Select Growth

Quarterly Report
March 31, 2024

SANDS CAPITAL

Contents

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On the Cover
The Spheres are three spherical conservatories that are part of the Amazon headquarters campus in Seattle, Washington. Designed to serve as an employee workspace, The Spheres house more than 40,000 plants consisting of 400 different species. Amazon has been a Select Growth portfolio business since 2015.

Select Growth (USD)

Quarterly Report - March 31, 2024

OVERVIEW

Select Growth focuses primarily on U.S. businesses at the forefront of the most vital areas of positive structural change in our economy. These businesses are built on disruptive innovation, and generate growth by inspiring profound change within existing industries or creating entirely new ones.

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

29 Businesses

56% Top Ten Weight

LONG-TERM INVESTMENT HORIZON

27% Turnover-Annual Avg.

5+ Yrs Expected Holding Period

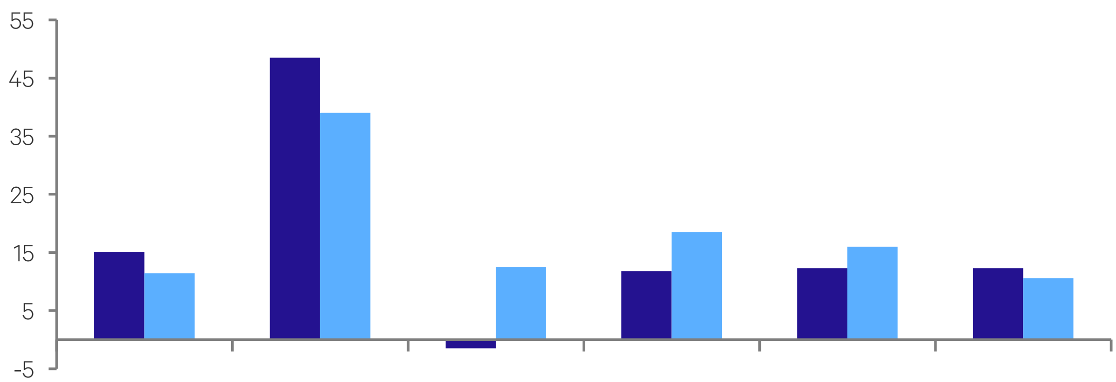
ABOVE-AVERAGE EPS GROWTH FORECAST

21% Select Growth

17% Russell 1000 Growth Index

INVESTMENT RESULTS (%)

Select Growth vs Russell 1000 Growth Index



Inception: 02/29/1992	QTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Portfolio (Net)	15.1	48.5	-1.5	11.8	12.3	12.3
Benchmark	11.4	39.0	12.5	18.5	16.0	10.6
Value Added (%)	3.6	9.5	-14.0	-6.7	-3.7	1.7

CALENDAR YEAR RETURNS (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Portfolio (Net)	2.9	-7.1	35.1	6.8	33.3	71.4	4.9	-49.1	52.0	15.1
Benchmark	5.7	7.1	30.2	-1.5	36.4	38.5	27.6	-29.1	42.7	11.4
Value Added (%)	-2.7	-14.2	4.9	8.3	-3.1	32.9	-22.7	-20.0	9.4	3.6

Inception date is 2/29/92. 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 Select Growth Tax Exempt Institutional Equity Composite. Net of fee performance was calculated using Select Growth Tax Exempt Institutional Equity Composite's actual fees and performance fees if applicable. Past performance is not indicative of future results. GIPS Reports found here.

PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
Portfolio Businesses	29	440
Active Share	68%	n/a
5-Year Historical EPS Growth	23%	22%
Consensus Long-Term EPS Growth	21%	17%
Consensus Forward P/E - Next 12 mos.	40x	28x
Strategy Assets	$14.5B	n/a
Weighted Avg. Market Cap (USD)	$736.6B	$1.2T
Median Market Cap (USD)	$55.5B	$19.3B
Turnover - Trailing 12 mos.	31%	n/a
Weighted Average Carbon Intensity	11.9	28.9

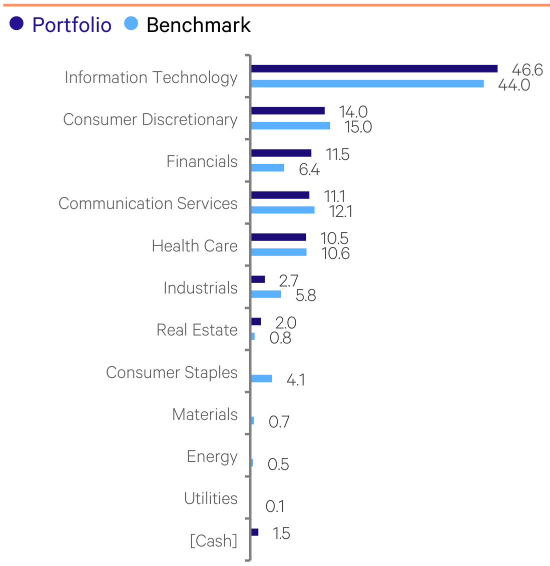
RETURN & VOLATILITY METRICS

(Trailing 5 Years Net of Fees)	Portfolio	Benchmark
Annualized Excess Return	-6.8%	n/a
Beta	1.17	1.00
Information Ratio	-0.6	n/a
R-Squared	82.7%	100.0%
Sharpe Ratio	0.4	0.8
Standard Deviation	26.3%	20.5%
Tracking Error	11.5%	n/a
Up Capture	97%	100%
Down Capture	115%	100%

TOP TEN HOLDINGS (56.0% OF ASSETS)

Company	Sector	Domicile	Portfolio (%)	Owned Since
Amazon	Consumer Discretionary	United States	8.1	2015
Microsoft	Information Technology	United States	7.8	2023
NVIDIA	Information Technology	United States	7.2	2022
Meta Platforms	Communication Services	United States	6.7	2023
ServiceNow	Information Technology	United States	5.7	2016
Dexcom	Health Care	United States	4.8	2020
Visa	Financials	United States	4.3	2008
ASML Holding	Information Technology	Netherlands	4.2	2024
Nu Holdings	Financials	Brazil	3.8	2023
Block	Financials	United States	3.4	2020

SECTOR EXPOSURE



ROLLING 10 YEAR INVESTMENT RESULTS*

* Average annualized excess returns are calculated based on monthly rolling periods beginning 2/29/1992 (composite inception date). The investment results shown are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. Net of fee performance was calculated using Select Growth Tax Exempt Institutional Equity Composite's actual fees and performance fees if applicable. Investment results presented are those of the Select Growth Tax Exempt Institutional Equity Composite. Past performance is not indicative of future results. GIPS Reports found here.

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PORTFOLIO HOLDINGS BY SECTOR

SECTOR/COMPANY	GICS INDUSTRY	DOMICILE	PORTFOLIO (%)	BENCHMARK (%)	OWNED SINCE
Communication Services			**11.1**	**12.0**	
Meta Platforms	Interactive Media & Services	United States	6.7	4.1	2023
Netflix	Entertainment	United States	2.5	1.0	2015
Sea	Entertainment	Singapore	1.9	-	2019
Consumer Discretionary			**14.0**	**14.9**	
Airbnb	Hotels Restaurants & Leisure	United States	1.5	0.3	2020
Amazon	Broadline Retail	United States	8.1	6.2	2015
DoorDash	Hotels Restaurants & Leisure	United States	2.6	0.1	2020
Floor & Decor	Specialty Retail	United States	1.9	0.1	2018
Consumer Staples			**-**	**4.1**	
Energy			**-**	**0.5**	
Financials			**11.5**	**6.4**	
Block	Financial Services	United States	3.4	0.1	2020
Nu Holdings	Banks	Brazil	3.8	0.1	2023
Visa	Financial Services	United States	4.3	1.7	2008
Health Care			**10.5**	**10.6**	
10X Genomics	Life Sciences Tools & Services	United States	0.9	0.0	2021
Align Technology	Health Care Equipment & Supplies	United States	1.2	0.1	2018
Dexcom	Health Care Equipment & Supplies	United States	4.8	0.2	2020
Edwards Lifesciences	Health Care Equipment & Supplies	United States	2.4	0.2	2015
Ultragenyx Pharmaceutical	Biotechnology	United States	1.2	0.0	2023
Industrials			**2.7**	**5.8**	
Uber Technologies	Ground Transportation	United States	2.7	0.6	2020
Information Technology			**46.6**	**44.0**	
ASML Holding	Semiconductors & Semiconductor Equipment	Netherlands	4.2	-	2024
Atlassian	Software	United States	2.8	0.1	2018
Cloudflare	IT Services	United States	1.1	0.1	2021
Datadog	Software	United States	3.4	0.1	2022
Entegris	Semiconductors & Semiconductor Equipment	United States	2.8	0.0	2023
Lam Research	Semiconductors & Semiconductor Equipment	United States	2.9	0.5	2022
Microsoft	Software	United States	7.8	11.9	2023
NVIDIA	Semiconductors & Semiconductor Equipment	United States	7.2	8.2	2022
Okta	IT Services	United States	2.9	0.0	2023
ServiceNow	Software	United States	5.7	0.6	2016
Shopify	IT Services	Canada	2.5	-	2021
Snowflake	IT Services	United States	3.3	0.2	2020
Materials			**-**	**0.7**	
Real Estate			**2.0**	**0.8**	
CoStar Group	Real Estate Management & Development	United States	2.0	0.1	2017
Utilities			**-**	**0.1**	
Cash			**1.5**	**-**	

Data presented is that of the Select Growth Tax Exempt Institutional Equity 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

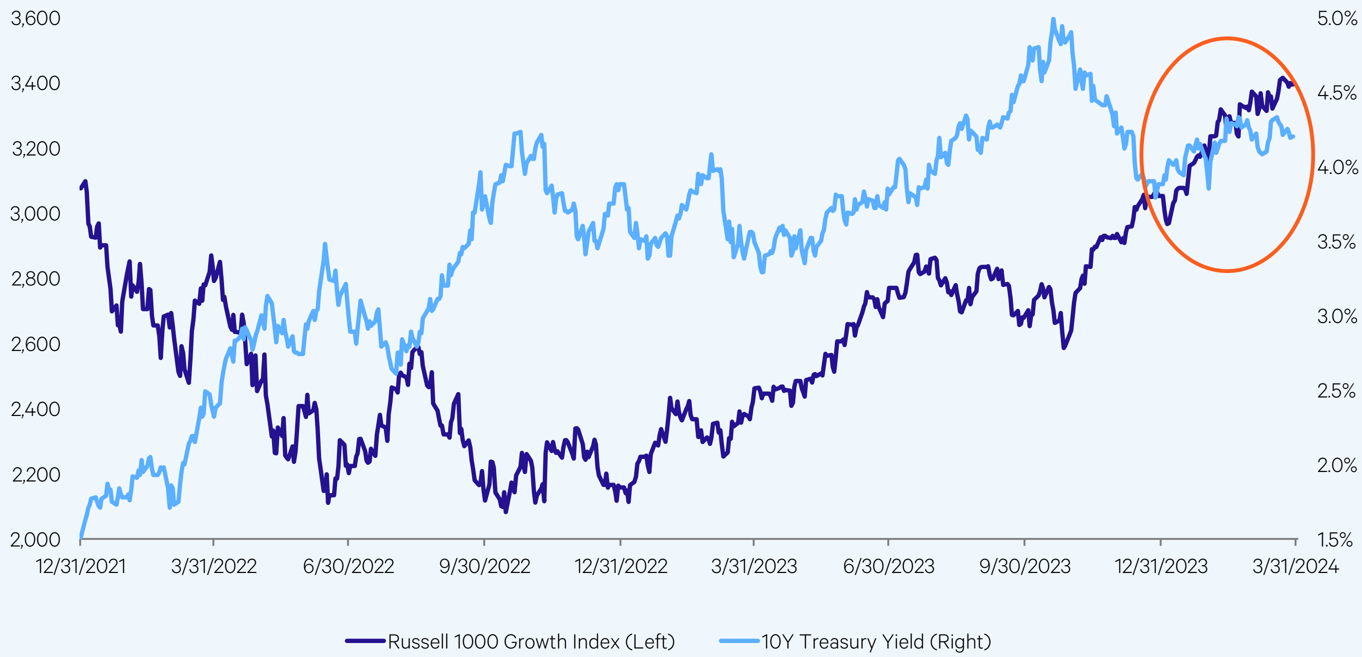
Dear Clients, Consultants, and Friends,

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.

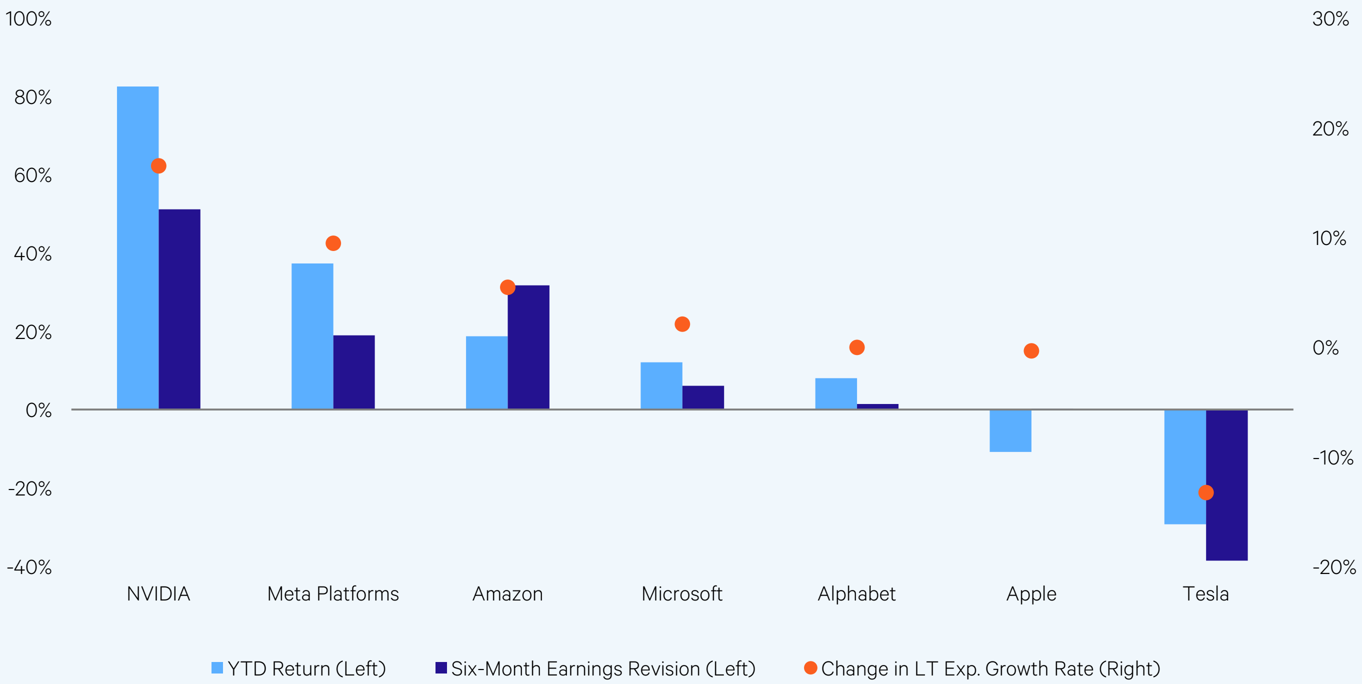
We would be remiss if we neglected to acknowledge the so-called Magnificent Seven, the group of leading technology companies whose performance serves as a barometer for the broader market. Contrary to the uniformity observed in 2023, when these constituents appeared to move in lockstep, the first quarter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



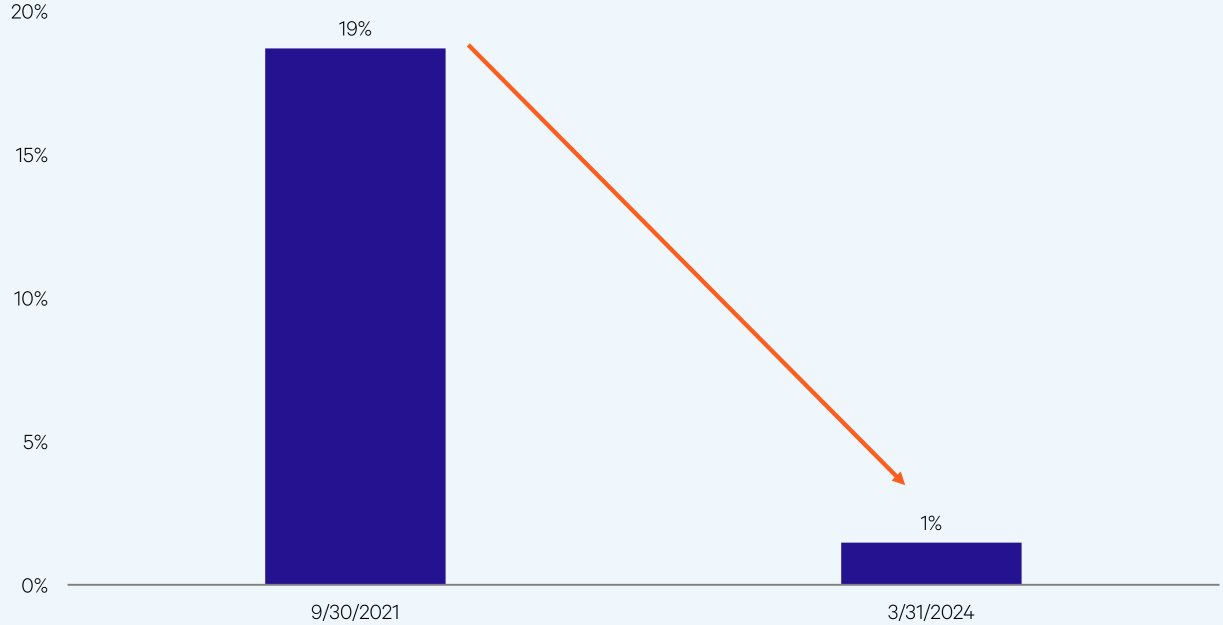
Source: FactSet. The Magnificent Seven is vernacular for a group of mega-cap stocks that are the largest weights in major stock indexes, such as the S&P 500 Index, Russell 1000 Index, and MSCI ACWI. It is used to refer to the set of seven big technology stocks: NVIDIA, Meta Platforms, Amazon, Microsoft, 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 Earning 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.

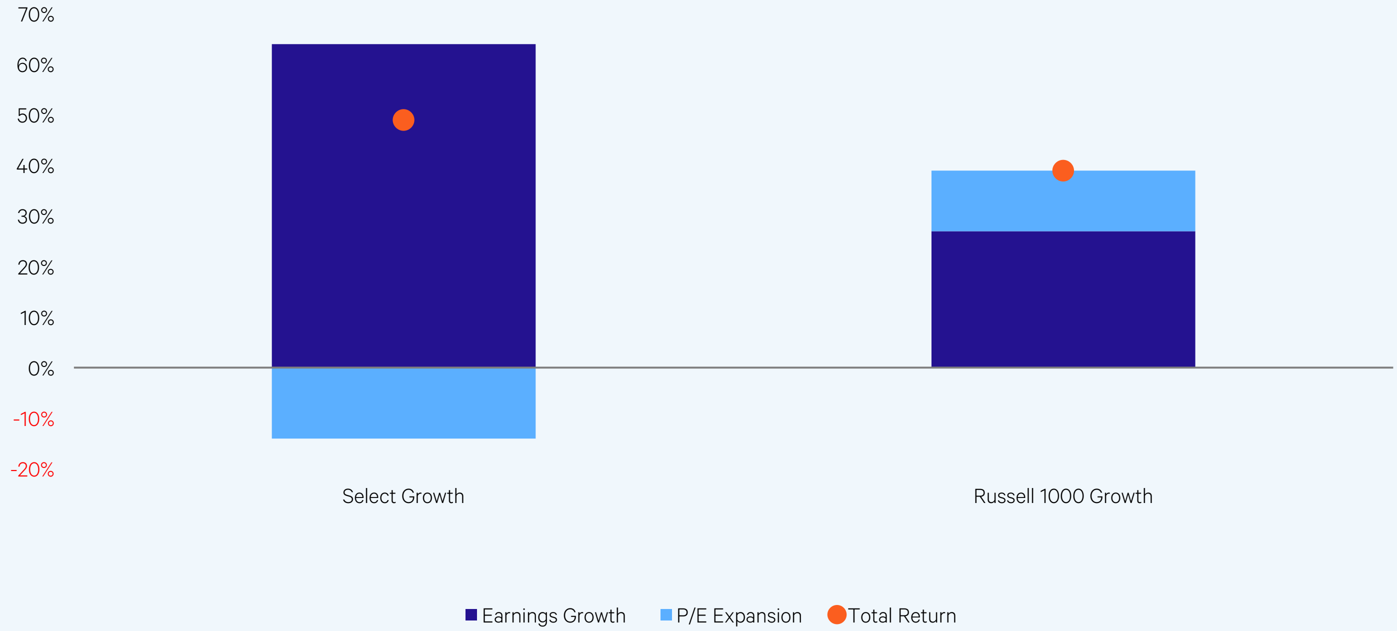
We aren't claiming success, but we are encouraged by the progress these businesses have made in achieving profitability across our portfolios.

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

Select Growth vs. Russell 1000 Growth 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 2/29/92. 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 Select Growth Tax Exempt Institutional Equity Composite. Net of fee performance was calculated using Select Growth Tax Exempt Institutional Equity Composite's actual fees and performance fees if applicable. 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.

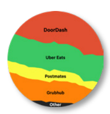
New products: DoorDash's infrastructure improvements have narrowed the losses from new products. New products have helped drive order volumes and, in time, should also contribute to earnings, because they're layered onto an existing infrastructure and thus come with high incremental margins. When we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

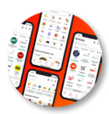
This story of underappreciated fundamental improvement isn't unique to the United States. MercadoLibre—Brazil's market-leading ecommerce provider—has also experienced a combination of falling competitive intensity and operational improvements. We estimate that MercadoLibre's market share in Brazil has 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.

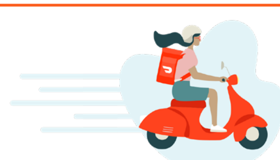
This isn't just a technology-related story. India's HDFC Bank further extended its market leadership through last year's merger with mortgage-lender Housing Development Finance, resulting in its holding 16 percent market share of India's financial system, versus 11 percent pre-merger. While still smaller 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

+ Falling Competitive Intensity 

+ Improving Unit Economics  

+ New Products   

= **Accelerating Earnings Potential** 

	2019	2023
U.S. Market Share %	33%	60%
Gain/Loss per Order $	-$0.48	$2.31
% of MAUs Ordering from a New Vertical	0%	20%
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.)

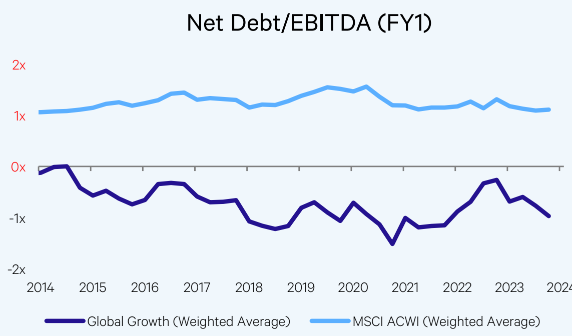
Financial Strength Underpins Earnings Potential

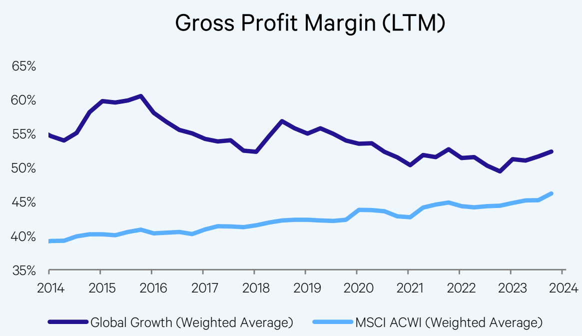
These fundamental improvements have bolstered the financial strength seen at the portfolio level. Financial strength is typically viewed as a defensive characteristic—especially in times of economic distress—but it can also underpin earnings potential. Relative to the broader market, our portfolios—as 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.

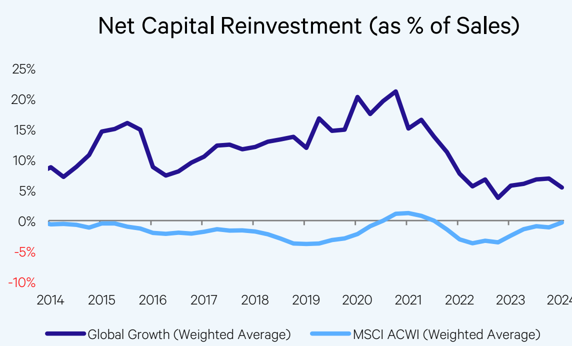
EXHIBIT 6

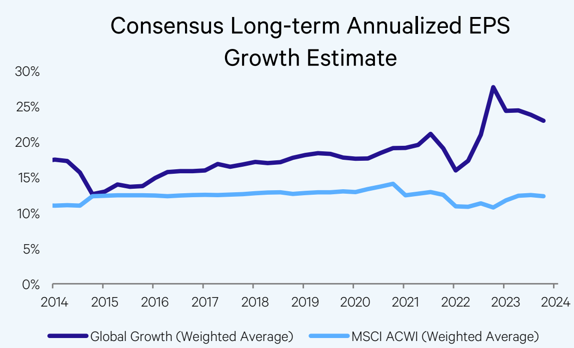
FINANCIAL STRENGTH HELPS BUSINESSES CONTROL THEIR DESTINIES

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 Select Growth, the portfolio actually traded at a growth-adjusted discount to the Russell 1000 Growth Index at the end of the first quarter (Figure 7), despite significant earnings growth potential, durability, and financial strength.

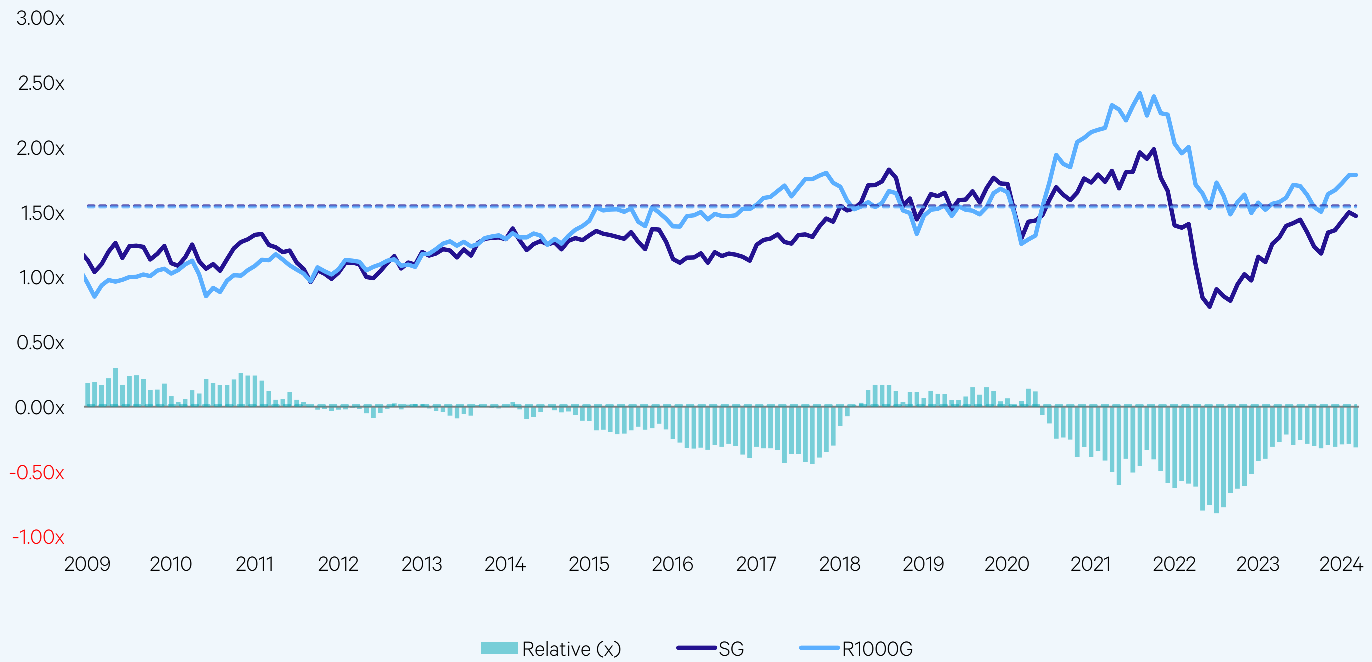
At a company level, this valuation dynamic is even more apparent, with a significant portion of the portfolio trading at a lower forward price-to-earnings ratio (P/E) at the end of 2024's first quarter than at the beginning of 2023.

EXHIBIT 7

SELECT GROWTH'S RELATIVE VALUATION IS COMPELLING

Select Growth (SG) vs. Russell 1000 Growth

P/E (NTM) to Exp. EPS Growth (STM) 12/31/08 – 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, HFDC 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
NVIDIA	6.6	82.4	4.2
Meta Platforms	6.4	37.2	2.2
Amazon	8.0	18.6	1.4
Nu Holdings	2.9	43.1	1.1
Microsoft	8.0	12.0	1.0

Trailing 1 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	6.4	224.7	9.0
Amazon	7.6	73.9	5.4
ServiceNow	7.2	63.4	5.0
Meta Platforms	4.2	83.8	3.9
Microsoft	8.0	46.4	3.5

Trailing 3 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	2.7	443.1	11.1
Microsoft	2.7	53.6	3.7
Lam Research	1.9	101.6	3.6
ServiceNow	7.0	51.0	3.6
Visa	7.0	33.3	2.7

Trailing 5 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	1.6	442.9	11.1
ServiceNow	6.9	206.3	10.3
Amazon	7.0	99.6	8.3
Microsoft	2.6	147.7	6.4
Visa	7.1	81.9	5.8

Bottom Absolute Detractors

Quarter to Date

Company Name	Average Weight	Return	Contribution
Snowflake	4.2	-18.9	-0.7
Atlassian	3.4	-18.1	-0.7
10X Genomics	1.1	-33.0	-0.5
Match Group	1.0	-8.8	-0.1
Ultragenyx Pharmaceutical	1.3	-2.5	-0.0

Trailing 1 Year

Company Name	Average Weight	Return	Contribution
Sea	1.6	-38.6	-2.0
Warner Music	0.4	-26.3	-1.1
10X Genomics	1.4	-33.4	-0.7
Match Group	1.5	-13.9	-0.5
Align Technology	1.6	-2.6	-0.5

Trailing 3 Year

Company Name	Average Weight	Return	Contribution
Sea	4.7	-77.3	-8.9
Block	5.0	-64.1	-6.9
Match Group	2.8	-77.1	-6.0
Twilio	1.5	-74.9	-4.4
Atlassian	3.6	-8.8	-3.7

Trailing 5 Year

Company Name	Average Weight	Return	Contribution
Cloudflare	1.1	-27.2	-2.6
Atlassian	2.8	70.6	-2.2
10X Genomics	0.6	-76.5	-1.7
Snowflake	1.9	32.5	-1.3
Fiverr	0.4	-76.1	-1.2

1Q24 CONTRIBUTOR

Meta Platforms shares rallied after fourth-quarter business results exceeded expectations, with clear signs that the business is seeing returns from its recent investments in artificial intelligence (AI).

Fourth-quarter results revealed 25 percent year-over-year revenue growth, which translated into 73 percent earnings per share growth in 2023 as operating leverage benefited the business in its "year of efficiency." Sales, earnings, and management guidance for first-quarter revenue exceeded consensus estimates. Improving engagement and monetization per user contributed to results, indicating that Meta is seeing attractive returns from its recent AI-focused capital expenditures, in our view.

Looking forward, we believe the business' leadership position in the deployment of AI for content recommendation and in the performance measurement and targeting of advertising positions it to benefit from an accelerating pace of content creation enabled by AI. We expect this to drive a virtuous cycle of higher engagement and advertising demand which, coupled with a renewed focus on identifying cost efficiencies, will result in sustainable above-average earnings growth, in our view.

1Q24 DETRACTOR

Atlassian shares retreated following its earnings announcement for the quarter ended December 31, 2023. In our view, the market's fixation on cloud revenue (as opposed to subscription revenue) is creating short-term volatility, while overall results were encouraging and broadly in line with expectations.

Subscription revenue (cloud and data center combined) exceeded consensus expectations, growing 31 percent year-over-year, with an increased focus on efficiencies leading to 400 basis points in operating margin expansion. However, shares were pressured by cloud revenue falling at the midpoint of guidance (as opposed to coming in above) and a reduction in the high end of guidance for 2024 cloud revenue.

In our view, the market reaction was nearsighted. As long-term shareholders, we should be indifferent to whether server revenue migrates to the cloud or data centers in the short term. Over the next three years and beyond, we believe data center customers will continue to migrate to the cloud at an average uplift in pricing of two to four times. In our view, this could provide $1.5 billion to $4 billion in incremental revenue over our five-year horizon.

In the coming quarters, we see several tailwinds for the business emerging, including a slowdown in layoffs and eventual resumed headcount growth across the customer base, improving conversions from the free tier, continued pricing power enabled partly by AI capabilities, and more cloud migrations driving further revenue uplift from existing customers. Combining these dynamics with slowing growth in operating expenses, we're confident that, over the next five years, the business can achieve our 25 percent to 30 percent long-term free cash flow growth estimate with margins that we expect to approach 35 percent.

TRAILING 1 YEAR CONTRIBUTOR

NVIDIA was the top absolute contributor to Select Growth as it continued to emerge as the primary beneficiary of demand for the infrastructure required to enable generative artificial intelligence. NVIDIA exceeded consensus lofty expectations for the quarter ended January 31, 2024, with 265 percent revenue growth year-over-year (22 percent sequentially) and 487 percent earnings growth (28 percent sequentially). Gross margin and operating margin were 77 percent and 67 percent, respectively, improving both year-over-year and quarter-over-quarter.

In March 2024, NVIDIA unveiled its new Blackwell chip architecture. NVIDIA disclosed that technical innovations in both chip architecture and system design enable 30 times better inference and four times better training capabilities. With this announcement, NVIDIA is betting on the adoption of much larger and more complex models.

We continue to view NVIDIA as one of the most important growth businesses globally and one that CEO Jensen Huang believes will drive a "new industrial revolution." NVIDIA's revenue guidance for next quarter implies an $80 billion annual data center run rate, which we think will rise to $100 billion in the following quarter. Over the longer term, we project over $300 billion in annual data center revenue by 2030, which assumes 50 percent annualized compute demand growth and a take rate for NVIDIA between 20 percent and 25 percent. Data centers' transition to accelerated computing is a key growth driver; historically, data centers consisted almost entirely of central processing units (CPUs), which are used for general purposes. Graphics processing units (GPUs) like NVIDIA's are more suited for large language model training and inference, given their parallelized nature, and can be used to accelerate other data center workloads. We see a continued shift to GPUs, given the limitations of CPUs' capabilities, and the Blackwell announcement demonstrates to us the potential for generative artificial intelligence to be applied to nearly every industry globally.

NVIDIA's growth comes at what we view as an attractive valuation, at a price-earnings ratio of 35 times next 12 months' earnings as of March 31, 2024.

TRAILING 1 YEAR DETRACTOR

10X Genomics shares traded lower due to weakness in its single-cell business that contributed to the firing of its chief commercial officer (CCO). We acknowledge that a slower growth trajectory is likely for its single-cell business, yet we see the potential for a new commercial strategy to reinvigorate sales. More importantly, we project inflecting demand for its spatial analysis tools will offset weakness in its single-cell business and contribute to sustainable above-average earnings growth.

The firing of 10X Genomics' CCO followed stagnant growth in the business' single-cell product (roughly 70 percent of revenues) over the past two years. This slow growth was partly due, in our view, to a genomics industry that has suffered from a slow increase in projects following COVID-19-induced shutdowns, supply chain issues and rising input costs creating obstacles to finishing experiments, labor shortages, and the trickle-down effect of biopharmaceutical funding delays. We view the business' strategy to maintain high prices as another impediment to unlocking the elasticity of demand that would come from lower prices.

We continue to monitor the ability of 10X Genomics to reestablish growth in its single-cell business, yet we are encouraged by our growth expectations for its spatial analysis tools. Spatial analysis of genomics data has the potential to result in greater scientific discovery, drug development, and diagnostic applications, and our channel checks indicate demand for these tools is underappreciated. Incorporating these insights, we project that 10X Genomics' spatial analysis tools will grow at a 45 percent annual rate over our five-year horizon, offsetting the slower growth trajectory of the single-cell business and becoming the largest growth driver for the business by 2027.

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

Purchases & Sales

PURCHASES

ASML Holding
Information Technology

ASML Holding is the world's largest vendor of semiconductor production equipment by revenue. It is a global market-leading supplier of lithography equipment, which uses concentrated light to imprint circuit patterns onto silicon wafers.

Extreme ultraviolet (EUV) lithography systems—a critical manufacturing component for the world's most advanced, or leading-edge, microchips—are ASML's primary product by revenue and what we expect to be its biggest growth driver. EUV systems print the most intricate layers on microchips using a wavelength of just 13.5 nanometers, and ASML is the world's sole provider of this technology. We expect unit and pricing growth of ASML's EUV systems to be driven by the increased manufacturing complexity of semiconductors, given the growing computing power demanded by data centers, connected devices, personal computers, and other use cases.

We view ASML as a toll taker on an open-ended growth opportunity, as the proliferation of artificial intelligence drives demand for chips that require ASML's exclusive technology.

SALES

Match Group
Communications Services

We sold **Match Group**, due to a deteriorating fit with our first (sustainable above-average earnings growth) and fourth (clear mission and value-added focus) investment criteria.

Select Growth purchased Match Group in 2018, based on our investment thesis that it would grow its user base and increasingly monetize those users. From our estimates as of March 2024, this opportunity remains significant, as 25 percent of singles regularly use its family of apps, yet less than 5 percent of singles are paying users. While Match Group executed on our investment thesis for years following our investment, more recently, progress has stalled.

From 2020 through today, Tinder—Match Group's highest revenue-generating affiliate—has had five CEOs. In our view, the business initially displayed impressive resilience in growing through the turnover in management. However, over time, these transitions appeared to have resulted in development delays, stagnation in the product, and, ultimately, a deterioration in usage. While there is a plan to return Tinder to growth, we don't see one "silver bullet" and lack conviction that growth will return in a reasonable time frame. There are other businesses for which we have higher conviction in their long-term prospects. As a result, we chose to sell Match Group.

Stewardship

CARBON EXPOSURE - REPORTED MARCH 31, 2024

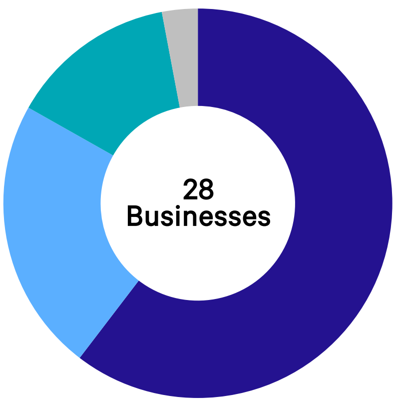
	Carbon Footprint				
	CARBON EMISSIONS	TOTAL CARBON EMISSIONS	CARBON INTENSITY	WEIGHTED AVERAGE CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
Select Growth	1.8	1,770	15.7	11.9	96%
Russell 1000 Growth	8.3	8,319	42.4	28.9	100%
	tCO2e/$M Invested	tCO2e	tCO2e/$M Sales		Market Value

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.

VOTING ACTIVITY - TRAILING 12 MONTHS ENDING MARCH 31, 2024

VOTES	BUSINESSES	RESOLUTIONS	%
Cast in Favor of Management	19	290	97%
Cast Against Management	7	9	3%
Abstentions	0	0	0%
		299	**100%**

ENGAGEMENT ACTIVITY - TRAILING 12 MONTHS ENDING MARCH 31, 2024



- Business Strategy: 61%
- Governance: 23%
- Social: 13%
- Environment: 3%

TOPICS ADDRESSED

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

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

Environmental
Environmental policy and strategy
GHG emissions or climate change strategy
Energy use and efficiency
Materials use and sourcing
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.

Align Technology

Business: Align Technology is the market leader for intraoral digital scanners and clear aligners used in orthodontics, with over 70 percent market share.

Key issues: Executive compensation, board structure or composition.

Align is a global medical device company that has revolutionized the orthodontics industry through its clear aligner Invisalign system and iTero intraoral scanners.

The company is an example of how Sands Capital's long-term, partnership-oriented investment approach can bring about change over an extended period. Our engagements over our ownership period have resulted in what we view as improvements to both the business' executive compensation practices and its board structure.

Our multi-year efforts with Align began in 2019, when we first engaged on executive compensation. We believed the CEO's pay package focused too much on short-term incentives and not enough on maximizing long-term shareholder value. With limited changes to compensation for several years, we continued to engage and vote against executive compensation proposals while recommending alternatives.

We saw some change in 2021, including the removal of big one-time cliff vesting grants, adjustments within the pay structure to fully embed compensation into the long-term incentive plan with more normal vesting schedules, and increased overall CEO pay transparency. We were in support of these changes, which we believed more closely aligned with shareholder interests.

However, we continue to actively engage with the business on the topic, as Align's CEO compensation remains at the top end of the industry, despite its volatile stock performance. We would like to reward performance with pay, and in contrast believe years of underperformance should be appropriately reflected in executive compensation. We plan to continue pushing for a structure that is more aligned with long-term shareholder interests.

In addition to executive pay, our engagements with Align also included discussions about its entrenched board. Six of the 11 directors in 2020 had been on the board for more than 14 years, three were at or near retirement age, and some seemed to possess limited relevant experience.

As active stewards of capital, we engaged with the board to bring fresh perspectives and to improve governance and accountability. Despite our recommendations for a board refreshment over the years, we did not believe the board was prepared to bring in new directors at the time, as the most recently nominated board member was appointed in 2019. Because of this belief, we began voting against three of the entrenched members of the board in 2021.

In late 2022, Align removed two of the entrenched board members but did not nominate new ones, reducing the board's size. Subsequently, we continued to engage with the board to show our support for new board members who would bring fresh perspectives and skill sets, as we believed they had reached a position to bring on new members. In December 2023, Align introduced two new directors who we trust will bring relevant experience and knowledge to the board. We think the new board members' skills will not only be valuable to Align, but will also give us more confidence that accountability thresholds and board governance will improve.

Select Growth Tax Exempt Institutional Equity Composite (TEIEC) GIPS Report

			TEIEC			R1000G				
YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD $M)	NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	R1000G	ANN. 3 YR. STD. DEV.	NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD $M)
2022	88	$6,625.17	-49.14	-48.88	28.26	-29.14	23.47	0.00	0.19	$40,707.08
2021	78	$10,733.38	4.89	5.36	20.99	27.60	18.17	0.00	0.23	$75,340.29
2020	82	$12,888.65	71.42	72.15	22.42	38.49	19.64	0.00	0.71	$68,621.83
2019	84	$10,063.97	33.34	33.91	17.22	36.39	13.07	0.00	0.15	$44,636.85
2018	90	$9,140.97	6.77	7.27	17.03	-1.51	12.13	0.00	0.19	$35,387.67
2017	102	$11,646.37	35.15	35.74	15.07	30.21	10.54	0.00	0.48	$41,331.26
2016	115	$10,192.82	-7.13	-6.70	15.58	7.08	11.15	0.00	0.18	$34,914.29
2015	146	$14,686.78	2.92	3.40	14.56	5.67	10.70	0.00	0.50	$44,192.42
2014	155	$17,737.17	8.95	9.63	14.51	13.05	9.59	0.00	0.18	$47,659.83
2013	155	$16,244.61	42.19	42.95	15.55	33.48	12.18	0.00	0.17	$42,067.92

Net Returns

As of 03/31/2024	QTD	1 Year	3 Years	5 Years	10 Years	Since Inception (2/29/1992)
TEIEC	15.1	48.5	-1.5	11.8	12.3	12.3
R1000G	11.4	39	12.5	18.5	16	10.6

Effective 5/31/2022, the name of the composite changed from Tax Exempt Institutional Equity Composite to Select Growth Tax Exempt Institutional Equity Composite. 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 Select Growth Tax-Exempt Institutional Equity Composite ("TEIEC") has had a performance examination for the periods February 29, 1992 through December 31, 2022. The verification and performance examination reports are available upon request. The TEIEC contains all fee and non-fee paying, tax-exempt institutional accounts managed in the Select Growth strategy. The Select Growth strategy is a concentrated portfolio that normally consists of the equity securities of 25 to 30 primarily large and mid-capitalization growth businesses. Portfolio companies are primarily domiciled in the U.S. but may also include ADRs and the equity securities of foreign issuers in other developed and emerging markets that are listed on U.S. exchanges. The strategy may experience losses as it is subject to equity securities risk, market and issuer risk, selection risk, growth style risk, concentration risk, and other economic risks that may influence the returns of this strategy. The benchmark for the TEIEC is the Russell 1000 Growth Index ("R1000G"). The R1000G measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The TEIEC holds securities that are not included in the R1000G, and Sands Capital may invest in securities not covered by the index. The minimum account size for this composite is $3 million. 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. Gross and net performance includes the reinvestment of all income and is presented net of expenses, interest income, and capital gains. For periods prior to 2013, gross returns are shown as supplemental information and are stated gross of all fees and transaction costs for bundled fee accounts; net returns are reduced by all fees and transaction costs incurred. Net returns presented are calculated using actual fees and performance fees if applicable. Bundled fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions this fee may have included portfolio monitoring, consulting services, and in some cases, custodial services. As of January 1, 2013, bundled fee accounts are no longer included in the TEIEC and in 2012, bundled fee account assets represented 0.9% percent of the composite. The U.S. Dollar is the currency used to express performance. 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 0.75% on the first $50 million of assets under management and 0.50% on assets under management greater than $50 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. 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 TEIEC was created on February 29, 1992 and the inception date for performance is February 29, 1992. Russell 1000® Growth Index is a trademark of the Frank Russell Company. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Global Growth Equity Composite (GGEC) GIPS Report

			GGEC			MSCI ACWI				
YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD $M)	NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	MSCI ACWI	ANN. 3 YR. STD. DEV.	NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD $M)
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. 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 GGEC was created on February 26, 2009 and the inception date for performance is December 31, 2008. MSCI is the source of all MSCI data presented. The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. 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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.