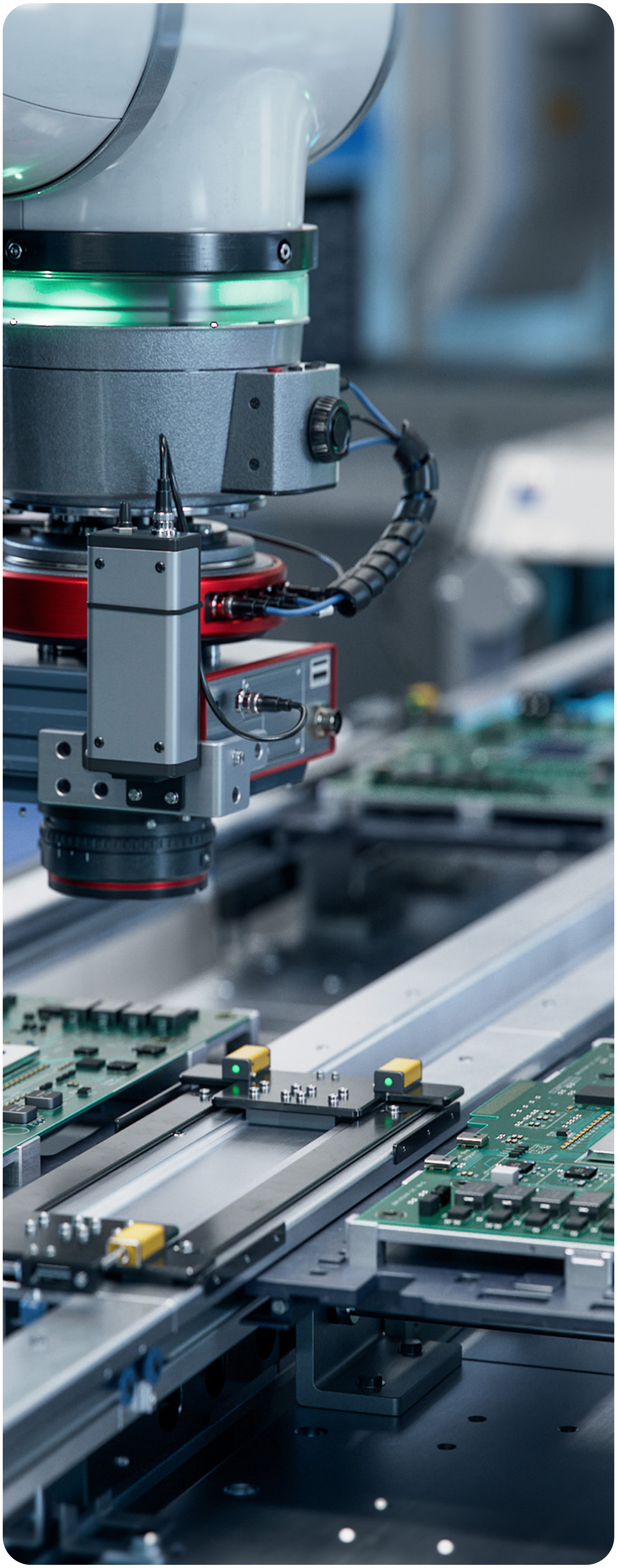

SANDS CAPITAL

Technology Innovators

Quarterly Report
June 30, 2026
USD

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Strategy Team

Michael Clarke
Co-Portfolio Manager

Thomas Trentman, CFA
Co-Portfolio Manager

Technology Innovators

Technology Innovators leverages our deep domain knowledge to seek leading innovative businesses globally that are the key facilitators or beneficiaries of powerful secular shifts enabled by technologies.

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

June 30, 2026

Concentrated and Conviction-Weighted

Holdings	33 businesses
Top Ten Weight	59%

Long-Term Investment Horizon

Turnover (Annual Avg.)	21%
Expected Holding Period	5+ years

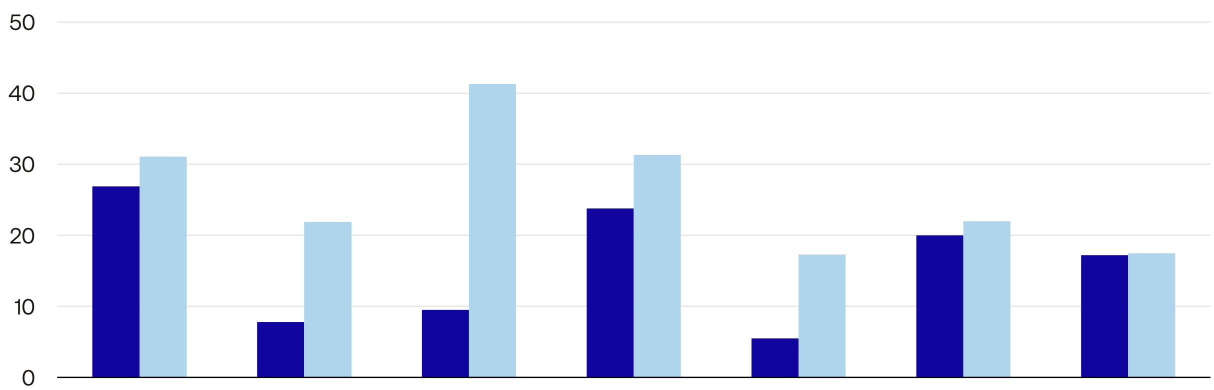
Growth-Oriented

Sands Capital Long-Term EPS Growth Estimate	37%

Investment Results (%)

Technology Innovators vs. MSCI ACWI Info Tech and Communication Services Index

As of 06/30/2026



	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Portfolio (Net)	26.9	7.8	9.5	23.8	5.5	20.0	17.2
Benchmark	31.1	21.9	41.3	31.3	17.3	22.0	17.5
Value Added (%)	-4.2	-14.1	-31.8	-7.5	-11.8	-2.0	-0.2

Calendar Year Returns (%)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD
Portfolio (Net)	46.5	12.8	41.4	76.0	9.7	-47.9	50.8	37.7	14.7	7.8
Benchmark	41.8	-4.6	38.5	38.3	22.4	-32.3	47.7	31.6	27.9	21.9
Value Added (%)	4.7	17.4	2.9	37.8	-12.6	-15.6	3.2	6.1	-13.2	-14.1

Inception date is 12/31/2010. 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 Technology Innovators Composite. Net of fee performance was calculated by reducing Technology Innovators 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. Data Load ID: 666

Portfolio Characteristics

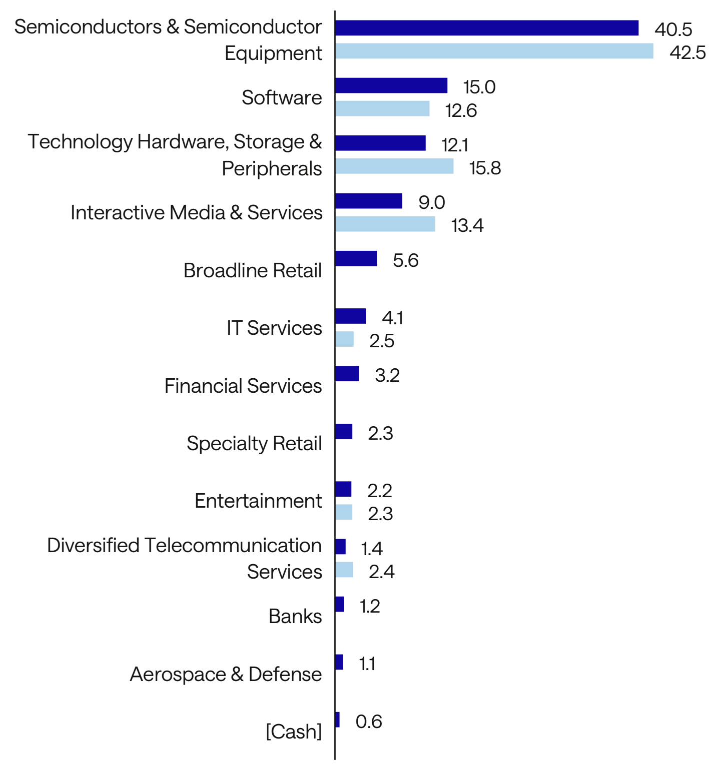
	Portfolio	Benchmark
Strategy Assets (USD)	$278.2M	n/a
Portfolio Businesses	33	445
Active Share	57%	n/a
5-Year Historical EPS Growth	39%	28%
Consensus Forward P/E - Next 12 mos.	19x	20x
Weighted Avg. Market Cap (USD)	$1.6T	$2.0T
Median Market Cap (USD)	$277.2B	$20.6B
Turnover - Trailing 12 mos.	44%	n/a

Efficiency and Volatility Metrics

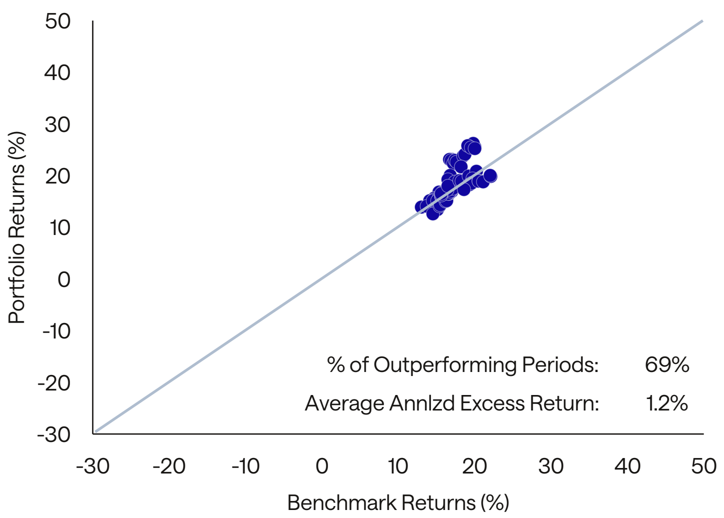
(Trailing 5 Years Net of Fees)	Portfolio	Benchmark
Beta	1.09	1
Information Ratio	-1.0	n/a
R-Squared	81.3%	100.0%
Sharpe Ratio	0.1	0.7
Standard Deviation	26.1%	23.5%
Tracking Error	11.5%	n/a
Up Capture	92.1%	100%
Down Capture	124.6%	100%

Past performance is not indicative of future results.

Industry Exposure (%)



Rolling 10 Year Investment Results



Average annualized excess returns are calculated based on monthly rolling periods beginning 12/31/2010 (composite inception date). The investment results shown are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. Investment results presented are those of the Technology Innovators Composite. Net of fee performance was calculated by reducing Technology Innovators 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.

Top Ten Holdings (58.7% of Assets)

Company	Sector	Domicile	Weight (%)	Owned Since
NVIDIA	Information Technology	United States	11.3	2023
Taiwan Semiconductor	Information Technology	Taiwan	10.3	2016
SK hynix	Information Technology	Korea	7.1	2026
Samsung Electronics	Information Technology	Korea	5.4	2026
Alphabet	Communication Services	United States	5.3	2025
Seagate Technology	Information Technology	United States	4.4	2026
ASML Holding	Information Technology	Netherlands	4.0	2010
Palo Alto Networks	Information Technology	United States	3.8	2025
Meta Platforms	Communication Services	United States	3.7	2023
Block	Financials	United States	3.2	2020

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			**12.7**	**19.6**	
Alphabet	Interactive Media & Services	United States	5.3	9.2	2025
Meta Platforms	Interactive Media & Services	United States	3.7	3.1	2023
Space Exploration Technologies	Diversified Telecommunication Services	United States	1.4	0.2	2026
Spotify	Entertainment	Sweden	2.2	0.2	2025
Consumer Discretionary			**7.9**		
Amazon	Broadline Retail	United States	2.8	0.0	2015
Carvana	Specialty Retail	United States	2.3	0.0	2025
MercadoLibre	Broadline Retail	Argentina	1.4	0.0	2020
Sea	Broadline Retail	Singapore	1.4	0.0	2020
Financials			**4.5**		
Block	Financial Services	United States	3.2	0.0	2020
Nu Holdings	Banks	Brazil	1.2	0.0	2021
Industrials			**1.1**		
Axon Enterprise	Aerospace & Defense	United States	1.1	0.0	2024
Information Technology			**73.2**	**80.4**	
Advanced Micro Devices	Semiconductors & Semiconductor Equipment	United States	1.6	2.3	2026
AppLovin	Software	United States	1.6	0.3	2025
Arm Holdings	Semiconductors & Semiconductor Equipment	United Kingdom	1.3	0.0	2026
ASML Holding	Semiconductors & Semiconductor Equipment	Netherlands	4.0	1.9	2010
Broadcom	Semiconductors & Semiconductor Equipment	United States	2.6	4.2	2025
Cerebras	Semiconductors & Semiconductor Equipment	United States	0.9	0.0	2026
Cloudflare	IT Services	United States	1.6	0.2	2026
Datadog	Software	United States	3.1	0.2	2022
Intel	Semiconductors & Semiconductor Equipment	United States	1.3	1.5	2026
Klaviyo	Software	United States	1.1	0.0	2023
Microsoft	Software	United States	2.9	6.5	2023
NVIDIA	Semiconductors & Semiconductor Equipment	United States	11.3	11.4	2023
Palantir Technologies	Software	United States	0.7	0.6	2025
Palo Alto Networks	Software	United States	3.8	0.7	2025
Samsara	Software	United States	1.8	0.0	2021
Samsung Electronics	Technology Hardware, Storage & Peripherals	Korea	5.4	2.8	2026
SanDisk	Technology Hardware, Storage & Peripherals	United States	2.3	0.0	2026
Seagate Technology	Technology Hardware, Storage & Peripherals	United States	4.4	0.5	2026
Shopify	IT Services	Canada	2.5	0.3	2017
SK hynix	Semiconductors & Semiconductor Equipment	Korea	7.1	2.3	2026
Taiwan Semiconductor	Semiconductors & Semiconductor Equipment	Taiwan	10.3	4.6	2016
TTM Technologies	Electronic Equipment, Instruments & Components	United States	1.6	0.0	2026
Cash			0.6		

Data presented is that of the Technology Innovators 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 totals to vary from 100.0%. Source: Sands Capital, FactSet, MSCI

Second Quarter 2026 Commentary

Market Environment

Global equities rebounded sharply in the quarter, with the MSCI ACWI posting its strongest quarterly advance since 2020 and one of its best quarters since 1999. The rally was broad, with 10 of 11 sectors advancing, though leadership remained concentrated in information technology. Semiconductor- and hardware-related businesses accounted for more than 60 percent of the index's rise, and the PHLX Semiconductor Sector Index recorded its strongest quarter ever.

AI infrastructure remained the leading market theme. Demand for compute capacity showed few signs of slowing, and large technology companies continued to signal robust capital investment. Micron Technology's results late in the quarter reinforced this narrative, as management described persistent supply-demand tightness in memory chips and resilient demand from strategic customers. These updates supported investor confidence in the broader AI supply chain, particularly among businesses tied to semiconductors, memory, and hardware.

The macroeconomic backdrop also improved. Cooling tensions between the United States and Iran, including a cease-fire and renewed negotiations, helped ease concerns about a wider conflict. Brent crude oil prices retraced much of their earlier war-driven spike, and tanker traffic through the Strait of Hormuz further supported sentiment.

Emerging markets outperformed U.S. and developed market equities for the sixth consecutive quarter, led by strength in Korea and Taiwan.

Investment Results and Attribution

The portfolio's semiconductor exposure was the primary source of relative underperformance, even though it contributed more than half of absolute returns. The portfolio's more concentrated exposure to mega-cap AI chip design and fabrication providers weighed on relative results as leadership broadened across CPUs, memory, and networking.

The portfolio's exposure to technology hardware and software businesses helped offset semiconductor-related relative underperformance. Two semiconductor memory providers and several software infrastructure holdings were among the top contributors. In our view, improving performance within software reflects our actions to reduce exposure to application software, while maintaining conviction in areas such as cybersecurity and observability, which we expect to benefit from rising application complexity and the increasing speed and sophistication of cybersecurity attacks.

The portfolio's holdings in vertical software, internet, and financials were modest detractors, partially offsetting strength from AI infrastructure beneficiaries. In many cases, we attribute underperformance among these holdings to a combination of macroeconomic concerns, positioning dynamics that favored AI infrastructure over software and internet businesses, ongoing investment cycles, and uncertainty around the long-term impact of AI.

We continue to weigh these near-term pressures against our conviction in the durability of the portfolio's vertical software and internet holdings. While we have reduced our exposure in these areas, we believe our remaining holdings retain competitive advantages, including physical infrastructure, network effects, and direct access to consumer and merchant demand. We have maintained conviction where we believe we have differentiated insight into these companies' ability to use AI to improve products, increase efficiency, or strengthen competitive positioning. Over time, successful execution could shift market perception of these businesses from potential AI disruption risks to potential AI beneficiaries.

The top five absolute individual contributors were Taiwan Semiconductor, SK hynix, NVIDIA, Seagate Technology, and Palo Alto Networks.

Taiwan Semiconductor's contribution reflected continued confidence in its bottleneck position within leading-edge semiconductor manufacturing. First-quarter revenue was in line with consensus expectations, while gross margin exceeded consensus and guidance implied continued strength through the balance of the year. The company remains the scaled manufacturing partner for many of the most advanced AI chips, with robust demand across leading-edge nodes and advanced packaging. We believe Taiwan Semiconductor's manufacturing leadership, pricing power, and strategic position in the AI supply chain should continue to support durable long-term growth.

SK hynix contributed positively during the quarter, as the memory shortage broadened beyond high-bandwidth memory into conventional DRAM and NAND. AI inference and agentic workloads are increasing demand across the memory stack, while physical constraints limit how quickly the industry can add supply. SK hynix described the shortage as structural, multiyear, and broad-based across products, with meaningful capacity additions unlikely before the second half of 2027. This imbalance is already visible in pricing, with SK hynix reporting DRAM prices up in the mid-60 percent range sequentially and NAND prices up in the mid-70 percent range. In our view, the key implication is durability: high-bandwidth memory remains strategically important, but conventional DRAM and NAND are now driving a larger share of near-term earnings revisions, while tight supply across product categories should strengthen future pricing negotiations with customers competing for scarce capacity.

NVIDIA's contribution reflected continued evidence that demand for accelerated computing remains robust. First-quarter revenue grew 85 percent and earnings per share grew 131 percent, driven by sustained demand for AI infrastructure. While GPUs remain the core driver, the company's opportunity is broadening as AI adoption expands from training toward inference, agentic workflows, and enterprise use cases. Management also highlighted meaningful standalone CPU revenue visibility, reinforcing NVIDIA's evolution from a GPU supplier into a systems-level provider across the AI infrastructure stack. We believe NVIDIA remains one of the clearest beneficiaries of a large and potentially underappreciated AI capital spending cycle.

Seagate Technology is a global leader in mass-capacity data storage. Shares advanced as improving supply-demand conditions continued to support stronger pricing expectations for hard disk drives. The company reported strong first-quarter results, with revenue rising 44 percent year over year and non-GAAP gross margin reaching a record 47 percent. Demand for storage capacity is improving as AI-related workloads require greater data retention and retrieval, while industry supply remains constrained. Management now expects pricing to grow at a multiyear mid-teens rate, following 12 percent year-over-year pricing growth in the quarter. We believe this combination of rising demand, limited supply response, and improving pricing discipline will support durable earnings growth.

Palo Alto Networks was a contributor during the quarter, supported by strong results and continued investor confidence in cybersecurity demand. Fiscal third-quarter results showed demand remains robust, as rapid AI adoption expands enterprise attack surfaces and increases the need for scaled cybersecurity platforms that can provide visibility, control, and protection against more sophisticated threats. Management also noted an improving demand pipeline following Palo Alto Networks' inclusion as a launch partner in Project Glasswing, Anthropic's initiative to use the Claude Mythos model to help defenders secure critical software for the AI era. In our view, these developments reinforce Palo Alto Networks' position as a critical enabling platform for secure AI adoption. The company is well positioned to benefit from this demand environment through its broad product portfolio, scaled customer base, and ability to consolidate security spend.

The top five absolute detractors were Roblox, Klaviyo, Nu Holdings, Palantir, and Samsara.

Roblox shares declined, reflecting more difficult user engagement comparisons and increased investment in safety features that pressured margins. We sold the business during the quarter.

Nu Holdings operates Nubank, a digital financial services platform serving more than 100 million customers in Latin America. First-quarter 2026 revenue growth was in line with expectations, but higher-than-expected provisions weighed on gross profit and raised investor concerns about household debt and credit quality. We are less concerned, as Brazil's low unemployment and real wage growth are more relevant, in our view, to future credit losses than household debt service ratios. We also believe Brazilian Central Bank data may overstate loan delinquencies because of an accounting change that affects how long banks can keep nonperforming loans on their books before recognizing a write-off. Importantly, after a detailed inspection of the bank's balance sheet and interaction with the management, we feel comfortable about Nu's prospects of generating healthy risk-adjusted net interest income in the coming quarters. Asset quality concerns may take time to resolve, but Nu continues to execute against a large and expanding addressable market. Its measured entry into the United States also appears unlikely to alter its long-term efficiency goals. With the business trading at its lowest forward earnings multiple as a public company, we believe investor concerns may be overstated.

Klaviyo is an innovative provider of business-to-consumer (B2C) marketing technology. While the company delivered a headline beat and raise, expectations had moved higher into the print after a sharp rebound from April lows, and investors focused on a smaller revenue beat and a slightly lower second-quarter margin guide. The reaction also reflected broader pressure on software stocks, where investor sentiment remains fragile and near-term execution concerns have weighed on valuation multiples. In our view, the selloff was disproportionate to the underlying business performance. Klaviyo continues to deliver strong revenue growth, has limited exposure to seat-based revenue disruption, and should continue to expand margins over time. We maintain conviction, supported by Klaviyo's opportunity to extend share gains, expand internationally and outside of ecommerce, and cross-sell its text-messaging and customer service platforms.

Palantir is a data intelligence and operational AI platform that helps governments and enterprises solve complex challenges by integrating and analyzing data across functions. Our holding was a detractor during the quarter, as shares declined despite reporting very strong first-quarter results. Revenue growth accelerated meaningfully, the company delivered a record guidance raise, and profitability continued to improve, with strong incremental margins and continued GAAP earnings growth. In our view, the stock reaction reflected elevated expectations and ongoing investor debate around valuation and competition from AI labs, rather than deterioration in the underlying business. We believe Palantir is increasingly proving itself as a clear winner in artificial intelligence, with its platform tied to durable growth themes including defense modernization, reindustrialization, energy buildout, and space. We maintain conviction, supported by Palantir's differentiated software platform, expanding customer adoption, and ability to translate AI demand into profitable growth.

Samsara is a leading developer of connected hardware and software for industrial operations. Shares declined despite strong first-quarter results, as broader multiple compression across select vertical software peers outweighed continued evidence of strong execution. Revenue growth remained steady at approximately 30 percent, while the company delivered roughly 500 basis points of margin leverage, reflecting improving scale and operating discipline. Samsara continues to benefit from a powerful data network effect: as more customers and connected assets join the platform, Samsara captures more proprietary operational data, which improves its products, strengthens customer outcomes, and creates new monetization opportunities. This flywheel is supporting success across an expanding product portfolio and should be reinforced by upcoming product announcements and disclosures. With the stock trading near multiyear lows on forward revenue despite sustained growth, improving profitability, and limited evidence of AI-related disruption risk, we view Samsara as one of our more attractive vertical software ideas.

Portfolio Activity

Technology Innovators was active during the second quarter. We initiated positions in Advanced Micro Devices, Arm Holdings, Cerebras, Intel, SanDisk, SpaceX, and TTM Technologies, while exiting DoorDash, Coupang, Figma, Netflix, Roblox, and Visa.

The activity reflected a broader effort to increase exposure to businesses positioned at bottlenecks in the AI infrastructure buildout, while reducing the portfolio's overweight to consumer internet. In our view, the emergence of agentic AI has created another demand shock for infrastructure, as more capable models and higher task-completion rates drive greater token consumption, compute usage, storage requirements, and power demand.

We believe this dynamic should benefit companies operating in constrained areas of the technology supply chain, including CPUs, inference, semiconductor manufacturing, memory and storage, circuit boards, and other enabling infrastructure. Accordingly, Advanced Micro Devices, Arm Holdings, Intel, Cerebras, SanDisk, and TTM Technologies broadened the portfolio's exposure across several parts of the AI infrastructure stack.

Advanced Micro Devices, **Arm Holdings**, and **Intel** increased the portfolio's exposure to rising CPU demand driven by agentic AI. While GPUs remain central to training and token generation, CPUs are increasingly important for scheduling, memory management, tool execution, and the orchestration of agentic workflows. As AI workloads evolve toward inference, agentic workflows, and more complex data center architectures, we believe the need to coordinate, feed, and manage accelerated compute could drive stronger CPU demand than investors previously expected. AMD and Arm provide exposure to supplier diversity, open standards, and more efficient compute architectures, while Intel adds exposure to server CPUs and potential foundry optionality as customers seek additional sources of advanced manufacturing supply. While execution risk remains meaningful, particularly for Intel, we believe these businesses provide differentiated exposure to emerging bottlenecks in the AI infrastructure stack.

Cerebras added exposure to what we believe is a rapidly emerging market for low-latency inference. The company's wafer-scale architecture integrates memory directly onto its compute fabric, reducing latency and increasing effective memory bandwidth relative to conventional architectures that separate compute from high-bandwidth memory. We believe this advantage could allow Cerebras to define a distinct premium "fast inference" category optimized for real-time AI applications, including voice assistants, coding copilots, reasoning agents, and other interactive AI experiences where latency increasingly determines product quality.

SanDisk is a U.S.-based provider of flash memory and storage technologies. As agentic AI systems handle more complex tasks with less human direction, they need to access, process, and retain larger amounts of context, increasing demand for high-capacity memory and storage. SanDisk's work in High Bandwidth Flash, a NAND-based technology designed to improve memory capacity and performance for AI inference, may help address these needs over time. Supply could also remain constrained, as advanced memory products are increasingly difficult and capital-intensive to manufacture, and new fabrication capacity can take years to build. If demand continues to rise faster than supply, the industry may see more durable economics than in past cycles.

TTM Technologies is a leading Western manufacturer of highly complex printed circuit boards (PCBs) and integrated electronic subsystems. We believe the company is positioned at the intersection of AI data center growth and defense modernization. TTM is 75 percent sole sourced in U.S. aerospace and defense projects due to lack of domestic competitors and is already booking revenue from Golden Dome. As AI infrastructure evolves to support advanced accelerators, networking equipment, and custom compute architectures, boards require more layers, higher performance, and greater manufacturing precision, creating meaningful pricing uplift versus commoditized PCBs. We believe TTM's exposure to AI accelerator boards, networking, and defense demand can support durable earnings growth and improving quality of the business.

Space Exploration Technologies (SpaceX) was added as a more idiosyncratic growth opportunity. The company provides foundational infrastructure for the emerging space economy through its reusable launch technology and Starlink broadband network. Reusability has lowered launch costs, increased launch frequency, and strengthened SpaceX's leadership in global mass-to-orbit. We believe this position could widen further as Starship scales, while Starlink expands the opportunity into enterprise connectivity, government communications, and direct-to-device services. We initiated the position at a modest weight, recognizing the potential volatility associated with limited float, retail activity, and technical buying pressure.

The additions were funded largely through trims and sales in consumer internet, including the exits of DoorDash, Netflix, Coupang, and Roblox. These actions were part of a broader effort to reduce the portfolio's overweight to consumer internet and redeploy capital toward areas where we see stronger near-term earnings visibility and greater relative conviction. The exits of **Figma** and **Visa** reflected our assessment of relative risk-reward and our desire to concentrate capital in businesses with more direct exposure to the portfolio's highest-conviction growth opportunities.

Netflix remains a uniquely scaled premium video platform, with meaningful advertising potential and subscription pricing power. However, we believe AI-enabled short-form video could become an increasingly strong competitor for consumer engagement over time, creating greater uncertainty around Netflix's terminal value.

Roblox has strengthened its position as a platform since our initial investment, with engagement and monetization broadening beyond a small number of viral hit games. That progress drove a meaningful improvement in revenue growth and profitability. However, the stock has become more vulnerable to difficult comparisons following a surge in engagement, while incremental safety investments may weigh on near-term usage and monetization. Although we continue to see long-term potential in the business, we exited the position because the near-term setup had become less attractive relative to other opportunities.

The sale of **DoorDash** also reflected our desire to reduce consumer internet exposure and concentrate capital in areas where we see more compelling relative upside. We continue to view the company as a high-quality business, but believe the portfolio is better served by reallocating capital toward AI infrastructure beneficiaries and other idiosyncratic growth opportunities.

Outlook

The market's recovery in the quarter came as AI development continued to advance, supported by improvements in computing power and the emergence of agentic capabilities. These capabilities are accelerating AI usage and creating new bottlenecks across memory, orchestration, high-speed networking, and other infrastructure required to support continuously operating, context-aware AI agents.

Our positioning reflects our conviction in the durability of this demand. We expect the proliferation of agentic AI workflows to drive persistent constraints in compute capacity, sustaining the infrastructure buildout. The portfolio is positioned across several bottlenecks we believe are essential to scaling AI, including memory, CPUs, AI chips, semiconductor manufacturing, capital equipment, and power. We have focused on areas where demand is growing rapidly, supply cannot respond quickly, and industry structures appear more attractive than in prior cycles.

At the same time, we are closely monitoring developments that could change our outlook, including the sustainability of demand and risks that could alter the trajectory of spending. These include competition from lower-cost open-source models, token optimization and usage rationalization, and potential architectural breakthroughs that reduce compute intensity. While these developments could affect the pace and composition of infrastructure investment, our current view is that rising AI usage and broader deployment of agents should continue to place pressure on the physical and digital infrastructure required to support AI at scale.

Outside of AI infrastructure, we have also added to differentiated assets such as SpaceX, where we see idiosyncratic growth opportunities that are not solely dependent on the AI investment cycle. We also maintain conviction in several businesses whose valuations have compressed amid concerns about AI disruption. In many cases, we believe these companies retain durable competitive advantages, direct customer relationships, proprietary data, or scaled distribution that could allow them to use AI to improve products, increase efficiency, or strengthen competitive positioning. Over time, successful execution could shift investor perception of these businesses from potential AI disruption risks to potential AI beneficiaries, and we saw some examples of this in the first half of 2026.

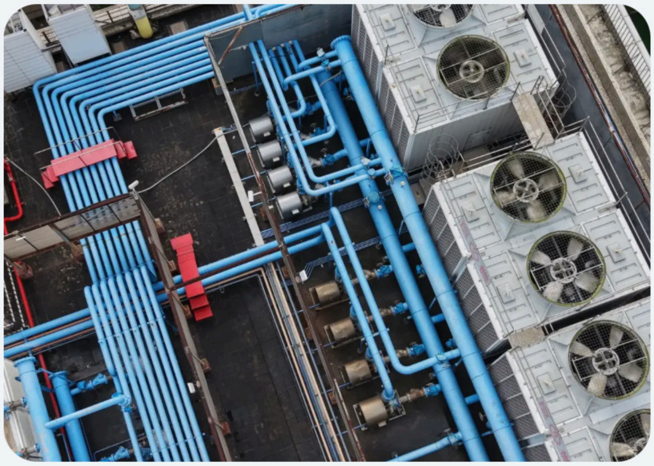
That said, we expect periods of digestion. Strong returns, concentrated leadership, and elevated momentum exposure can create volatility, particularly in periods such as these when expectations are rapidly shifting. The quarter's intra-period swings, geopolitical noise, and factor volatility are reminders that even fundamentally supported advances can feel disorderly in the short term. We are mindful of these risks, but we remain encouraged that the portfolio's recent strength has been tied to earnings growth, improving pricing, and supply-demand constraints in several critical areas of the AI infrastructure stack.

Related Perspectives

Beyond GPUs: The Broadening of AI Infrastructure

As AI systems evolve from passive prediction engines into autonomous agents capable of reasoning, planning, and executing complex tasks, the nature of infrastructure demand is beginning to change.

Article | Artificial Intelligence | Secular Trends | 5 min read



The AI Supply Shock

AI adoption may be moving from experimentation to deployment faster than infrastructure can expand, creating potential opportunities for companies positioned at key bottlenecks across the AI value chain.

Article | Artificial Intelligence | Semiconductors | Secular Trends | 7 min read

The companies identified represent a subset of current holdings and were selected by the author on an objective basis to illustrate the views expressed in the commentary. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients. There is no assurance that any securities discussed will remain in the portfolio or that securities sold have not been repurchased. Individual contributors and detractors are determined using absolute contribution, which multiplies the portfolio weight for each security or group by its total return, calculated and compounded daily unless otherwise stated.

This material may contain forward-looking statements, which are subject to uncertainty and contingencies outside of Sands Capital's control. 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.

AI can create "winners" and "losers" in markets. "Winners" are those who can leverage AI to enhance productivity and efficiency. "Losers" may include jobs involving routine tasks that are at risk of automation.

Differences in account size, timing of transactions and market conditions prevailing at the time of investment may lead to different results, and clients may lose money. A company's fundamentals or earnings growth is no guarantee that its share price will increase. Forward earnings and revenue 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. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients. There is no assurance that any securities discussed will remain in the portfolio or that securities sold have not been repurchased. You should not assume that any investment is or will be profitable. Upon request, a complete list of securities purchased and sold will be provided. A full list of public portfolio holdings, including their purchase dates, are available here. To receive a complete list of and description of the calculation methodology for the attribution analysis and complete list detailing each holding's attribution please contact a member of the Client Relations Team at 703-562-4000.

Contribution Analysis (Net %)

Quarter to Date

Top Absolute Contributors

Company Name	Avg. Weight	Return	Contribution
Taiwan Semiconductor	11.9	41.2	4.4
SK hynix	4.1	224.3	4.3
NVIDIA	16.6	14.5	3.0
Seagate Technology	3.6	146.1	3.0
Palo Alto Networks	2.7	112.3	2.3

Bottom Absolute Detractors

Company Name	Avg. Weight	Return	Contribution
Roblox	0.8	-26.4	-0.3
Klaviyo	0.9	-22.8	-0.3
Nu Holdings	2.4	-7.4	-0.2
Palantir Technologies	1.0	-20.6	-0.2
Samsara	2.0	1.9	-0.2

Trailing 1 Year

Top Absolute Contributors

Company Name	Avg. Weight	Return	Contribution
Taiwan Semiconductor	9.9	111.7	8.1
NVIDIA	15.7	25.9	4.0
SK hynix	1.2	175.8	3.8
Seagate Technology	0.9	122.3	2.8
ASML Holding	2.3	149.0	2.4

Bottom Absolute Detractors

Company Name	Avg. Weight	Return	Contribution
Microsoft	6.7	-25.3	-2.0
Roblox	2.1	-61.0	-1.7
Sea	2.5	-41.0	-1.5
ServiceNow	1.6	-50.6	-1.5
Meta Platforms	5.0	-24.3	-1.3

Trailing 3 Year

Top Absolute Contributors

Company Name	Avg. Weight	Return	Contribution
NVIDIA	11.7	368.1	22.4
Taiwan Semiconductor	6.4	383.4	13.4
Meta Platforms	4.9	69.0	4.5
ServiceNow	4.0	-13.7	4.3
Netflix	2.9	79.1	3.8

Bottom Absolute Detractors

Company Name	Avg. Weight	Return	Contribution
Adyen	0.9	-32.9	-3.0
CoStar Group	0.8	-20.0	-1.1
Snowflake	1.2	-24.9	-1.0
monday.com	0.7	-50.4	-0.9
Apple	1.6	-3.3	-0.8

Trailing 5 Year

Top Absolute Contributors

Company Name	Avg. Weight	Return	Contribution
NVIDIA	7.1	410.8	23.1
Taiwan Semiconductor	5.3	317.2	12.3
ASML Holding	4.3	193.0	6.1
Netflix	3.1	47.8	5.7
Nu Holdings	2.7	42.6	4.8

Bottom Absolute Detractors

Company Name	Avg. Weight	Return	Contribution
Sea	2.8	-71.5	-8.1
Block	2.8	-75.2	-7.3
Atlassian	3.0	-67.6	-7.2
Match Group	0.8	-74.1	-6.8
Twilio	0.6	-79.5	-6.5

All values are those of the Technology Innovators Composite. The companies identified above represent a subset of current holdings in the Technology Innovators 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.

Stewardship

Carbon Exposure

Technology Innovators vs. MSCI ACWI Info Tech and Communication Services Index
Reported June 30, 2026

Carbon Footprint

	Carbon Emissions	Carbon Intensity	Weighted Average Carbon Intensity	Carbon Emissions Data Availability
Technology Innovators	3.1	33.1	50.8	98%
MSCI IT & Communication Services	4.3	34.9	42.1	100%
	tCO_2e/$M Invested	tCO_2e/$M Sales		Market Value

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.

Largest Contributors to Portfolio Weighted Average Carbon Intensity

Company	Portfolio Weight (%)	Carbon Intensity (S1+2) tCO_2e/$m	Contribution to Weighted Average Carbon Intensity
Taiwan Semiconductor	10.4	185.9	19.8
SK hynix	7.2	168.5	12.4
Seagate Technology	4.5	149.1	6.8
Samsung Electronics	5.4	96.6	5.3
Microsoft	3.0	41.2	1.3

Proxy Voting

Proxy voting is an important part of our commitment to being an active, long-term owner and to fulfilling our fiduciary duty to act in the best interests of our clients.

Who Makes the Decision?

Voting decisions are made by members of our investment research team, those who know the business, and are typically directed by the lead analyst on the business.

What Information Do We Consider?

Our evaluation of each meeting agenda typically considers company proxy documents, our own research on the business, recent discussions with management, and third-party analysis.

While we do consider independent proxy advisers' guidance, we do not delegate our voting or rely upon such guidance in our voting decisions.

How Do We Approach Management Proposals?

Because management quality is a key criterion in identifying businesses for our portfolios, we tend to vote proxy proposals in favor of management. When we intend to vote against management, we may discuss the rationale for our decision with management.

Technology Innovators Voting Activity
TTM Ending June 30, 2026

Votes	Businesses	Resolutions	%
Cast in Favor of Management	26	309	96%
Cast Against Management	5	8	2%
Abstentions	1	6	2%
		323	100%

Engagement enables us to better understand management's long-term vision and discuss how they manage ESG risks and opportunities, among other issues.

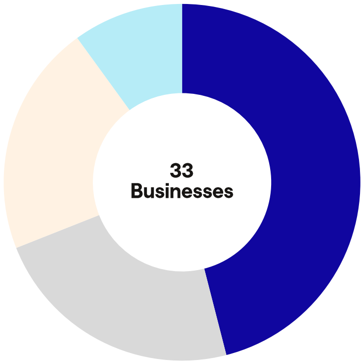
We meet regularly with the management teams of our portfolio businesses. Typically, they recognize us for our long-term investment orientation and focus on value creation.

We proactively express our views regarding business strategy, governance, financial reporting, executive compensation, and other stakeholder considerations when merited.

We are not activists and do not invest with the intention of pressuring management teams or pursuing campaigns to materially change our portfolio businesses.

We are objective and business-focused. We reserve the option to sell our shares if management is unable to address our concerns, which could reduce our conviction in the company's fit with our investment criteria.

Technology Innovators Engagement Activity
TTM Ending June 30, 2026



- Business Strategy: 46%
- Governance: 23%
- Social: 21%
- Environment: 10%

ESG Topics Generally Addressed

Governance

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

Social

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

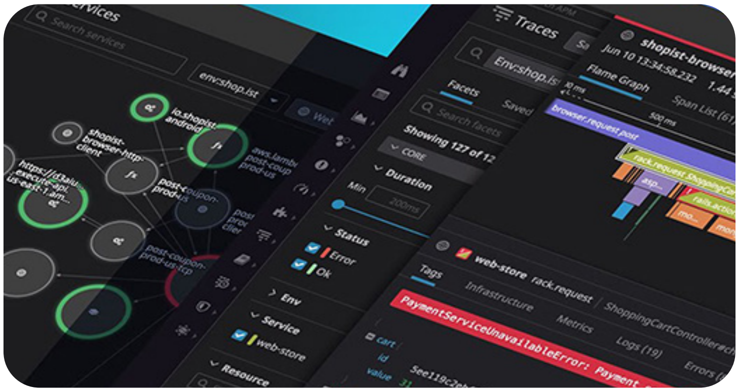
Environment

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

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. The use of the term "active ownership" and Sands Capital's engagement with management teams and board members do not involve any direct or indirect attempt to exert pressure to implement specific measures, change policies, or otherwise influence control over the issuer.

Datadog



Business: Datadog provides key monitoring and observability capabilities to support modern cloud infrastructure.

Key issues: Shareholder protection and rights, management accountability, and regulation.

Background

Datadog is a cloud-native observability and security software company that helps organizations monitor infrastructure, applications, logs, and cybersecurity across increasingly complex technology environments. Our latest engagement with the company focused on its proposal to reincorporate from Delaware to Nevada and the potential implications for shareholder rights, board oversight, and long-term governance.

Reincorporation proposals can have meaningful implications for the legal framework governing a company's directors, officers, and shareholders. Because corporate law varies by state, a change in domicile may affect litigation standards, fiduciary duties, shareholder rights, and the balance between management protections and investor oversight. We expect more companies to submit proposals to reincorporate. As long-term shareholders, we generally engage with companies considering these proposals to better understand their rationale, evaluate whether shareholder rights remain appropriately protected, and encourage governance practices that support long-term value creation.

Explaining the rationale for reincorporation

During our engagement, Datadog explained that the proposed reincorporation is the result of a multiyear evaluation of its corporate domicile rather than a response to any specific legal matter. Management said it originally incorporated in Delaware because it was the preferred jurisdiction for technology companies but believes the legal environment has become increasingly litigious, particularly with respect to mergers and acquisitions and claims against individual executives.

After evaluating several business-friendly jurisdictions, the company concluded that Nevada's statute-based corporate framework provides greater legal certainty and more predictable protections for directors and officers than Delaware's case law-based system. Management emphasized that the proposal is intended to reduce the potential for costly and distracting litigation that could divert leadership from long-term strategic execution. The company also noted that the decision was not prompted by pending litigation, shareholder disputes, or anticipated corporate transactions, but instead reflects a proactive effort to establish a durable governance framework while the business is operating from a position of strength.

Protecting shareholder rights

A significant portion of our discussion focused on how the proposed reincorporation could affect shareholder rights and governance. Datadog emphasized that the proposal would not change its broader governance structure, including the Class B share structure, and that shareholders would continue to retain the ability to pursue legitimate claims under Nevada law.

Management also explained that the company has already adopted the broadest officer exculpation available under Delaware law but believes Nevada provides additional statutory protections that better support the recruitment and retention of senior executives and directors. We discussed investor concerns that stronger liability protections could reduce accountability, while management maintained that the proposal is intended to provide greater legal clarity and predictability rather than diminish shareholder rights.

Encouraging continued governance enhancements

In addition to discussing the reincorporation proposal, we encouraged Datadog to continue strengthening its governance framework through measures independent of the change in domicile. Specifically, we reiterated our support for declassifying the board and adopting proxy access, both of which have become widely accepted governance practices among S&P 500 companies and can strengthen shareholder rights and accountability.

Management characterized these topics as separate from the reincorporation proposal and indicated that the board reviews them on an ongoing basis. While the company did not commit to specific governance changes, it acknowledged that it has received increasing investor feedback on both issues and will continue to evaluate them.

Next steps

We appreciate Datadog's willingness to engage on the rationale for the proposed reincorporation and its potential implications for shareholders. We will continue to monitor the outcome of the proposal, assess any future governance developments, including board declassification and proxy access, and engage with the company as appropriate to encourage governance practices that support long-term shareholder value.

Technology Innovators Composite (TIC) GIPS Report

Year End	# Accounts	End of Period AUM (USD $M)	TIC Returns (Net)	TIC Returns (Gross)	TIC Annualized 3Y Std. Dev. (Net)	MSCI ACWI IT COMM	MSCI ACWI IT COMM Annualized 3Y Std. Dev.	Non-Fee Paying % of Composite	Asset Wgt'd Std. Dev. (Gross)	Firm Total Assets (USD $M)
2025	7	$285.88	14.68	15.65	22.45	27.89	16.57	2.43	n.m.[1]	$48,202.34
2024	7	$1,761.86	37.66	38.81	28.14	31.59	21.57	0.45	0.11	$47,462.52
2023	6	$285.04	50.85	52.12	27.89	47.67	21.08	2.70	0.28	$46,746.96
2022	6	$173.48	-47.85	-47.37	27.68	-32.28	22.55	2.79	0.13	$40,707.08
2021	<5	$164.23	9.75	10.66	20.12	22.38	17.29	5.29	n.m.[1]	$75,340.29
2020	<5	$173.98	76.01	77.46	21.25	38.25	19.32	4.25	n.m.[1]	$68,621.83
2019	<5	$141.10	41.40	42.58	16.79	38.53	14.17	3.01	n.m.[1]	$44,636.85
2018	<5	$118.18	12.78	13.73	17.18	-4.59	14.28	2.55	n.m.[1]	$35,387.67
2017	<5	$117.97	46.48	47.73	16.64	41.77	13.68	2.31	n.m.[1]	$41,331.26
2016	<5	$122.94	-2.32	-1.48	18.56	12.20	13.32	1.52	n.m.[1]	$34,914.29

Net Returns

As of 06/30/2026	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/31/2010)
TIC	26.9	7.8	9.5	23.8	5.5	20.0	17.2
MSCI ACWI IT COMM	31.1	21.9	41.3	31.3	17.3	22.0	17.5

[1] n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. 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, 2025. 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 Technology Innovators Composite ("TIC") has had a performance examination for the periods December 31, 2010 through December 31, 2025. The verification and performance examination reports are available upon request. The composite reflects information from all fee paying and non-fee paying accounts managed in the Technology Innovators strategy. The Technology Innovators strategy is a concentrated portfolio that normally consists of the equity securities of 20 to 35 primarily large and mid-capitalization growth businesses which are publicly or privately held, with a particular emphasis placed on companies facilitating or benefitting from powerful secular shifts enabled by technologies. Portfolio companies are domiciled in both developed and emerging markets. The portfolio may invest in U.S. listed securities, 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, sector focus risk and other economic risks that may influence the returns of this strategy. The benchmark for the TIC is the MSCI ACWI Info Tech and Communication Services Index ("ACWI ITCS"). The ACWI ITCS is an unmanaged capitalization-weighted index that measures the performance of the information technology and communication services sectors of the MSCI All Country World Index. The MSCI All Country World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. This composite may hold securities that are not included in the MSCI ACWI ITCS, and Sands Capital may invest in securities not covered by the ACWI ITCS. Performance results in presentations between April 30, 2012 and December 3, 2018 were measured against the MSCI All Country World Information Technology Index, which is shown for that period of time. The benchmark was changed to be more representative of the composite strategy, however, information regarding the comparison to the MSCI All Country World Information Technology Index is available upon request. Performance results in presentations prior to April 30, 2012 were measured against the S&P Composite 1500 Information Technology Index. The benchmark was changed to be more representative of the composite strategy, however, information regarding the comparison to the S&P Composite 1500 Information Technology Index is available upon request. 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 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 all assets. 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. Net of fee returns displayed on GIPS Reports produced prior to October 31, 2022 displayed actual net of fee returns. Actual investment advisory fees incurred by clients may vary which will result in performance that may be higher or lower. The TIC was created on January 6, 2011 and the inception date for performance is December 31, 2010. MSCI is the source of all MSCI data presented. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Sands Capital Management. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. 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Sands Capital

We are 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 30 countries. Sands Capital is an independent, staff-owned firm founded in 1992 with offices in the Washington, D.C. area, New York, San Francisco, 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.

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.

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.