Sports Products	Consumer Discretionary	China	3.3	2016
 ASML Holding	Information Technology	Netherlands	3.3	2023
 Apollo Hospitals	Health Care	India	3.3	2012

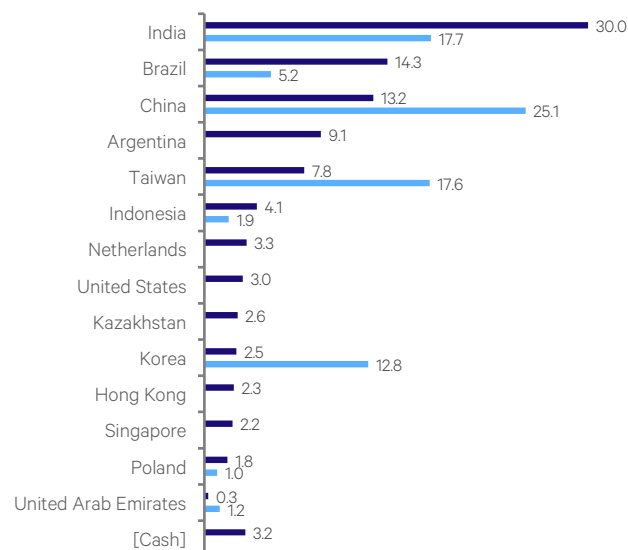
SECTOR EXPOSURE

● Portfolio ● Benchmark



REGIONAL EXPOSURE

● Portfolio ● Benchmark



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PORTFOLIO HOLDINGS BY SECTOR

SECTOR/COMPANY	GICS INDUSTRY	DOMICILE	PORTFOLIO (%)	BENCHMARK (%)	OWNED SINCE
Communication Services			6.5	8.6	
Kanzhun	Interactive Media & Services	China	1.1	0.1	2021
Sea	Entertainment	Singapore	2.2	-	2017
Tencent	Interactive Media & Services	China	3.2	3.6	2012
Consumer Discretionary			19.2	12.4	
Alibaba	Broadline Retail	China	1.3	2.0	2014
Americana Restaurants	Hotels Restaurants & Leisure	United Arab Emirates	0.3	0.0	2024
Anta Sports Products	Textiles Apparel & Luxury Goods	China	3.3	0.2	2016
Coupang	Broadline Retail	Korea	1.7	-	2022
Haidilao	Hotels Restaurants & Leisure	China	1.2	0.1	2021
Jubilant Foodworks	Hotels Restaurants & Leisure	India	1.1	0.0	2012
MercadoLibre	Broadline Retail	Argentina	6.3	-	2012
Titan	Textiles Apparel & Luxury Goods	India	3.9	0.2	2019
Consumer Staples			9.5	5.6	
Avenue Supermarts	Consumer Staples Distribution & Retail	India	0.5	0.1	2024
Britannia	Food Products	India	3.5	0.1	2016
Dino Polska	Consumer Staples Distribution & Retail	Poland	1.8	0.1	2023
Foshan Haitian Flavoring	Food Products	China	1.6	0.0	2020
Raia Drogasil	Consumer Staples Distribution & Retail	Brazil	2.1	0.1	2012
Energy			3.2	5.3	
Reliance Industries	Oil Gas & Consumable Fuels	India	3.2	1.5	2022
Financials			29.2	22.4	
AIA	Insurance	Hong Kong	2.3	-	2018
Bajaj Finance	Consumer Finance	India	5.1	0.3	2018
Bandhan Bank	Banks	India	0.7	0.0	2019
Bank Central Asia	Banks	Indonesia	2.6	0.5	2018
Bank Rakyat	Banks	Indonesia	1.5	0.4	2024
HDFC Bank	Banks	India	4.0	0.7	2017
HDFC Life Insurance	Insurance	India	1.8	0.1	2023
Kaspi	Consumer Finance	Kazakhstan	2.6	-	2020
Nu Holdings	Banks	Brazil	5.5	-	2021
XP	Capital Markets	Brazil	3.1	-	2020
Health Care			4.0	3.5	
Apollo Hospitals	Health Care Providers & Services	India	3.3	0.1	2012
Tigermid	Life Sciences Tools & Services	China	0.7	0.0	2020
Industrials			4.5	7.0	
CATL	Electrical Equipment	China	0.9	0.1	2023
Localiza	Ground Transportation	Brazil	2.0	0.1	2019
WEG	Electrical Equipment	Brazil	1.6	0.2	2023
Information Technology			19.0	23.7	
ASML Holding	Semiconductors & Semiconductor Equipment	Netherlands	3.3	-	2023
Globant	IT Services	Argentina	2.8	-	2020
Lam Research	Semiconductors & Semiconductor Equipment	United States	3.0	-	2022
Samsung SDI	Electronic Equipment Instruments & Components	Korea	0.7	0.3	2023
Taiwan Semiconductor	Semiconductors & Semiconductor Equipment	Taiwan	7.8	8.3	2015
Tata Consultancy Services	IT Services	India	1.2	0.6	2022
Materials			1.7	7.2	
Asian Paints	Chemicals	India	1.7	0.2	2012
Real Estate			-	1.5	
Utilities			-	2.8	
Cash			3.2	-	

Data presented is that of the Emerging Markets Growth Composite. The index represented will differ in characteristics, holdings, and sector weightings from that of the composite. The index does not contain cash and does not reflect the reinvestment of dividends. Rounding may cause figures to vary from 100.0%. GIPS Reports found [here](#). Source: Sands Capital, FactSet, MSCI.

Quarterly Letter

Dear Clients, Consultants, and Friends,

In the dynamic landscape of global equity markets, we were encouraged to see resilience and growth in the first quarter of 2024. Against a backdrop of uncertainty tied to fast-changing geopolitical factors, investor confidence seemed to be underpinned by strong fundamentals. What encourages us the most are the underlying catalysts fueling the

upward trajectory. We've observed robust earnings growth, a widening breadth of participation, and a notable decoupling of equities from the direction of interest rates. Remarkably, growth stocks defied many expectations by flourishing even in the face of elevated yields on the 10-year Treasury note.

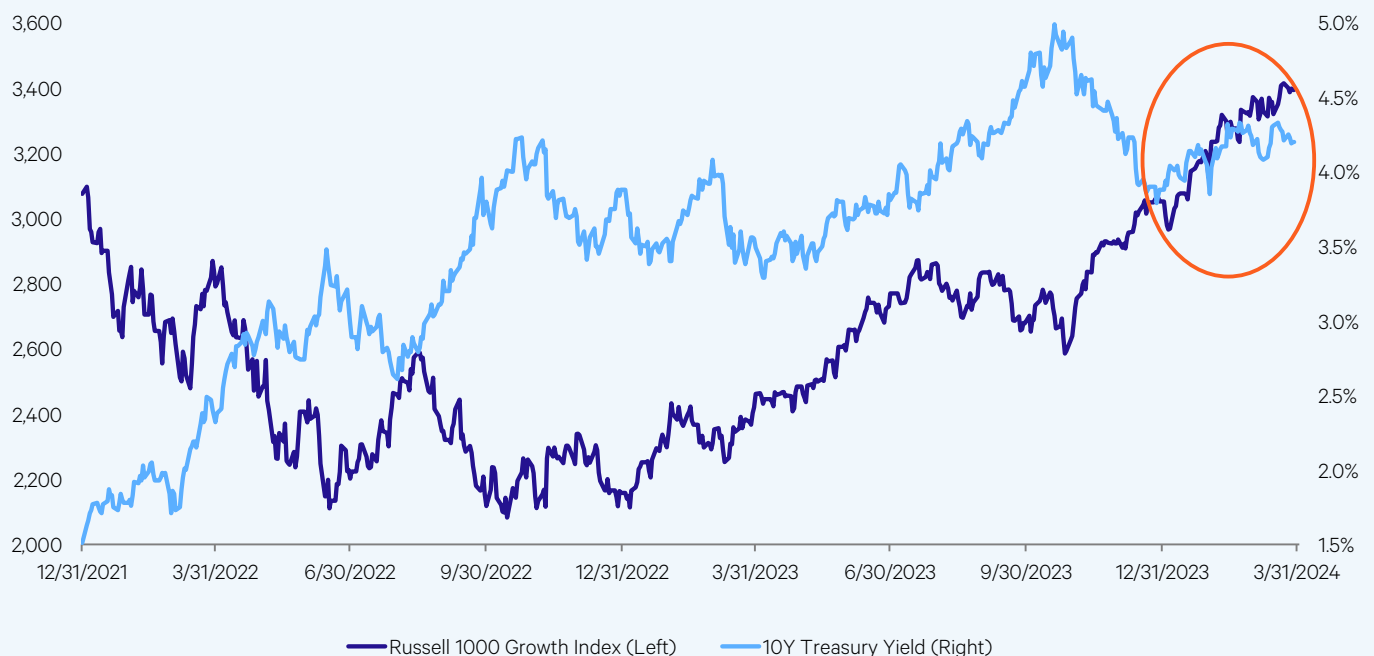
EXHIBIT 1

FUNDAMENTALS DROVE THE MARKET IN 2024'S FIRST QUARTER

Interest rates didn't dictate the market's direction in the first quarter, unlike in most of 2022 and 2023.

Russell 1000 Growth vs. 10-Year Treasury Yield

12/31/21 - 3/31/24



Source: FactSet. Data as of 3/31/24.

We would be remiss if we neglected to acknowledge the so-called Magnificent Seven, the group of leading technology companies whose performance serves as a barometer for the broader market. Contrary to the uniformity observed in 2023, when these constituents appeared to move in lockstep, the first quarter unveiled dispersion within the group.

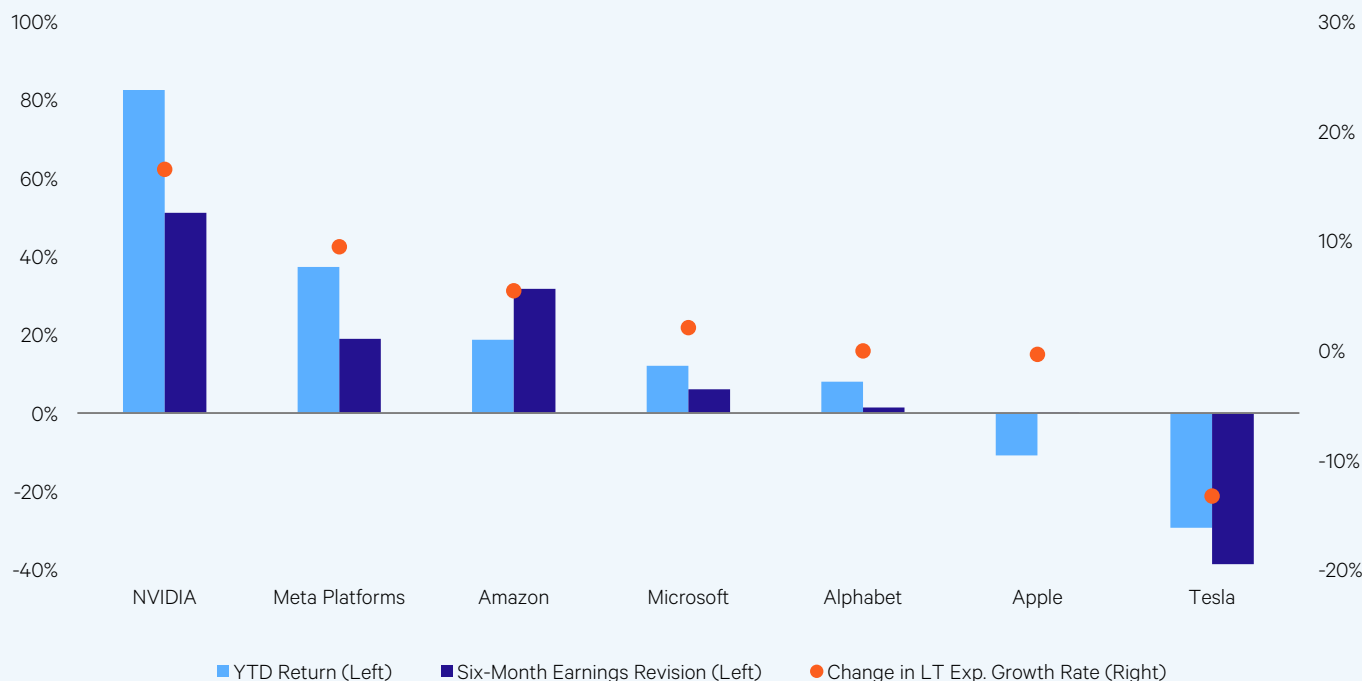
Importantly, growing disparities in their fundamental outlooks drove the divergent trajectories.

This nuanced break underscores the direction and sustainability of earnings growth. That key component is what matters for long-term investors like us, and what is so often overlooked in the short term.

EXHIBIT 2

DIVERGING FORTUNES FOR THE MAGNIFICENT SEVEN

Improving fundamentals largely drove investment results for the Magnificent Seven in 2024's first quarter.



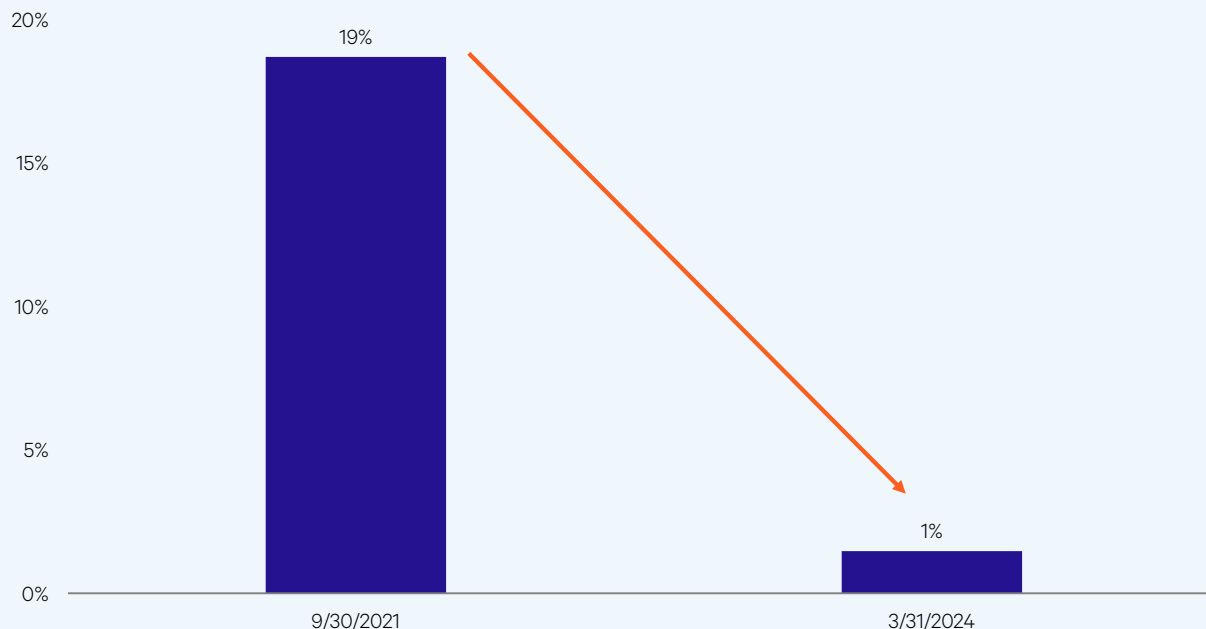
Source: FactSet. The Magnificent Seven is vernacular for a group of mega-cap stocks that are the largest weights in major stock indexes, such as the S&P 500 Index, Russell 1000 Index, and MSCI ACWI. It is used to refer to the set of seven big technology stocks: NVIDIA, Meta Platforms, Amazon, Microsoft, Alphabet, Apple, and Tesla. The chart is for illustrative purposes only and is not intended to represent the performance of any Sands Capital holdings or strategy. These seven stocks do not represent an index, and this chart should not be used for comparison purposes as it does not present a fair and balanced representation of any particular investment or strategy. The S&P 500 tracks the stock performance of 500 of the largest companies listed on stock exchanges in the United States. The MSCI ACWI captures large- and mid-cap representation across 23 developed markets and 24 emerging markets countries. The Russell 1000 Index is a stock market index that tracks the highest-ranking 1,000 stocks in the Russell 3000 Index, which represent about 93 percent of the total market capitalization of that index. Six-Month Earnings Revisions represent the six-month percentage change in consensus estimates for earnings per share in the current unreported year (i.e., FY1). YTD Return reflects the individual security return from 12/31/23 through 3/31/24. Change in LT Exp. Growth Rate measures the percentage point change in FY3 vs. FY0 consensus earnings per share estimates over the trailing six months.

Earnings power is ultimately what we care most about at Sands Capital, given our business owner's approach to investing. We don't necessarily dwell on the day-to-day or even quarter-to-quarter swings in the market. Instead, we focus on the 30 to 50 businesses that we own in each portfolio and the influences on their earnings power. The market's seeming reorientation to micro from macro has begun to reward our fundamentally oriented approach. But there's still a way to go, in our view. As we close the first quarter, we want to draw attention to the specific improvements in the underlying fundamentals of many portfolio businesses that the market may not yet fully appreciate.

One of the clearest ways we have found to highlight this fundamental improvement is through our exposure to unprofitable businesses. Exhibit 3 shows our Global Growth strategy's exposure to loss-making businesses since 2021's third quarter, and each of our portfolios has followed a similar trajectory. This decline isn't window dressing; we haven't simply swapped unprofitable businesses for profitable ones. Instead, many of the businesses we own have begun to report positive results, as competitive intensity has fallen, and operational improvements have yielded margin-boosting efficiencies. Importantly, this improvement in profitability hasn't come at the expense of growth.

EXHIBIT 3

PORTION OF GLOBAL GROWTH'S PORTFOLIO WITH NEGATIVE YIELD



Source: FactSet. All data as of 3/31/24 unless otherwise indicated. For illustrative purposes only. Values are those of the Global Growth Equity Composite. Earnings yield is the consensus non-GAAP (generally accepted accounting principles) earnings-per-share estimate over the next 12 months divided by the current share price. Forward earnings projections are not predictors of stock price or investment performance and do not represent past performance. Characteristics, sector exposure, and holdings information are subject to change and should not be considered as recommendations.

Our portfolios continue to feature higher earnings growth potential than their respective benchmarks.

Throughout 2022 as equities sold off globally, investors questioned the financial health of many of our high-conviction businesses. Unprofitable or barely profitable businesses were among our largest detractors from investment results. During that period, clients frequently asked why we continued to own these businesses, if they'd ever make money, and if they were broken growth stories. After re-underwriting all our businesses, we concluded that in most cases, their stocks had become disconnected from their fundamentals, that they were on a path to

profitability, and that patience would ultimately be rewarded.

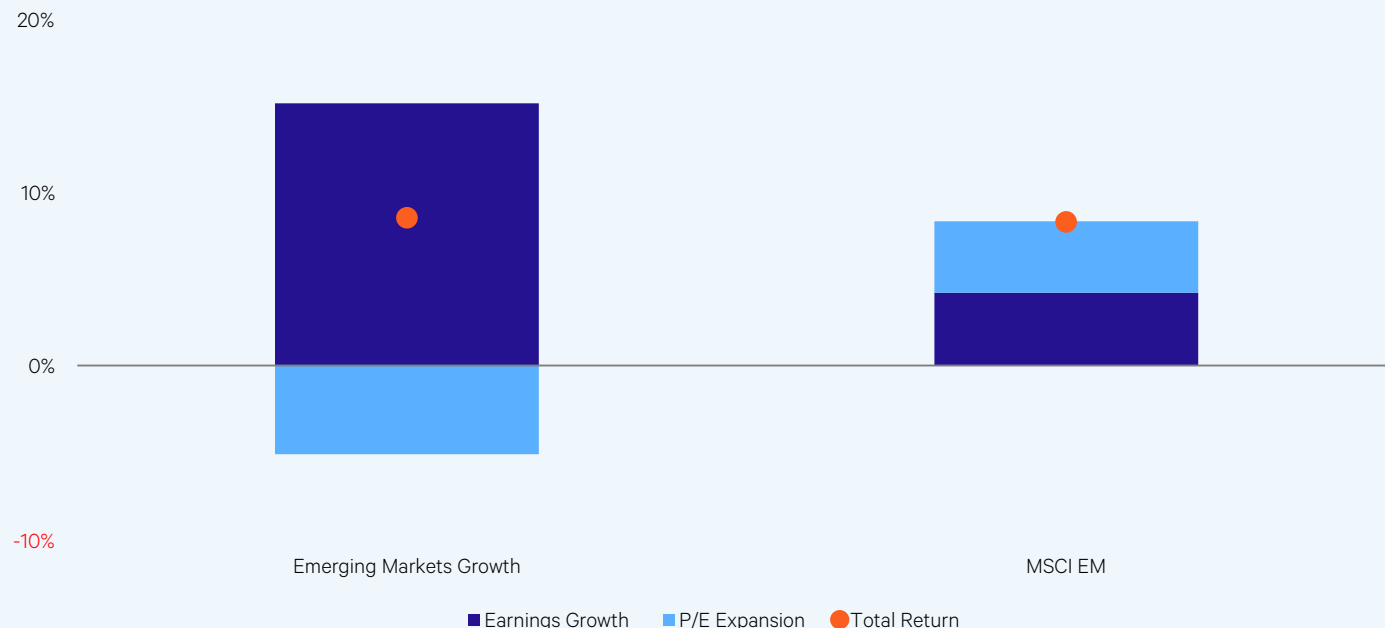
We aren't claiming success, but we are encouraged by the progress these businesses have made in achieving profitability across our portfolios.

The fundamental improvement we've seen across our businesses—both profitable and unprofitable—have yielded attractive investment results across our strategies. These results have largely been driven by earnings growth, unlike the returns of the broader market, which have benefitted more from multiple expansion.

EXHIBIT 4

IMPROVING FUNDAMENTALS ARE DRIVING RECENT INVESTMENT RESULTS

Emerging Markets Growth vs. MSCI Emerging Markets Index
1-Year Return Decomposition (3/31/23 – 3/31/24)



Source: FactSet. Chart uses monthly data as of 3/31/24. P/E expansion is the change in next 12 months' P/E multiple. Inception date is 12/31/12. Returns are cumulative and calculated monthly. The investment results shown are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. The investment results are those of the Emerging Markets Growth Composite. Net of fee performance was calculated by reducing the monthly gross composite return by 1/12 of the highest applicable annual fee of 1.25% for the period from January 1, 2013 to March 31, 2019. Beginning on April 1, 2019, the highest applicable annual fee was lowered and net of fee returns were calculated by reducing the monthly gross composite return by 1/12 of the highest applicable annual fee of 0.85%. Past performance is not indicative of future results. GIPS Reports found [here](#).

Real-world Examples

DoorDash—the market-leading food delivery platform in the United States—is a prime example of this fundamental improvement. While not yet profitable, its net margin has significantly grown over the past four years, and we expect continued expansion through at least 2028.

We believe three interconnected elements are driving the business' margin inflection: falling competitive intensity, improving unit economics, and new product expansion.

Falling competitive intensity: DoorDash's market share nearly doubled since 2019. The end of "free money" has driven rationalization, discouraging new entrants from entering the market and attracting customers through discounts and other perks. As competition has rationalized, the existing market leaders

entrenched their positions, which we believe has made it even less appealing for new entrants.

Improving unit economics: Stronger competitive positioning has resulted in less of a need to discount or engage in aggressive marketing tactics, which has improved the bottom line. Meanwhile, order frequency and engagement with the DoorDash application has increased, and the infrastructure has also improved. More route density and better technology—leading to faster deliveries and fewer errors—have all contributed to making each order more profitable.

New products: DoorDash's infrastructure improvements have narrowed the losses from new products. New products have helped drive order volumes and, in time, should also contribute to earnings, because they're layered onto an existing infrastructure and thus come

with high incremental margins. When we first purchased DoorDash, we didn't view it merely as a food-delivery app, but as a local logistics network. We're beginning to see that expectation play out, and the most recent example was the partnership announced with home-improvement retailer Lowe's in early April. Exhibit 5 illustrates these improvements and their results.







This story of underappreciated fundamental improvement isn't unique to the United States. **MercadoLibre**—Brazil's market-leading ecommerce provider—has also experienced a combination of falling competitive intensity and operational improvements. We estimate that MercadoLibre's market share in Brazil has grown from 30 percent in 2021 to 40 percent in 2023, driven by a combination of its improving logistics services and the country's high interest rates, which have crippled competitors.

This improved competitive position, along with a growing contribution from advertising revenue, has driven operating leverage. The business re-achieved profitability by GAAP standards in 2021. Between 2021 and 2023, its revenue doubled, and its operating income grew fourfold. From here, we expect revenue to grow threefold by 2029, with an over seven times increase in operating income.

This isn't just a technology-related story. India's **HDFC Bank** further extended its market leadership through last year's merger with mortgage-lender Housing Development Finance, resulting in its holding 16 percent market share of India's financial system, versus 11 percent pre-merger. While still smaller than the State Bank of India, HDFC Bank is India's largest private-sector bank by market share and is two-to-three times larger across key operating metrics than its closest private-sector peer.

EXHIBIT 5

CASE SUMMARY: DOORDASH

		2019	2023
+ Falling Competitive Intensity		U.S. Market Share %	33% 60%
+ Improving Unit Economics	 	Gain/Loss per Order \$	-\$0.48 \$2.31
+ New Products	  	% of MAUs Ordering from a New Vertical	0% 20%
= Accelerating Earnings Potential		Earnings: Net Margin	-75% -6.5%
		Earnings: Net Margin (2028 Est.)	19.6%

Sources: YipitData for U.S. market share; Sands Capital estimates for unit economics; DoorDash for new products; and FactSet for 2019 and 2023 net margin; Sands Capital estimate for 2028 net margin. Data as of 12/31/23. MAUs represents monthly active users. New Vertical refers to DoorDash services outside of core restaurant delivery. 2028 Est. represents Sands Capital's estimate for 2028.

The merger gives HDFC Bank increased scale, extends its distribution footprint, and completes its product portfolio. The key benefits we expect to see from its stronger market position over the medium to long term include better funding, improved cross-sell opportunities, and operating leverage. Overall, it supports a lower cost of operation and structurally higher profitability than its peers, which is a source of competitive edge in banking in terms of pricing and customer franchise (acquisition, cross-selling, and retention.)

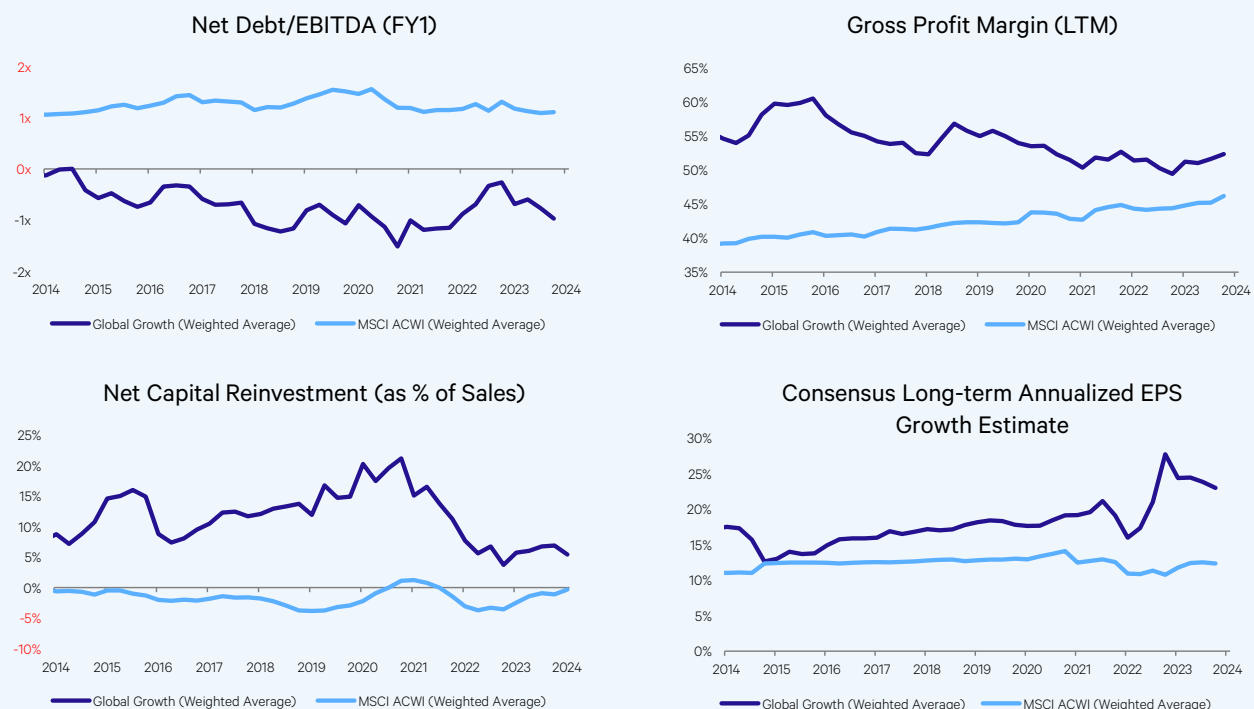
Financial Strength Underpins Earnings Potential

These fundamental improvements have bolstered the financial strength seen at the portfolio level. Financial strength is typically viewed as a defensive characteristic—especially in times of economic distress—but it can also underpin earnings potential. Relative to the broader market, our portfolios—as illustrated using Global Growth—tend to have net cash positions and higher structural margins, enabling investment to fortify their competitive moats and, in turn, long-term earnings potential.

EXHIBIT 6

FINANCIAL STRENGTH HELPS BUSINESSES CONTROL THEIR DESTINIES

Our businesses, on average, feature net cash positions and high structural margins. These characteristics help enable them to invest to fortify their competitive positions, resulting in higher long-term earnings potential.



For illustrative purposes only. All charts cover the period 3/31/14 to 3/31/24. Values are those of the Global Growth Equity Composite. Net Capital Reinvestment (as % of Sales) quantifies the percentage of sales that's retained for growth investment purposes. It is calculated as growth capital expenditure (i.e., capital expenditure minus depreciation) plus R&D, minus dividends and net capital issuance, all divided by sales. The index represented will differ in characteristics, holdings, and sector weightings from that of the Global Growth portfolio. The types of businesses that meet our criteria are typically found in sectors levered to consumers, health care, and technology. Similarly, we expect the portfolio to be underweight the more cyclical businesses found in sectors, such as energy and materials.

Compelling Valuations

So why are these businesses underappreciated? One would think that improving fundamental outlooks on top of firm financial foundations would command premium valuations. However, our portfolios offer compelling valuations, given their earnings-led rise. In the case of Emerging Markets Growth, the portfolio traded just modestly above the MSCI Emerging Markets Index on a growth-adjusted basis

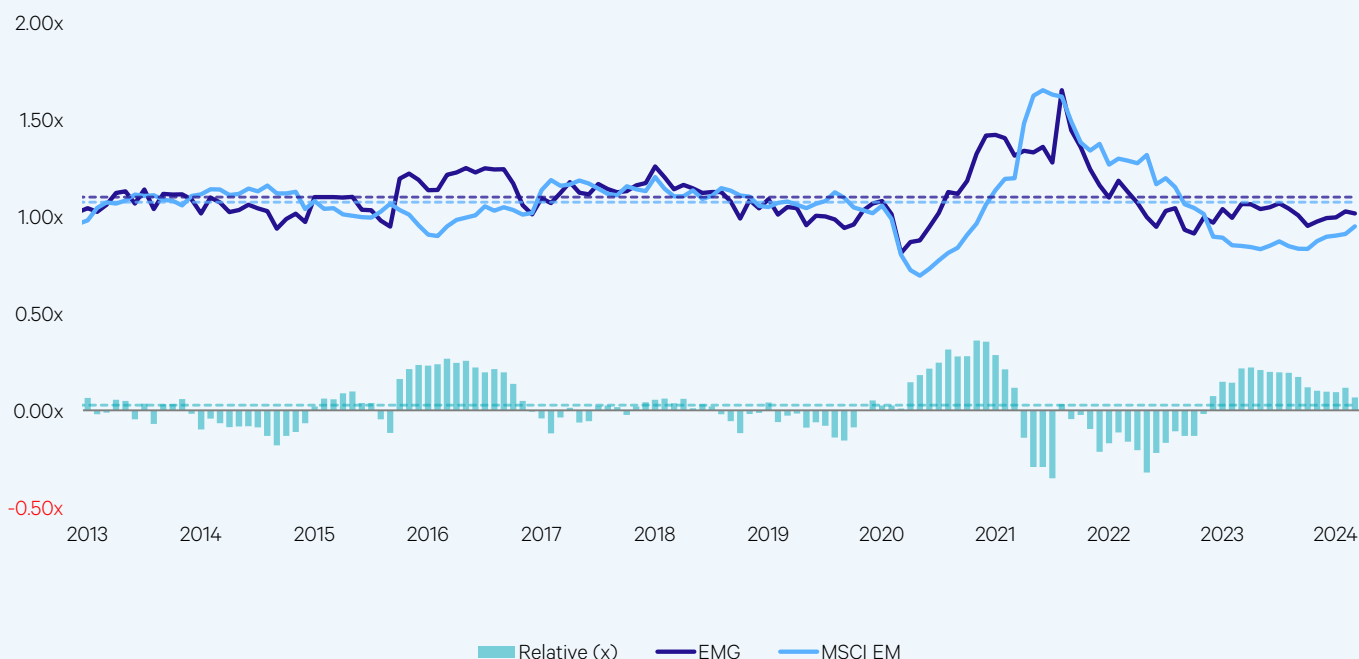
at the end of the first quarter (Figure 7)—and below its long-term average—despite significant earnings growth potential, durability, and financial strength.

At a company level, this valuation dynamic is even more apparent, with a significant portion of the portfolio trading at a lower forward price-to-earnings ratio (P/E) at the end of 2024's first quarter than at the beginning of 2023.

EXHIBIT 7

EMERGING MARKETS GROWTH'S RELATIVE VALUATION IS COMPELLING

Emerging Markets Growth (EMG) vs. MSCI Emerging Markets Index
P/E (NTM) to Exp. EPS Growth (STM) 12/31/12 – 3/31/24



Source: FactSet. For illustrative purposes only. "P/E to Exp. EPS Growth Ratio" is the NTM P/E ratio divided by the expected STM earnings growth for the portfolio and index. The calculation is inclusive of loss-making companies. "P/E" is price-earnings ratio. "NTM" is next 12 months. "STM" is "second 12 months," a weighted average of Fiscal Year 2 and Fiscal Year 3 estimates. This enables the comparison of companies with different fiscal year-ends and smooths the effect of near-term distortion caused by events, such as the coronavirus pandemic. STM growth is calculated as a percentage difference in the portfolio's or benchmark's weighted average NTM and STM earnings yield (estimated earnings per share/current price). Past performance is not indicative of future results. Growth estimates are not predictors of stock price or investment performance and do not represent past performance. You should not assume that any investment is or will be profitable.

Appreciating the Underappreciated

Jim Grant, who founded Grant's Interest Rate Observer, famously said “The key to successful investing is having everyone agree with you—later.” At Sands Capital, we have another saying that works well with Grant’s. We believe that “You must be there, not be getting there.”

In other words, active investors need to own the right businesses for their clients when the

fundamentals and potential of these businesses are strong but before their stock prices fully reflect that potential. To do that, we have to see what the market is missing, which today are these underappreciated improving fundamentals.

Sincerely,

THE INVESTMENT TEAM

The views expressed are the opinion of Sands Capital and are not intended as a forecast, a guarantee of future results, investment recommendations or an offer to buy or sell any securities. The views expressed were current as of the date indicated and are subject to change. This material may contain forward-looking statements, which are subject to uncertainty and contingencies outside of Sands Capital's control. GIPS Reports found [here](#).

All investments are subject to market risk, including the possible loss of principal. Readers should not place undue reliance upon these forward-looking statements. There is no guarantee that Sands Capital will meet its stated goals. Past performance is not indicative of future results. A company's fundamentals or earnings growth is no guarantee that its share price will increase.

Unless otherwise noted, the companies identified represent a subset of current holdings in Sands Capital portfolios and were selected on an objective basis to illustrate examples of market-share leaders in their respective geographies and industries. DoorDash is the largest food-delivery holding across Sands Capital strategies; HDFC Bank is our largest financial services holding in emerging markets; and MercadoLibre is our largest holding in Latin America. As of March 31, 2024, DoorDash, HDFC Bank, and MercadoLibre were holdings

in Sands Capital strategies. Any holdings outside of the portfolio that were mentioned are for illustrative purposes only.

Information contained herein may be based on, or derived from, information provided by third parties. The accuracy of such information has not been independently verified and cannot be guaranteed. The information in this document speaks as of the date of this document or such earlier date as set out herein or as the context may require and may be subject to updating, completion, revision, and amendment. There will be no obligation to update any of the information or correct any inaccuracies contained herein. References to “we,” “us,” “our,” and “Sands Capital” refer collectively to Sands Capital Management, LLC, which provides investment advisory services with respect to Sands Capital's public market investment strategies, and Sands Capital Ventures, LLC, which provides investment advisory services with respect to Sands Capital's private market investment strategies, which are available only to qualified investors. As the context requires, the term “Sands Capital” may refer to such entities individually or collectively.

#20240416-3512048

Contribution Analysis

CONTRIBUTION ANALYSIS (NET %)

Top Absolute Contributors

Quarter to Date

Company Name	Average Weight	Return	Contribution
Taiwan Semiconductor	7.2	30.9	2.0
Nu Holdings	4.8	42.9	1.8
Lam Research	3.5	24.0	0.9
ASML Holding	3.1	28.1	0.8
Kaspi	2.1	39.5	0.8

Trailing 1 Year

Company Name	Average Weight	Return	Contribution
Nu Holdings	3.6	150.0	3.5
Taiwan Semiconductor	6.0	47.7	2.8
Lam Research	3.0	84.6	2.1
XP	2.9	127.8	2.0
Apollo Hospitals	3.9	44.6	1.5

Trailing 3 Year

Company Name	Average Weight	Return	Contribution
Nu Holdings	1.8	23.9	2.8
Lam Research	1.4	88.4	2.4
MercadoLibre	6.7	1.0	2.1
Apollo Hospitals	4.4	90.1	1.9
Titan	2.8	112.4	1.8

Trailing 5 Year

Company Name	Average Weight	Return	Contribution
Sea	5.5	123.4	10.6
MercadoLibre	6.3	192.8	9.0
Taiwan Semiconductor	5.4	263.9	5.2
Apollo Hospitals	3.9	327.1	3.3
Nu Holdings	1.1	22.9	2.8

Bottom Absolute Detractors

Company Name	Average Weight	Return	Contribution
HDFC Bank	4.2	-15.8	-0.8
AIA	2.8	-23.3	-0.7
Globant	3.2	-15.5	-0.5
Localiza	2.2	-16.9	-0.5
Jubilant Foodworks	1.7	-21.0	-0.4

Company Name	Average Weight	Return	Contribution
Sea	3.0	-38.5	-3.0
AIA	3.3	-35.5	-1.3
Foshan Haitian Flavoring	1.9	-41.2	-1.3
Anta Sports Products	3.1	-26.2	-1.2
Tigermed	1.1	-59.9	-1.1

Company Name	Average Weight	Return	Contribution
Sea	5.0	-77.6	-6.4
Alibaba	2.9	-70.7	-3.3
Tencent	4.7	-47.4	-3.3
Wuxi Biologics	2.2	-83.9	-3.1
Yandex	1.2	-70.9	-2.4

Company Name	Average Weight	Return	Contribution
Bandhan Bank	1.0	-77.5	-2.2
NAVER	0.6	-55.2	-2.0
Country Garden Services	0.3	-83.1	-1.9
Tigermed	1.1	-73.8	-1.6
Trip	1.1	-38.3	-1.6

All values are those of the Emerging Markets Growth Composite. The companies identified above represent a subset of current holdings in the Emerging Markets Growth portfolio and were selected based on the performance measures presented. With the exception of IPOs where actual transacted prices are used, contributions are calculated in FactSet Portfolio Analysis using FactSet end of day prices, and do not reflect actual purchase prices. This can affect the presentation of contribution and performance of transactions amid heightened volatility. Security return and contribution are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. Attribution generated returns will not match actual performance because FactSet uses different exchange rate sources, the performance does not capture intra-day trading, and the analysis removes the impact of cash flows. Relative Return calculations do not incorporate risk or volatility impacts and should not be exclusively relied upon. To receive a description of the calculation methodology for the attribution analysis and a complete list detailing each holding's attribution please contact a member of the Client Relations Team at 703-562-4000. GIPS Reports found [here](#). Past performance is not indicative of future results. This communication is for informational purposes only and does not constitute an offer, invitation, or recommendation to buy, sell, subscribe for, or issue any securities. The material is based on information that we consider correct, and any estimates, opinions, conclusions, or recommendations contained in this communication are reasonably held or made at the time of compilation. However, no warranty is made as to the accuracy or reliability of any estimates, opinions, conclusions, or recommendations. It should not be construed as investment, legal, or tax advice and may not be reproduced or distributed to any person.

1Q24 CONTRIBUTOR

ASML Holding's fourth-quarter 2023 results signaled the potential beginning of an up cycle for semiconductor capital expenditures.

The company reported its largest bookings number ever, driven by record memory intake. Its book-to-bill ratio, a leading indicator of demand trends that measures the ratio of orders received to orders filled, rebounded from 0.5x in 2023's third quarter to 1.6x in the fourth quarter. ASML reported a record \$4.3 billion in memory-related bookings, driven by high bandwidth memory demand for artificial intelligence (AI) purposes and rising manufacturing complexity for the latest dynamic random-access memory iteration.

ASML ended the quarter as a top-10 holding in Emerging Market Growth. The business continues to operate at a chokepoint in one of the world's largest secular trends, in our view. We expect high double-digit annualized earnings growth over the next five years. We could see significant upside to our estimates, driven by both logic and memory demand, if large language models are integrated closer to their end users. Several companies highlighted the need for more local computing power in personal computers and smartphones, which could result in a generative AI upgrade cycle within consumer electronics. This would require significantly more chips and, in turn, equipment to manufacture those chips.

TRAILING 1 YEAR CONTRIBUTOR

Taiwan Semiconductor's strong fourth-quarter 2023 results signaled a rebound in the semiconductor market—led by leading-edge chips—and that the business remains a primary beneficiary from artificial intelligence (AI) demand.

Both revenue growth and first-quarter 2024 guidance exceeded consensus expectations. Management soft-guided for 2024 growth to be in the low-to-mid 20 percent range—higher than the 20 percent growth expected entering the quarter. The business is seeing a strong rebound in semiconductor industry growth, citing healthier inventory levels. Easier year-over-year comparisons should also boost growth. Leading-edge demand remains strong, with TSMC expecting revenue for its 3 nanometer chip to more than triple in 2024.

Management expects AI-related revenue to grow 50 percent annually, ultimately accounting for 15 percent to 19 percent of all revenue by 2027. Taiwan Semiconductor's energy efficiency and dependable technology road maps have helped it establish relationships with most—if not all—of the current AI innovators. Chip-on-wafer-on-substrate packaging capacity, a bottleneck in the AI chip manufacturing process, will increase twofold in 2024, which should enable more production capability.

We're confident that Taiwan Semiconductor will maintain its technology leadership and continue to reap the benefits of the growing demand for high-performance computing. Intel, its primary competitor, claims that the next-generation node it's releasing in 2025 will be superior to TSMC's. Even if Intel is able to achieve tech parity, we believe that TSMC's execution track record and focus on fabrication will enable TSMC to maintain its market-share leadership within leading-edge chip manufacturing.

1Q24 DETRACTOR

AIA shares fell in the first quarter. Poor global investor sentiment for Chinese stocks continued to pressure AIA's stock, which we view as increasingly dislocated from fundamentals.

The business' fourth-quarter results were strong, with the value of new business growth and margins topping consensus expectations. Growth in Hong Kong and mainland China—key drivers of our investment case—were up 82 percent and 20 percent year-over-year, respectively, driven by accelerating agency recruitment, rising agency productivity, and growing bancassurance partnership contribution.

Management didn't commit to extending its stock buyback program that will expire in 2024's fourth quarter, which was one negative from the quarter. That said, management did mention its ongoing review of the capital structure, including optimization of investment in new business and shareholder returns. While we are cautiously optimistic that the company could extend the program later this year, we agree with management that capital return considerations should be balanced with new business investments, which AIA's chief financial officer disclosed as generating internal rates of return in excess of 20 percent with short payback periods.

AIA remains one of our highest-conviction businesses with operations in China. We expect it to continue to benefit from the secular tailwind of life insurance adoption across Emerging Asia. Meanwhile, the stock ended the quarter trading well below its 10-year average price-to-book and price-to-earnings ratios, offering what we view as an attractive risk/reward profile.

TRAILING 1 YEAR DETRACTOR

Sea shares declined over the past year amid concerns about competition. Recent results and research suggest to us, however, that Sea's competitive position remains strong and, importantly, the business can deliver healthy—and profitable—growth. Management expects Sea's ecommerce business Shopee to reattain profitability in 2024's second half.

During the second half of 2023, Sea embarked on a new investment cycle to fend off competition from TikTok. Early results suggested slower-than-expected growth acceleration at Shopee, which, combined with TikTok's strategic partnership with Tokopedia, Indonesia's second-largest ecommerce platform, led investors to question Shopee's ability to maintain market leadership in Southeast Asia.

Investment efficiency was meaningfully substantiated in 2023's fourth quarter, with Shopee accelerating gross merchandise volume (GMV) growth and reducing EBITDA losses in a more rationalized competitive environment. While TikTok remains a formidable competitor, we believe the market is underappreciating Shopee's competitive moats created by lower service costs and price competitiveness. Shopee's sizable and expanding owned-logistics infrastructure should fortify a new moat of superior service quality, in our view, helping Shopee defend—if not extend—market leadership.

Looking ahead, management expects Shopee to return to profitability in 2024, and we expect Shopee to deliver EBIT margins (as a percentage of GMV) of 2 percent within the next five years. For comparison, this is higher than Amazon's 2023 ecommerce EBIT margin, which was 1.7 percent.

The companies identified above represent a subset of current holdings in the Emerging Markets Growth portfolio and were selected based on the performance measures presented.

Purchases & Sales

PURCHASES

Bank Rakyat Financials

Bank Rakyat is Indonesia's oldest bank and the country's largest microfinance lender, by market share.

Indonesia's largely informal economy is fueled by micro loans, or small loans that facilitate the working capital needs of small enterprises and low-income individuals. Bank Rakyat has commanded over 50 percent market share in microlending over the past decade and now has a near-monopolistic position following the acquisitions of Pegadaian and Permodalan Nasional Madani in 2021.

Microfinance remains the most profitable lending product in Indonesia and accounts for the bulk of Bank Rakyat's interest income and operating profit. In addition to high yields, Bank Rakyat's microfinance business benefits from cheap funding via the bank's large deposit base and relatively low loan losses across economic cycles.

The business is a former Emerging Markets Growth holding (2014 to 2018) that we are reembracing. We sold the business in 2018 on concerns that government-subsidized lending (Kredit Usaha Rakyat, or KUR) was cannibalizing more profitable commercial micro lending. We no longer have those concerns, as we believe the KUR program has reached saturation among Bank Rakyat's customer base, as shown by its gradual decline as a percentage of the company's overall micro loan book since 2021.

We view Bank Rakyat as a complement to Bank Central Asia, an Indonesian bank already in Emerging Markets Growth. Bank Rakyat is more of a yield-driven lending business, while Bank Central Asia's competitive advantage resides in its transaction banking leadership. The customer bases also differ, with Bank Rakyat primarily serving rural and less-affluent urban customers while Bank Central Asia focuses on the urban middle class and commercial enterprises.

Underpinning both businesses is what we view as an attractive macroeconomic backdrop. Indonesia is well positioned for mid-single-digit real gross domestic product growth over the next decade, supported by a stable policy environment, improving economic management, lower external financing vulnerabilities, and growing regional geopolitical influence.

HDFC Life Insurance Financials

HDFC Life Insurance is one of India's largest life insurance providers. It is the country's market-share leader for protection products, which include term life and credit-linked life insurance.

We expect durable demand for life insurance in India over the next decade, driven by rising incomes, urbanization, and financial inclusion and awareness. Less than 15 percent of the Indian population is covered by life insurance policies, and one of the Vision 2047 project's goals is to insure every Indian by 2047. We expect private-sector insurers to capture much of this growth; the state-owned Life Insurance Company of India has ceded over 30 percent of market share since the industry was privatized in 2000.

Within this growing industry, we believe that distribution capabilities will be the most critical determinant of market leadership, given the lack of differentiation in insurance policy terms and leading private-sector insurers' brand equity. The 2023 merger of parent company HDFC Bank and Housing Development Finance—which premerger were the country's largest private-sector bank and mortgage lender by market share, respectively—provides HDFC Life Insurance with a formidable distribution footprint.

The securities identified represent full purchases and sales within the prior quarter but do not include weight changes. In-progress purchase investment actions are not included. Upon request, a complete list of securities purchased and sold will be provided. It should not be assumed that these holdings were or will be profitable. GIPS Reports found [here](#).

Purchases & Sales

SALES

ICICI Prudential Life Insurance

Financials

We funded our purchase of HDFC Life Insurance with our exit from **ICICI Prudential Life Insurance** (IPRU).

Our initial investment case hinged on IPRU's ability to deliver premium growth and margin expansion in part by leveraging its partnership with ICICI Bank, its parent company. However, ICICI Bank limited the distribution of long-term savings products at its bank branches. For context, such products account for nearly 75 percent of IPRU's annualized premium equivalent. The lack of support from ICICI Bank led IPRU to rely more heavily on independent distribution channels, in which it faces more price competition and, in turn, lower margins. This makes IPRU a weaker fit with our criteria.

In addition to the distribution challenges, IPRU's CEO and CFO both left the company in 2023, driving further uncertainty about IPRU's strategic direction and the quality of the new leadership team.

Wuxi Biologics

Health Care

We exited **Wuxi Biologics**, due to increased geopolitical and regulatory challenges, which undermine our conviction in the company's ability to meet our above-average growth and financial strength criteria.

U.S. lawmakers introduced bills in February seeking to curtail the role of Chinese "biotechnology companies of concern" in the U.S. biopharmaceutical supply chain, specifically naming Wuxi Biologics, as well as its sister company Wuxi Apptec, as entities of concern. From a national security perspective, the U.S. Congress is primarily concerned about any transfer of genomic data to Chinese companies, which may ultimately be shared with an adversarial government.

For context, Wuxi Biologics derived nearly half of its revenue from U.S.-based projects in 2023's first half. While geopolitical risks have risen for many Chinese companies in recent years, we believed that biotech would be an exception, given the industry's vital role in delivering life-saving treatments for human diseases globally. Moreover, given that China produces and exports approximately 40 percent of the world's active pharmaceutical ingredients, any regulation in biomedicine would be highly disruptive to a mission-critical industry. However, U.S. policymakers appear to increasingly view the biotech industry from the lens of national security (namely, personal data) and supply chain security (namely, overdependence on an adversarial nation).

We do not believe Wuxi Biologics has access to patient-level genomic data from U.S. clients, nor does it engage in noncommercial activity with the Chinese government. However, given our view that these geopolitical issues are likely to persist, we determined that exiting was the most prudent course of action.

CARBON EXPOSURE - REPORTED MARCH 31, 2024

	Carbon Footprint			WEIGHTED AVERAGE CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
	CARBON EMISSIONS	TOTAL CARBON EMISSIONS	CARBON INTENSITY		
Emerging Markets Growth	14.5	14,462	63.7	57.4	89%
MSCI EM	265.1	265,069	363.0	319.0	100%
	tCO2e/\$M Invested	tCO2e	tCO2e/\$M Sales		Market Value

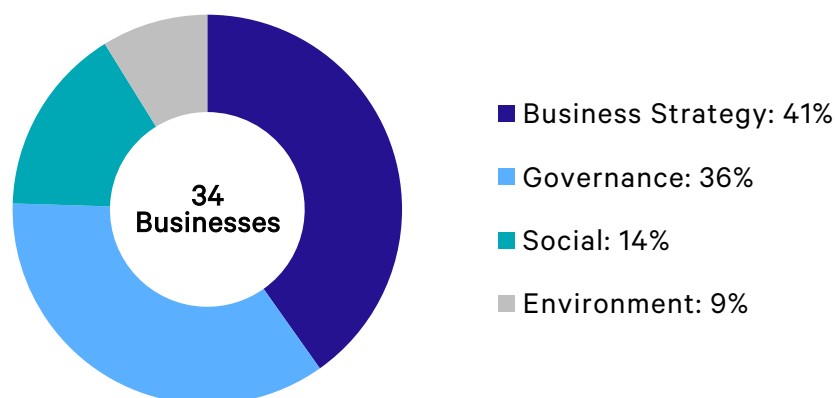
Carbon Intensity allows comparison of emissions across companies of different sizes and in different industries. At a business level, MSCI ESG Research calculates Carbon Intensity as Scope 1 & 2 carbon emissions per dollar of sales. The portfolio-level Weighted Average Carbon Intensity is the sum product of the business weights and their intensities.

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VOTING ACTIVITY - TRAILING 12 MONTHS ENDING MARCH 31, 2024

VOTES	BUSINESSES	RESOLUTIONS	%
Cast in Favor of Management	54	460	96%
Cast Against Management	6	13	3%
Abstentions	3	4	1%
		477	100%

ENGAGEMENT ACTIVITY - TRAILING 12 MONTHS ENDING MARCH 31, 2024



TOPICS ADDRESSED

Governance

Board structure or composition
Capital structure
Shareholder protections and rights
Regulation
Management accountability
Executive compensation
Increasing transparency and disclosure
Related-party transactions
ESG strategy and oversight
Audit and accounting

Social

Human capital management
Data security and privacy
Product safety and impact
Regulation
Health and safety
Labor rights
Diversity and inclusion
Human rights

Environmental

Environmental policy and strategy
Materials use and sourcing
GHG emissions or climate change strategy
Energy use and efficiency
Pollution and waste management
Regulation
Water use and efficiency

We may refrain from voting when issues arise that cause us to determine that voting proxies is not in the best interest of our clients or that it is not reasonably possible to determine whether voting proxies will be in the best interests of clients. Additionally, we do not vote in certain countries that require "share blocking," due to the possible liquidity constraints that could result in the cost of voting outweighing the benefit to the client. Shares out on loan also may not be voted.

Sands Capital regularly engages with the management teams and, if appropriate, board members of portfolio businesses to better understand each business's long-term strategic vision and management of risks and opportunities, including those pertaining to environmental, social, and governance (ESG) matters. More information is available in the Sands Capital Engagement Policy at <https://sandscapital.com/media/Sands-Capital-Engagement-Policy-Statement.pdf>.

Localiza



Business: Localiza is a leading diversified mobility platform in Brazil.

Key issues: Executive compensation, greenhouse gas emissions, human capital management.

Localiza is Brazil's largest provider of car rentals, fleet rentals, and car subscriptions by market share. The company was founded in 1973 and has since become one of the largest publicly traded car rental companies in the world. The firm has a management team that is held in high esteem throughout its industry, due partly to its history of achieving strategic priorities. Recently, we met with Localiza's chairman, lead independent board director, and head of investor relations to review the business' environmental, social, and governance (ESG) policies.

The primary reason for this engagement was to discuss the company's stock grant program. The program's goal is to cultivate a group of executives who have an owner's mindset toward the business. Given that the executives who founded Localiza are beginning to step away from the company's affairs, this program is an effort to establish continuity in leadership at the firm. The vesting schedule of the incentive program is heavily backloaded, with both financial and ESG metrics

evaluated. Currently, only Localiza's CEO and chief operating officer participate in this plan. While we generally support the plan's structure and goals, we recommended the company seek to add greater diversity to plan participants. We believe this will introduce a wider range of perspectives into the firm's decision-making process, which will provide the company with greater oversight of any potential risks.

We also had an opportunity to discuss the progress the company is making on its environmental and social policies. Localiza has not yet set a science-based emissions reduction target, but it does offset its Scope 1 and Scope 2 emissions. During our engagement with the company, Localiza representatives indicated that the firm is evaluating different science-based targets, and they are optimistic the firm will be able to disclose one soon. We hope to follow up with the company's ESG team on this matter and further disclosures regarding its carbon offsets.

Human capital management was also discussed during this engagement. While women account for approximately half of the company's middle management, only one out of every 12 senior managers at the company is a woman. The firm responded positively to this assessment by indicating it has committed to increasing female participation at the senior level. Localiza has dedicated resources promoting career development programs for women and the creation of internal initiatives focused on fostering gender awareness. Company representatives highlighted the example of a podcast that features discussions on gender diversity within the company.

Overall, we believe Localiza's serious approach to ESG matters reflects its strong management team, and we look forward to future ESG engagements with the firm.

This report is an example of the type of fundamental research Sands Capital conducts and, as such, contains the opinions and comments of Sands Capital at points in time. Additional or subsequent information may cause Sands Capital's views to change. This report is not a complete analysis of all material facts and therefore is not a sufficient basis alone on which to base an investment decision. This material may include summaries and references to research notes, emails, conference calls, and meetings, and there is no guarantee or representation that this information is complete, current, or accurate. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy and is not a complete summary or statement of all available data. This report is for informational purposes only. This report represents proxy proposals reviewed by Sands Capital ("Sands Capital" or "the Firm"). Per Sands Capital's Proxy Voting Policy, there may be situations in which the Firm may abstain from voting a particular proxy or proposal. Please refer to Sands Capital's Proxy Voting Policy located at [Stewardship - Sands Capital](#) for additional information. All proxy proposal decisions listed are the opinion of Sands Capital and are not intended as a forecast, a guarantee of future results, investment recommendation, or an offer to buy or sell any securities.

Emerging Markets Growth Composite (EMGC) GIPS Report

YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD \$M)	EMGC			MSCI EM		NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD \$M)
			NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	MSCI EM	ANN. 3 YR. STD. DEV.			
2022	16	\$6,626.47	-34.18	-33.60	24.23	-20.09	20.26	0.02	0.23	\$40,707.08
2021	23	\$13,014.02	-9.01	-8.23	21.42	-2.54	18.33	0.02	0.44	\$75,340.29
2020	10	\$6,521.97	54.79	56.05	22.43	18.31	19.60	0.04	0.17	\$68,621.83
2019	8	\$3,551.45	28.20	29.39	14.85	18.42	14.17	0.05	0.21	\$44,636.85
2018	10	\$2,432.63	-13.97	-12.86	15.97	-14.57	14.60	0.06	0.30	\$35,387.67
2017	9	\$2,010.72	39.12	40.82	14.51	37.28	15.35	0.08	0.28	\$41,331.26
2016	9	\$1,114.66	2.51	3.81	16.03	11.19	16.07	0.10	0.24	\$34,914.29
2015	8	\$776.57	-8.90	-7.76	15.43	-14.92	14.06	0.14	0.30	\$44,192.42
2014	<5	\$444.88	5.71	7.04	— ²	-2.19	— ²	0.34	n.m. ¹	\$47,659.83
2013	<5	\$1.17	12.64	14.02	— ²	-2.60	— ²	100.00	n.m. ¹	\$42,067.92

Net Returns

As of 03/31/2024	QTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/31/2012)
EMGC	2.8	8.5	-11.0	3.3	4.7	5.4
MSCI EM	2.4	8.2	-5.1	2.2	2.9	2.3

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to having less than 36 months of returns. As of October 1, 2021, the firm was redefined to be the combination of Sands Capital Management, LLC and Sands Capital Ventures, LLC. Both firms are registered investment advisers with the U.S. Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940, as amended. The two registered investment advisers are combined to be one firm for GIPS purposes and are doing business as Sands Capital. Sands Capital operates as a distinct business organization, retains discretion over the assets between the two registered investment advisers, and has autonomy over the total investment decision making process. Prior to October 1, 2021, the firm was defined as Sands Capital Management, LLC, is an independent registered investment adviser. Sands Capital claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Sands Capital has been independently verified for the periods February 7, 1992 through December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Emerging Markets Growth Composite ("EMGC") has had a performance examination for the periods December 31, 2012 through December 31, 2022. The verification and performance examination reports are available upon request. The EMGC reflects information from all fee-paying and non-fee-paying accounts managed in the Emerging Markets Growth strategy. The Emerging Markets Growth strategy is a concentrated portfolio that normally consists of the equity securities of 30 to 50 primarily large and mid-capitalization growth businesses. Portfolio companies are domiciled, listed, or have significant exposure (e.g., substantial portion of revenues, profits, or productive assets) to emerging and frontier markets. The portfolio may invest in ADRs, foreign securities traded on foreign exchanges, and may include the use of derivative access products including Low Exercise Price Warrants ("LEPWs") and Participation Notes ("P-Notes") to gain exposure to certain foreign markets where direct investment is restricted or not always practical or cost efficient. The strategy may experience losses as it is subject to equity securities risk, market and issuer risk, selection risk, growth style risk, concentration risk, currency exchange risk, foreign company risk, derivatives risk and other economic risks that may influence the returns of this strategy. The benchmark for the EMGC is the MSCI Emerging Markets Index ("MSCI EM"). The MSCI EM is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of emerging markets. The EMGC may hold securities not included in the MSCI EM and Sands Capital may invest in securities not covered by the index. The annual composite dispersion presented is an asset-weighted standard deviation calculated of performance dispersion for accounts in the composite for the entire year, using beginning of period values. The U.S. dollar is the currency used to express performance. Returns include the effect of foreign currency exchange rates. Gross and net performance includes the reinvestment of all income and is presented net of expenses, foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. The benchmark return is net of the maximum withholding tax rate of the constituent company's country of incorporation applicable to institutional investors. Net of fee performance was calculated by reducing the monthly gross composite return by 1/12 of the highest applicable annual fee of 1.25% for the period from January 1, 2013 to March 31, 2019. Beginning on April 1, 2019, the highest applicable annual fee was lowered and net of fee returns were calculated by reducing the monthly gross composite return by 1/12 of the highest applicable annual fee of 0.85%. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A list of composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. Past performance is not indicative of future results. The investment management fee schedule for separate accounts is 0.85% on the first \$50 million, 0.65% on the next \$200 million and 0.55% on all assets above \$250 million. The Sands Capital Emerging Markets Growth Master Fund LP, which is included in the composite, has an investment management fee schedule of 0.85% on all assets and the total expense ratio is 1.00%. Accounts may also pay a performance-based fee that consists of a base fee plus a percentage of the annualized excess return versus the benchmark. Additional information regarding performance fees is available upon request. Actual investment advisory fees incurred by clients may vary which will result in performance that may be higher or lower. 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Global Growth Equity Composite (GGEC) GIPS Report

YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD \$M)	GGEC			MSCI ACWI			NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD \$M)
			NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	MSCI ACWI	ANN. 3 YR. STD. DEV.				
2022	22	\$12,198.63	-43.63	-43.13	26.71	-18.36	19.86	0.00	0.27	\$40,707.08	
2021	22	\$24,989.26	10.22	11.17	18.47	18.54	16.84	0.00	0.22	\$75,340.29	
2020	18	\$18,329.54	49.57	50.81	19.87	16.26	18.13	0.00	0.43	\$68,621.83	
2019	18	\$12,690.57	30.65	31.72	14.24	26.60	11.22	0.00	0.41	\$44,636.85	
2018	15	\$9,713.59	-2.85	-2.03	14.93	-9.42	10.48	0.00	0.14	\$35,387.67	
2017	14	\$10,812.64	38.88	40.01	13.85	23.97	10.36	0.00	0.20	\$41,331.26	
2016	21	\$9,019.25	0.54	1.41	14.56	7.86	11.06	0.00	0.12	\$34,914.29	
2015	18	\$9,129.68	0.40	1.27	13.92	-2.36	10.79	0.00	0.18	\$44,192.42	
2014	19	\$9,285.34	5.37	6.26	13.72	4.16	10.50	0.00	0.25	\$47,659.83	
2013	18	\$7,531.91	27.89	28.97	16.28	22.80	13.94	0.00	0.25	\$42,067.92	

Net Returns

As of 03/31/2024	QTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/31/2008)
GGEC	11.3	26.3	-2.6	9.0	9.8	15.7
MSCI ACWI	8.2	23.2	7	10.9	8.7	10.6

As of October 1, 2021, the firm was redefined to be the combination of Sands Capital Management, LLC and Sands Capital Ventures, LLC. Both firms are registered investment advisers with the U.S. Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940, as amended. The two registered investment advisers are combined to be one firm for GIPS purposes and are doing business as Sands Capital. Sands Capital operates as a distinct business organization, retains discretion over the assets between the two registered investment advisers, and has autonomy over the total investment decision making process. Prior to October 1, 2021, the firm was defined as Sands Capital Management, LLC, is an independent registered investment adviser. Sands Capital claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sands Capital has been independently verified for the periods February 7, 1992 through December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Global Growth Equity Composite ("GGEC") has had a performance examination for the periods December 31, 2008 through December 31, 2022. The verification and performance examination reports are available upon request. The GGEC reflects information from all fee paying and non-fee paying accounts managed in the Global Growth strategy. The Global Growth strategy is a concentrated portfolio that normally consists of the equity securities of 30 to 50 primarily large and mid- capitalization growth businesses. Portfolio companies are domiciled in both developed and emerging markets. The portfolio may invest a significant percentage of its assets in U.S. listed securities, ADRs, and foreign securities traded on foreign exchanges, and may include the use of derivative access products including Low Exercise Price Warrants ("LEPWs") and Participation Notes ("P-Notes") to gain exposure to certain foreign markets where direct investment is restricted or not always practical or cost efficient. The strategy may experience losses as it is subject to equity securities risk, market and issuer risk, selection risk, growth style risk, concentration risk, currency exchange risk, foreign company risk, derivatives risk and other economic risks that may influence the returns of this strategy. The benchmark for the GGEC is the MSCI All Country World Index ("MSCI ACWI"). The MSCI ACWI is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The GGEC holds securities not included in the MSCI ACWI and Sands Capital may invest in securities not covered by the index. The annual composite dispersion presented is an asset- weighted standard deviation calculated of performance dispersion for accounts in the composite for the entire year, using beginning of period values. The U.S. dollar is the currency used to express performance. Returns include the effect of foreign currency exchange rates. Gross and net performance includes the reinvestment of all income and is presented net of expenses, foreign withholding taxes on dividends, interest income, and capital gains. Withholding taxes may vary according to the investor's domicile. The benchmark return is net of the maximum withholding tax rate of the constituent company's country of incorporation applicable to institutional investors. Net of fee performance was calculated by reducing the monthly gross composite return by 1/12 of the annual model fee of 0.85%. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A list of composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. Past performance is not indicative of future results. The investment management fee schedule for separate accounts is 0.85% on the first \$50 million, 0.65% on the next \$200 million and 0.55% on all assets above \$250 million. Accounts may also pay a performance-based fee that consists of a base fee plus a percentage of the annualized excess return versus the benchmark. 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ALL-IN CULTURE

We are one team dedicated to one mission and one philosophy. As a fully independent and staff-owned firm, we attract and retain strong talent, focus on long-term outcomes, and are highly aligned with our clients' interests.

INSIGHT DRIVEN

Businesses that can build a sustainable advantage are few and far between. To seek them, we apply six criteria to separate signal from noise, identify what matters most, and construct differentiated views on tomorrow's businesses, today.

GLOBAL PERSPECTIVE WITH LOCAL UNDERSTANDING

Innovation-driven growth knows no geographic boundaries. Neither does our research team. We are hands on, on-the-ground, deeply immersed in the ecosystems in which our businesses operate.

HIGH CONVICTION FOR HIGH IMPACT

All our strategies concentrate investments in only our best ideas and avoid mediocrity. With the intent to own businesses for five years or longer, we seek to create value for clients through the compounding of business growth over time.