Emerging Markets Growth

Quarterly Report
June 30, 2025

SANDS CAPITAL

Contents

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GIPS Reports found here.

Notice for non-US Investors.

Disclosures and definitions found here.

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 HDFC Bank.

Emerging Markets Growth (USD)

Quarterly Report - June 30, 2025

OVERVIEW

Emerging Markets Growth seeks to selectively own what we view as premier emerging market growth businesses. The portfolio consists of businesses benefiting and driving secular change, including digitalization, 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

42
Businesses

49%
Top Ten Weight

LONG-TERM INVESTMENT HORIZON

20%
Turnover-Annual Avg.

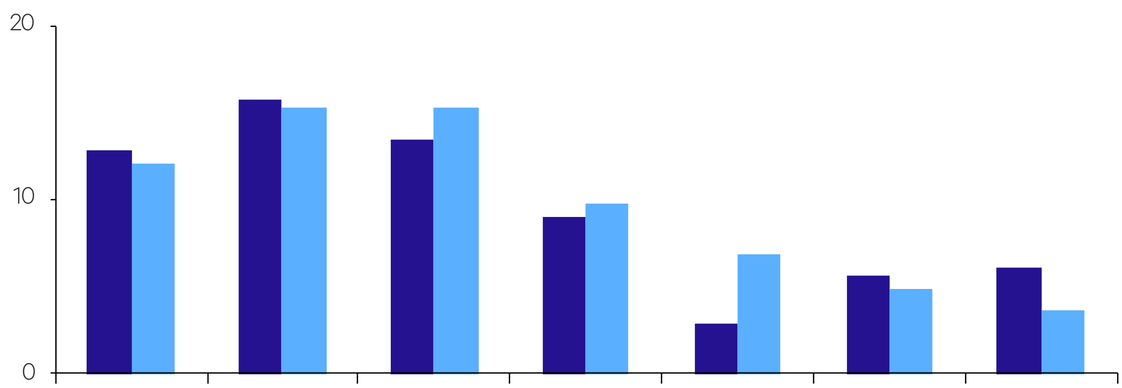
5+ Yrs
Expected Holding Period

GROWTH-ORIENTED

24%
Sands Capital Long-Term EPS Growth Estimate

INVESTMENT RESULTS (%)

Emerging Markets Growth vs MSCI Emerging Markets Index



Inception: 12/31/2012	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Portfolio (Net)	12.9	15.7	13.4	9.0	2.9	5.6	6.1
Benchmark	12.0	15.3	15.3	9.7	6.8	4.8	3.7
Value Added (%)	**0.9**	**0.4**	**-1.9**	**-0.7**	**-3.9**	**0.8**	**2.5**

CALENDAR YEAR RETURNS (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Portfolio (Net)	2.5	39.1	-14.0	28.2	54.8	-9.0	-34.2	11.7	3.1	15.7
Benchmark	11.2	37.3	-14.6	18.4	18.3	-2.5	-20.1	9.8	7.5	15.3
Value Added (%)	**-8.7**	**1.8**	**0.6**	**9.8**	**36.5**	**-6.5**	**-14.1**	**1.8**	**-4.4**	**0.4**

Inception date is 12/31/2012. 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	42	1,203
Active Share	75%	n/a
5-Year Historical EPS Growth	23%	18%
Consensus Long-Term EPS Growth	13%	12%
Consensus Forward P/E - Next 12 mos.	22x	13x
Strategy Assets	$7.2B	n/a
Weighted Avg. Market Cap (USD)	$221.8B	$188.5B
Median Market Cap (USD)	$34.2B	$9.7B
Turnover - Trailing 12 mos.	21%	n/a

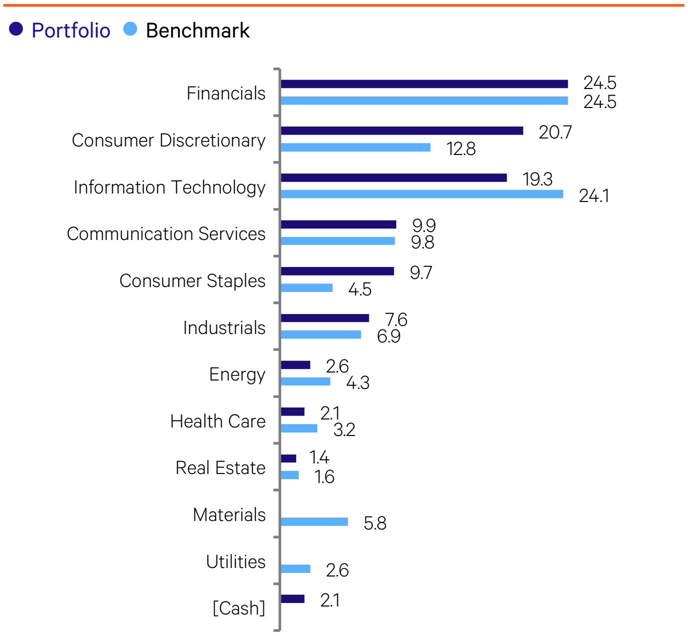
RETURN & VOLATILITY METRICS

(Trailing 5 Years Net of Fees)	Portfolio	Benchmark
Annualized Excess Return	-3.9%	n/a
Beta	0.93	1
Information Ratio	-0.5	n/a
R-Squared	75.9%	100.0%
Sharpe Ratio	0.0	0.2
Standard Deviation	17.3%	16.1%
Tracking Error	8.6%	n/a
Up Capture	92.2%	100%
Down Capture	109.0%	100%

TOP TEN HOLDINGS (49.0% OF ASSETS)

Company	Sector	Domicile	Portfolio (%)	Owned Since
Taiwan Semiconductor	Information Technology	Taiwan	10.6	2015
MercadoLibre	Consumer Discretionary	Argentina	5.6	2012
Bajaj Finance	Financials	India	5.4	2018
Tencent	Communication Services	China	5.0	2012
Sea	Communication Services	Singapore	4.9	2017
HDFC Bank	Financials	India	4.5	2017
Anta Sports Products	Consumer Discretionary	China	3.4	2016
Nu Holdings	Financials	Brazil	3.4	2021
AIA	Financials	Hong Kong	3.4	2018
Coupang	Consumer Discretionary	Korea	2.7	2022

SECTOR EXPOSURE



COUNTRY EXPOSURE

Source: Benchmark data sourced from Benchmark providers. Company domicile, sector, industry, regional, and country classifications, where applicable, are sourced from MSCI. Other data sourced from FactSet.

PORTFOLIO HOLDINGS BY SECTOR

SECTOR/COMPANY	GICS INDUSTRY	DOMICILE	PORTFOLIO (%)	BENCHMARK (%)	OWNED SINCE
Communication Services			**9.9**	**9.8**	
Sea	Entertainment	Singapore	4.9	-	2017
Tencent	Interactive Media & Services	China	5.0	4.7	2012
Consumer Discretionary			**20.7**	**12.7**	
Anta Sports Products	Textiles Apparel & Luxury Goods	China	3.4	0.2	2016
BYD	Automobiles	China	1.7	0.7	2024
Coupang	Broadline Retail	Korea	2.7	-	2022
Eternal	Hotels Restaurants & Leisure	India	1.6	0.2	2025
H World Group	Hotels Restaurants & Leisure	China	1.6	0.1	2024
Haidilao	Hotels Restaurants & Leisure	China	1.2	0.0	2021
Meituan	Hotels Restaurants & Leisure	China	1.0	0.9	2025
MercadoLibre	Broadline Retail	Argentina	5.6	-	2012
Titan	Textiles Apparel & Luxury Goods	India	1.9	0.2	2019
Consumer Staples			**9.7**	**4.5**	
Britannia	Food Products	India	2.6	0.1	2016
COSMAX	Personal Care Products	Korea	0.7	-	2025
Dino Polska	Consumer Staples Distribution & Retail	Poland	2.6	0.1	2023
Foshan Haitian Flavoring	Food Products	China	1.4	0.0	2020
Raia Drogasil	Consumer Staples Distribution & Retail	Brazil	1.0	0.0	2012
Walmart de México	Consumer Staples Distribution & Retail	Mexico	1.4	0.2	2025
Energy			**2.6**	**4.3**	
Reliance Industries	Oil Gas & Consumable Fuels	India	2.6	1.2	2022
Financials			**24.5**	**24.5**	
AIA	Insurance	Hong Kong	3.4	-	2018
Al Rajhi Bank	Banks	Saudi Arabia	0.9	0.6	2024
Bajaj Finance	Consumer Finance	India	5.4	0.3	2018
Bank Central Asia	Banks	Indonesia	2.3	0.3	2018
Bank Rakyat	Banks	Indonesia	0.8	0.2	2024
HDFC Bank	Banks	India	4.5	1.5	2017
HDFC Life Insurance	Insurance	India	1.9	0.1	2023
Kaspi	Consumer Finance	Kazakhstan	2.0	-	2020
Nu Holdings	Banks	Brazil	3.4	0.5	2021
Health Care			**2.1**	**3.2**	
Apollo Hospitals	Health Care Providers & Services	India	2.1	0.1	2012
Industrials			**7.6**	**6.9**	
Contemporary Amperex Technology	Electrical Equipment	China	1.8	0.1	2023
Full Truck Alliance	Ground Transportation	China	1.1	-	2024
Grab Holdings	Ground Transportation	Singapore	1.3	-	2024
International Container Terminal Services	Transportation Infrastructure	Philippines	1.0	0.1	2024
Localiza	Ground Transportation	Brazil	1.3	0.1	2019
WEG	Electrical Equipment	Brazil	1.2	0.2	2023
Information Technology			**19.3**	**24.1**	
ASML Holding	Semiconductors & Semiconductor Equipment	Netherlands	1.8	-	2023
ASPEED Technology	Semiconductors & Semiconductor Equipment	Taiwan	1.7	-	2025
FPT	IT Services	Vietnam	1.0	-	2024
Globant	IT Services	Argentina	1.1	-	2020
MediaTek	Semiconductors & Semiconductor Equipment	Taiwan	1.0	0.7	2025
Taiwan Semiconductor	Semiconductors & Semiconductor Equipment	Taiwan	10.6	10.2	2015
Xiaomi	Technology Hardware Storage & Peripherals	China	2.2	1.5	2025
Real Estate			**1.4**	**1.6**	
Phoenix Mills	Real Estate Management & Development	India	1.4	0.0	2025
Cash			2.1		

Source: Sands Capital, FactSet, MSCI. 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.

Commentary

MARKET ENVIRONMENT

Emerging market equities, as measured by the MSCI Emerging Markets Index (MSCI EM), delivered their best quarterly return since 2020. For the second quarter in a row, emerging markets outpaced both developed markets and U.S. equities (as measured by the MSCI World Index and S&P 500 Index, respectively). Emerging markets have now outperformed developed markets and the United States in four of the past five quarters.

Gains were broad, but leadership was narrow. Nearly 70 percent of companies in the index rose, as did 23 of 24 country constituents. However, only about one-third of companies outpaced the index itself. Taiwan Semiconductor alone contributed roughly one-quarter of the MSCI EM's total gain. Taiwan, South Korea, and India together accounted for more than 75 percent of the index's rise. At the sector level, 10 of 11 sectors moved higher, led by information technology and financials. Saudi Arabia and the consumer discretionary sector were the only country and sector detractors, respectively.

The U.S. dollar index fell for a second straight quarter and is now down more than 10 percent year to date. It declined in three of the past four quarters.

The index's rise reflected a mix of earnings growth, multiple expansion, and dividend yield.

Emerging Markets Quarterly Strategy Review
Portfolio Manager Teeja Boye shares insights on the macro environment, Emerging Markets Growth's current positioning, and where we see long-term opportunities. **Watch the replay** until August 18, 2025.

INVESTMENT RESULTS AND ATTRIBUTION

Emerging Markets Growth outperformed the MSCI EM in 2025's second quarter. Security selection was the primary driver, particularly within Taiwan and India and in the consumer discretionary sector.

Overall, from a country perspective, Argentina and India were the strategy's top relative contributors, while South Korea and Kazakhstan were the top detractors.

From a sector standpoint, consumer discretionary and energy contributed most to relative results. Industrials and financials were the top detractors.

The strong relative contributions from Argentina—which is not included in the MSCI EM—and from India and the consumer discretionary sector—which underperformed the index—underscore the value of an active approach to EM investing, in our view.

CONTRIBUTORS

The top individual absolute contributors were Taiwan Semiconductor, MercadoLibre, Sea, Nu Holdings, and Coupang.

Taiwan Semiconductor (TSMC), the world's largest producer of leading-edge logic chips, reported strong quarterly results, supported by ongoing demand for AI-related semiconductors. Management reiterated its 2025 revenue growth target in the mid-20 percent range, with second-quarter guidance coming in above consensus. The company plans to double capacity for chip-on-wafer-on-substrate (CoWoS) packaging this year, noting that demand continues to exceed supply and capacity remains fully booked. TSMC also reaffirmed its long-term goal to grow AI-related revenue at a mid-40 percent compound annual rate through 2029, reflecting its critical position in the semiconductor value chain and sustained momentum in AI infrastructure buildout.

MercadoLibre is the leading ecommerce and fintech ecosystem in Latin America by market share. The business delivered another strong quarter, surpassing consensus estimates for revenue and operating income. The outperformance was driven in part by Argentina, where contribution margins are higher than in Brazil and Mexico. Despite its scale, MercadoLibre still represents less than 5 percent of the region's total retail market. To capture more of this opportunity, the company is investing across key strategic pillars, including marketplace, logistics, loyalty, and wallet. While these investments may pressure near-term profitability—especially in the absence of formal guidance—we expect them to reinforce MercadoLibre's competitive advantages and support long-term growth across its ecosystem.

Sea operates leading digital platforms in gaming, ecommerce, and financial services across Southeast Asia. The business posted strong results, with gaming bookings up 51 percent year-over-year following Free Fire's successful Naruto

Shippuden campaign. Video impressions exceeded 300 million in less than 5 months, marking the game's top-rated collaboration to date. Ecommerce margins expanded on lower logistics costs and rising ad revenue. Advertisers increased 22 percent, and average spend rose 28 percent. Shopee Brazil grew market share while delivering its third consecutive profitable quarter. We expect Sea to more than double revenue and grow EBITDA sixfold by 2030. Despite a recent rally, the stock remains attractively valued in our view, ending the quarter trading at 35 times forward earnings.

Nu Holdings operates Nubank, a digital financial services platform serving more than 100 million customers across Latin America. First-quarter 2025 results, along with recent conversations with management, reinforced our view that Nubank is one of the strongest emerging market franchises we cover. While the quarter included several positive developments, we were particularly encouraged by the re-acceleration in PIX financing origination—a key driver of both growth and net interest margin—as well as Nubank's progress toward breakeven in Mexico. Looking ahead, we expect Nu's earnings to quadruple by 2030. Despite strong second-quarter investment performance, the stock continues to trade at under 20 times forward consensus earnings estimates.

Coupang is the market-leading ecommerce platform in South Korea and continues to execute in line with our investment case. In addition to solid operational results reported in early May, we believe the stock has benefited from its perceived resilience amid broader economic uncertainty. The company has not reported any significant macro-related headwinds and is not exposed to U.S. tariffs. Coupang once again outpaced the broader Korean ecommerce market in 2025's first quarter and reaffirmed its guidance for approximately 20 percent revenue growth in 2025 on a currency-neutral basis. The company also authorized a $1 billion opportunistic share repurchase program.

DETRACTORS

The top individual absolute detractors were Kanzhun, Globant, Full Truck Alliance, Raia Drogasil, and Haidilao.

Kanzhun operates Boss Zhipin, a leading online job classifieds platform in China. We exited the business during the quarter.

Globant is a leading provider of digital business services to global corporations. The stock declined after the company missed both its own and consensus expectations, and lowered full-year revenue growth guidance from 11 percent to 14 percent down to just 2 percent. We believe the slowdown reflects broader macroeconomic pressure, especially among U.S. consumer-facing clients and key markets like Mexico and Brazil. Despite near-term challenges, we continue to view Globant as a long-term enabler of generative AI adoption. The stock ended the quarter at its lowest forward earnings multiple since going public. We believe a small strategic weight remains appropriate, balancing long-term potential with ongoing macro uncertainty.

Full Truck Alliance (FTA) is China's leading digital freight platform by market share. Shares declined after the company lowered its full-year operating profit guidance by 4 percent. The revision reflects a slower monetization ramp, increased operating expenses related to AI, and losses from higher investment in Plus PRC, an innovative but loss-making autonomous trucking startup. We view the first two factors as largely constructive, as they extend the company's long-term compounding potential and strengthen its competitive positioning. That said, we would have preferred that FTA focus on more organic opportunities than pursue speculative M&A. Separately, the company continues to work on its Hong Kong listing but has not provided a public timeline update.

Raia Drogasil is Brazil's largest pharmacy chain by market share. The business has faced several external pressures—pricing regulations, weaker demand for personal care and beauty products, labor shortages, and increased theft of high-end medications—that have weighed on same-store sales, earnings, and valuation. Despite these headwinds, which we view as transient and manageable, Raia continues to gain share nationwide. A softer competitive landscape, strong digital execution (with digital sales up 40 percent year-over-year), and a capable new CEO reinforce our conviction in the business. With less than 20 percent share in a fragmented market and rising long-term demand from Brazil's aging population, we believe Raia's structural growth opportunity remains intact.

Haidilao is China's largest full-service Chinese restaurant chain by market share. Our long-term earnings growth outlook depends on the success of new formats and margin improvements at existing stores. Both we and the market were disappointed by a slower-than-expected pace of new openings for its new barbecue franchise and stagnation at Haidilao's core hotpot concept. We are actively evaluating whether the business continues to meet our criteria relative to other investment opportunities.

PURCHASES

In the second quarter we completed the purchases of MediaTek and Xiaomi.

MediaTek is one of the world's largest fabless semiconductor designers and the largest in Asia. Its system-on-chip (SoC) solutions power billions of devices worldwide, including about one-third of all new smartphones. Smartphone SoCs remain the company's largest and most critical revenue driver—and are central to our investment case. We expect both pricing and volumes to rise in the premium smartphone segment (devices priced above $500), driven by premiumization trends, 5G adoption, increasing AI functionality, and new form factors, such as foldable devices. Beyond smartphones, MediaTek is applying its design expertise and intellectual property portfolio to AI accelerators, automotive computing, and personal computers. Its project with Google for AI chips and its collaboration with NVIDIA—notably in PCs and automotive solutions—underscores its capabilities in high-performance chip design.

We see limited geopolitical or tariff risk for MediaTek. The United States accounts for roughly 10 percent of MediaTek's revenue, and continued tension between China and the U.S. could benefit non-U.S. suppliers like MediaTek at the expense of Qualcomm, its biggest competitor.

Xiaomi is a global consumer technology leader with a uniquely integrated ecosystem spanning smartphones, internet-of-things (IoT) devices, and electric vehicles (EVs). This unified "Human x Car x Home" ecosystem in our view positions Xiaomi to benefit from multiple long-term growth trends, including rising EV adoption, smartphone premiumization, and the emergence of AI-powered consumer devices. What sets Xiaomi apart, in our view, is its ability to deliver high-quality, feature-rich products at accessible price points—supported by supply chain scale, operational efficiency, and a strong brand. The company's unified HyperOS operating system and large, engaged user base enable seamless integration across product categories, efficient cross-sell, and a rapid feedback loop that informs product development and go-to-market strategies. Xiaomi's execution track record, omni-channel distribution, and adaptability allow it to move quickly across categories—exemplified by its recent entrance into EVs. While still early, this initiative is central to the company's long-term strategy and builds on its core strengths in hardware, software integration, and scale manufacturing. With billions of connected devices and a growing foundation in AI, we believe Xiaomi is well positioned to lead in the next wave of intelligent, connected consumer experiences—offering long-term potential across a diversified set of high-growth end markets.

SALES

We exited Avenue Supermarts, Kanzhun, Samsung SDI, and Tigermed. Each of our exited businesses were small weights (each accounting for less than 1 percent of the portfolio), and, in our view, faced greater vulnerability in the current environment relative to our other holdings.

We exited **Avenue Supermarts**, which operates DMart, a leading discount food retailer in India. The business no longer aligns with several of our investment criteria. We had repurchased DMart in the Emerging Markets Growth strategy in 2024, based on the view that it could leverage its leadership position to consolidate India's large, fast-growing, and highly fragmented food retail market. Since then, the industry has entered a period of rapid structural change. DMart, once positioned as a disruptor, now appears increasingly at risk of being disrupted. The most significant shift has been the rise of quick commerce in large Indian cities. Our extensive research into this channel revealed strong unit economics, which supported our investment in Eternal during the first quarter of 2025.

DMart now faces multiple headwinds. The company is pivoting to smaller cities, investing in its ecommerce capabilities, and addressing operational issues—all while contending with structural margin pressure. These challenges are compounded by a leadership change. CEO Neville Noronha, who led the business for 22 years, announced his departure earlier this year. While we view the incoming leadership favorably, the transition introduces execution risk. Despite these pressures, DMart continues to trade at a substantial premium to the broader Indian equity market, offering limited margin of safety. We balanced DMart's risk and reward potential through position sizing, holding DMart at a 1 percent strategic weight during our ownership period. This approach helped limit the impact on overall investment results.

Kanzhun operates Boss Zhipin, a leading online job classifieds platform in China. While we believe the business benefits from durable secular trends, the business remains more economically sensitive than our other Chinese holdings. Hiring activity tends to decline early in a downturn and recover later, making the employment sector more cyclical by nature. The business has multiple avenues to expand monetization, but we believe it is unlikely to pursue them in the near term. These include introducing new recruiting tools and raising prices in select industries where Boss Zhipin has high market share. However, economic uncertainty, labor market imbalances, and increased regulatory scrutiny may limit the company's willingness to act on these opportunities. These factors have contributed to our lower expected returns for the business. Despite its market leadership and compelling long-term tailwinds, Kanzhun's sensitivity to economic shifts reduces our conviction relative to other China-based businesses in the portfolio.

We originally purchased **Samsung SDI** in 2023, believing it could become a leading battery supplier for electric vehicles (EVs) and energy storage systems in the United States and Europe. We initiated the position alongside Contemporary Amperex Technology (CATL), which we expected to lead in China and other non-Western markets. Since then, U.S. EV adoption has stalled around 10 percent penetration, and Europe's pullback in incentives has slowed market growth. CATL has gained share in Europe by offering more affordable battery solutions, narrowing the technology gap in lithium-ion chemistries that Korean firms once dominated. As a result, automakers have increasingly shifted away from Samsung SDI and its Korean peers. We believe Samsung SDI now faces a more difficult path to recovery, given the risk of a global growth slowdown and the potential rollback of pro-EV regulations in the United States and Europe.

Tigermed is the leading clinical research organization (CRO) in China by market share, helping domestic and multinational biopharmaceutical and biotechnology companies bring innovative drugs to market. China's biopharma and biotech sector has undergone a deep, multiyear cyclical correction, driven by a significant decline in funding, regulatory shifts, and broader macroeconomic weakness. Drug developers have responded by rationalizing pipelines and conserving capital. We began to see early signs of recovery in new bookings and project backlog from customers, but we believe a broader industry rebound will be delayed by subdued biotech funding, increasing competition for capital, rising U.S.-China tensions, and the overall fragility of the global economy. Given these headwinds and limited visibility into Tigermed's earnings trajectory, we chose to redeploy the capital.

OUTLOOK

Entering this year, many investors questioned "why bother" with emerging market equities. The answer, at least so far, is "2025."

After four consecutive years of underperformance versus developed markets—and seven years lagging U.S. equities—emerging markets are now outperforming both, delivering double-digit returns in a volatile environment. They've reminded investors of their potential to offer idiosyncratic growth, resulting in portfolio diversification and overall return enhancement.

Importantly, this has not been just a "catch-up" trade. While multiple expansion has contributed, the rally has also been supported by a narrowing earnings growth gap with U.S. equities, a weaker U.S. dollar, and higher dividend yields. We continue to see several secular forces capable of underpinning strong earnings growth for select businesses, from financial penetration to industry formalization and consolidation. AI is accelerating a "winner-takes-most" dynamic, benefiting companies with scale, differentiated offerings, and the ability to productize innovation. These businesses are gaining pricing power, expanding margins, and deepening moats.

Despite the auspicious start, we expect the remainder of 2025 to bring periods of volatility as markets respond to developments in AI, geopolitics, and the global economy. That said, we believe our portfolio is well positioned to navigate this uncertainty. It is diversified across end markets, geographies, and growth stages, with improved earnings visibility and stability. Key portfolio metrics—including profitability, balance sheet resilience, and valuation—have also strengthened without compromising long-term growth potential.

We remain committed to our high-conviction, long-term approach—one rooted in growth durability and executed with discipline. We believe this positions us well for both the challenges and opportunities ahead.

Navigating India's Financial Future
Structural reforms, rising household consumption, and private-sector credit are fueling India's next growth chapter. Research Analyst Brian Crofton shares his insights into the secular trends driving long-term growth and why selectivity is more important than ever. **Watch now**.

Contribution Analysis

CONTRIBUTION ANALYSIS (NET %)

Top Absolute Contributors

Quarter to Date

Company Name	Average Weight	Return	Contribution
Taiwan Semiconductor	9.4	36.6	3.1
MercadoLibre	5.9	33.8	1.9
Sea	5.2	22.4	1.1
Nu Holdings	3.1	33.8	1.1
Coupang	2.5	36.4	0.8

Trailing 1 Year

Company Name	Average Weight	Return	Contribution
Sea	4.3	122.8	3.7
MercadoLibre	5.9	57.9	3.2
Taiwan Semiconductor	9.6	30.7	2.9
Bajaj Finance	5.0	26.9	1.5
Tencent	4.8	34.4	1.4

Trailing 3 Year

Company Name	Average Weight	Return	Contribution
MercadoLibre	6.5	307.0	11.3
Taiwan Semiconductor	7.3	185.2	9.7
Nu Holdings	3.5	263.4	4.8
Apollo Hospitals	3.7	77.6	2.6
Sea	3.6	135.8	2.6

Trailing 5 Year

Company Name	Average Weight	Return	Contribution
Taiwan Semiconductor	6.9	322.6	9.7
MercadoLibre	6.6	160.4	9.2
Apollo Hospitals	3.8	373.3	4.5
Nu Holdings	2.2	40.7	3.9
Sea	5.2	44.4	3.4

Bottom Absolute Contributors

Quarter to Date

Company Name	Average Weight	Return	Contribution
Kanzhun	0.2	-22.6	-0.3
Globant	1.4	-23.0	-0.3
Full Truck Alliance	1.3	-7.0	-0.2
Raia Drogasil	1.2	-16.4	-0.2
Haidilao	1.4	-13.4	-0.2

Trailing 1 Year

Company Name	Average Weight	Return	Contribution
Globant	2.3	-50.1	-1.3
Lam Research	0.8	-32.7	-1.0
Kaspi	2.0	-33.3	-0.9
ASML Holding	2.3	-22.1	-0.8
Raia Drogasil	1.5	-40.2	-0.8

Trailing 3 Year

Company Name	Average Weight	Return	Contribution
Wuxi Biologics	0.9	-77.6	-2.8
Foshan Haitian Flavoring	2.0	-52.6	-2.4
Tigermed	1.1	-70.1	-1.8
Country Garden Services	-	-59.7	-1.4
Globant	2.6	-51.2	-1.2

Trailing 5 Year

Company Name	Average Weight	Return	Contribution
XP	1.9	-72.8	-2.5
NAVER	0.6	-55.1	-2.4
Country Garden Services	0.3	-83.0	-2.2
Alibaba	3.2	-50.0	-2.1
Foshan Haitian Flavoring	1.9	-48.2	-2.1

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. Past performance is not indicative of future results. GIPS Reports found here.

Stewardship

CARBON EXPOSURE

Emerging Markets Growth vs. MSCI Emerging Markets Index (MSCI EM)
Reported June 30, 2025

Carbon Footprint

	CARBON EMISSIONS	TOTAL CARBON EMISSIONS	CARBON INTENSITY	WTD AVG. CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
Emerging Markets Growth	14.6	14,576	60.9	63.4	96%
MSCI EM	209.2	209,150	339.4	284.1	100%
	tCO_2e/$M Invested	tCO_2e	tCO_2e/$M Sales		Market Value

Largest Contributors
to Portfolio Weighted Average Carbon Intensity

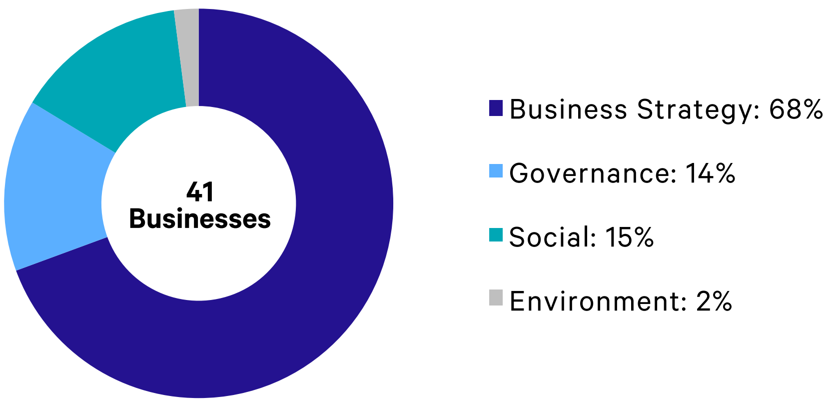
COMPANY	PORTFOLIO WEIGHT (%)	CARBON INTENSITY (S1+2) tCO_2e/$m	CONTRIB. TO WTD AVG. CARBON INTENSITY
Taiwan Semiconductor	10.8	185.5	20.9
Reliance Industries	2.7	349.0	9.8
Apollo Hospitals	2.6	365.1	8.2
MercadoLibre	5.7	40.4	2.4
Britannia	2.7	83.3	2.4

Carbon Emissions are calculated as Scope 1 & Scope 2 carbon emissions per $1 million invested. Portfolio and Benchmark Carbon Intensity is defined as the portfolio or benchmark carbon emissions per $1 million of portfolio or benchmark sales. At a business level, carbon intensity is calculated as carbon emissions per unit of sales (tons/$ 1 million sales). Weighted averages are computed as the sum product of the portfolio or benchmark companies' respective carbon values and portfolio or benchmark companies' weights.

VOTING ACTIVITY - TRAILING 12 MONTHS ENDING JUNE 30, 2025

VOTES	BUSINESSES	RESOLUTIONS	%
Cast in Favor of Management	58	564	96%
Cast Against Management	5	5	1%
Abstentions	3	21	4%
		590	**100%**

ENGAGEMENT ACTIVITY - TRAILING 12 MONTHS ENDING JUNE 30, 2025



TOPICS ADDRESSED

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

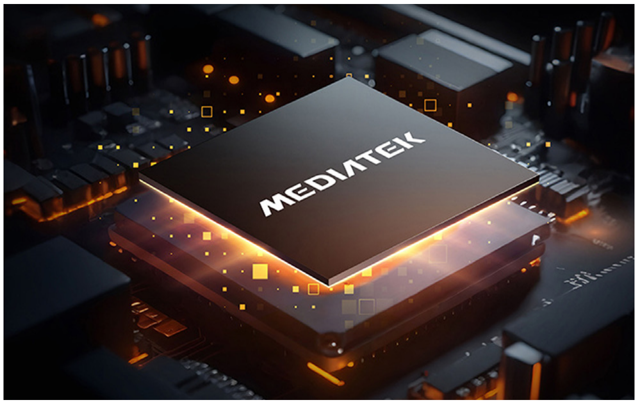
Social
Human capital management
Labor rights
Regulation
Health and safety
Human rights
Product safety and impact
Data security and privacy
Diversity and inclusion

Environmental
Energy use and efficiency
Environmental policy and strategy
GHG emissions or climate change strategy
Pollution and waste management
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 is not an activist investor and generally does not acquire or hold investments for the purpose or effect of changing or influencing the control of its investee companies.

As part of our ongoing research, 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. Sands Capital's engagement with management teams and board members does not involve any direct or indirect attempt to exert pressure to implement specific measures, change policies, or otherwise influence control over the issuer.

MediaTek



Business: MediaTek is one of the world's largest fabless semiconductor designers and the largest in Asia. Its system-on-chip (SoC) solutions power billions of devices worldwide, including about one-third of all new smartphones.

Key issues: Human capital management.

MediaTek is one of the world's largest chip designers, with leadership across smartphones, Internet of Things devices, and connectivity. The company also serves the automotive, personal computing, and data center segments with artificial intelligence-optimized chips. Our recent engagement with MediaTek focused on understanding how the company attracts and retains the engineering talent that underpins its long-term innovation strategy.

Strong ESG Foundations, with a Focus on Human Capital

During our initial research, we found MediaTek's environmental disclosures to be among the most thorough in its peer group. The company outlined specific ESG goals and detailed timelines to reduce its climate impact. Yet as the global semiconductor industry faces intense competition for technical talent, especially in Taiwan, we sought to understand how MediaTek maintains its workforce quality and stability.

MediaTek has distinguished itself within Taiwan's tech sector by offering compensation that ranks among the highest in the industry. According to a study by the Taiwan Stock Exchange Corporation, in 2023, the company's average and median salaries for non-executive, full-time employees, placed it in the top tier for these compensation metrics. Beyond pay, nearly all employees—99 percent—participate in a defined contribution retirement plan. The company also provides substantial training and development, with over 700,000 hours of education delivered to 20,000 employees in 2023.

Linking Talent Strategy to Innovation Goals

This investment in people supports MediaTek's broader strategy of technological leadership. Management emphasizes being early in next-generation standards such as Wi-Fi 7 and 6G, which requires both strategic foresight and strong execution. To stay ahead, MediaTek reallocates engineers into new areas like application-specific integrated circuit development and proactively recruits to scale its research and development efforts.

The payoff is clear: MediaTek reports a global turnover rate of just 4.4 percent. This level of employee retention is especially notable given attempts by U.S. and Chinese competitors to recruit its engineers. MediaTek's focus on human capital is essential to its shift from a fast follower to a front-runner in advanced chip design. Its efforts to support and develop talent are a core part of what enables it to lead through multiple technology cycles.

FPT

FPT Harnesses Education To Transform Talent Landscape

FPT has harnessed education as a strategic lever for both national development and corporate growth, transforming Vietnam's talent landscape while seeking to deliver attractive financial returns. By embedding a full-spectrum education business into its technology and telecommunications operations, FPT has created a virtuous cycle: it cultivates the very professionals its services require, broadens access to high-quality learning, and has captured meaningful revenue and profit in the process.

Building Vietnam's IT Workforce

In the late 1990s, facing a nascent tech market hungry for skilled developers, FPT launched a series of IT training centers. What began as targeted up-skilling courses evolved into FPT Education in 1999 and culminated in the founding of FPT University in 2006—one of the country's first fully accredited private universities. Today, FPT's education arm spans primary schools, vocational institutes (FPT Polytechnic), undergraduate and graduate programs, and extensive online learning platforms. It serves more than 152,000 full-time students across 28 provinces, positioning FPT at the heart of Vietnam's ambition to become a leading exporter of IT services.[1]

Raising Standards, Widening Access

FPT's model addresses two critical challenges: quality and affordability. Public universities in Vietnam have long struggled to keep pace with rising demand, while private alternatives often carry steep tuition fees. FPT University charges roughly $2,000 per year—about one-fifth the cost of peer institutions—making premium STEM and business curricula accessible to a broader segment of the emerging middle class.[2] Rigorous academic partnerships and investments in campus infrastructure have led to international recognition. In 2012, FPT University earned three stars overall and five stars for teaching in the QS World University Rankings, becoming Vietnam's first university to receive three stars.[3] EdUniversal rated the FPT School of Business as the top business program in Vietnam and the only one to receive the "Excellent" designation in EdUniversal's 2024 rankings.[4]

An Engine For Revenue And Profit Growth

Far from a philanthropic sideline, FPT's education segment is a significant—and growing—profit center. In 2024, the "Education, Investment and Others" category generated revenue growth of 14.3 percent year-over-year and contributed 6,129 billion VND (approximately $235 million), or 9.8 percent of the group's total profit. On a pre-tax basis, the segment's 32 percent margin outpaced FPT's telecom business (20 percent), underscoring education's scalability and cash-flow strength.

Projected Expansion And Long-Term Value

Industry analysis anticipates that FPT's private education revenues will compound at roughly 25 percent annually through 2029. This outlook reflects projected student-body growth of about 22 percent (reaching 450,000 learners), modest tuition increases of 2–3 percent and sustained gross margins near 35 percent.[5] By continuously broadening its program offerings—particularly in emerging fields such as AI, data science and cybersecurity—FPT is seeking to develop a pipeline of "future-ready" talent and to cultivate new revenue streams.

A Catalyst For National Development

Beyond corporate metrics, FPT's education initiatives are reshaping Vietnam's socioeconomic fabric. Graduates enter the workforce with industry-aligned skills, reducing talent shortages and accelerating the country's digital transformation. FPT Polytechnic's vocational programs provide technicians and technologists for manufacturing, logistics and smart-city projects, while FPT University research centers collaborate with global partners to localize cutting-edge innovations. Collectively, these efforts help raise the bar for educational standards nationwide and contribute to Vietnam's goal of becoming a knowledge-based economy.

We believe FPT's integrated education model exemplifies how a technology firm can drive competitive advantage—and profitable growth—by investing in human capital. By making high-quality, affordable education widely available, FPT not only strengthens its talent pipeline and revenue base but also accelerates Vietnam's evolution into a regional tech powerhouse.

[1] https://bctn2024.fpt.com/en/business-performance-analysis/education. [2] Sands Capital research as of June 2025. [3] https://fpt.com/en/news/fpt-news/fpt-university-rated-three-stars?utm_source=chatgpt.com. [4] https://eduniversal-ranking.com/business-school-university-ranking-in-vietnam.html. [5] Sands Capital research as of June 2025.

Sustainable Development Goals

Sands Capital's six investment criteria tend to lead us to businesses that are innovators or vital facilitators of change in industries undergoing significant transformation. A number of these businesses operate in high-impact spaces such as technology and life sciences. FPT is one of many portfolio businesses that have a positive impact by implementing strategic initiatives that address at least one major social and environmental challenge identified by the United Nations Sustainable Development Goals (SDGs).

In particular, FPT addresses 10 SDGs: SDG 4 (quality of education), SDG 5 (gender equality), SDG 7 (affordable and clean energy), SDG 8 (decent work and economic growth), SDG 9 (industry, innovation, and infrastructure), SDG 11 (contribution to the community), SDG 12 (responsible consumption and production), SDG 13 (climate action), SDG 16 (strong organization), and SDG 17 (partnerships for the goals).

Emerging Markets Growth Composite (EMGC) GIPS Report

			EMGC			MSCI EM				
YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD $M)	NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	MSCI EM	ANN. 3 YR. STD. DEV.	NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD $M)
2024	12	$5,496.63	3.08	3.95	16.75	7.50	17.50	0.03	0.23	$47,462.52
2023	13	$6,837.10	11.67	12.60	17.34	9.83	17.14	0.03	0.17	$46,746.96
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

Net Returns

As of 06/30/2025	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/31/2012)
EMGC	12.9	15.7	13.4	9.0	2.9	5.6	6.1
MSCI EM	12.0	15.3	15.3	9.7	6.8	4.8	3.7

As of October 1, 2021, the firm was redefined to be the combination of Sands Capital Management, LLC and Sands Capital Alternatives, LLC (previously known as 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, 2024. 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, 2024. 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. The EMGC was created on May 28, 2013 and the inception date for performance is December 31, 2012. MSCI is the source of all MSCI data presented. 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SANDS CAPITAL

Sands Capital is an active, long-term investor in leading innovative growth businesses, globally. Our approach combines analytical rigor and creative thinking to identify high-quality growth businesses that are creating the future. Through an integrated investment platform spanning venture capital, growth equity and public equity, we provide growth capital solutions to institutions and fund sponsors in more than 40 countries. Sands Capital is an independent, staff-owned firm founded in 1992 with offices in the Washington, D.C. area, London, and Singapore.

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.

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