



# Global Growth

Quarterly Report  
September 30, 2025



SANDS CAPITAL

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## STRATEGY TEAM

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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.

GIPS Reports found [here](#).

[Notice](#) for non-US Investors.

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[On the Cover](#)

Canal houses in Amsterdam where Global Growth holding Adyen is headquartered.

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# Global Growth (USD)

Quarterly Report - September 30, 2025

## OVERVIEW

Global Growth takes an unconstrained approach to seeking the best growth businesses anywhere. With the research team free to scour all pockets of the world incubating new ideas, the Global Growth strategy taps into the power of sustainable competitive advantages in both developed and emerging markets.

## 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

**38**

Businesses

**44%**

Top Ten Weight

LONG-TERM INVESTMENT HORIZON

**16%**

Turnover-Annual Avg.

**5+ Yrs**

Expected Holding Period

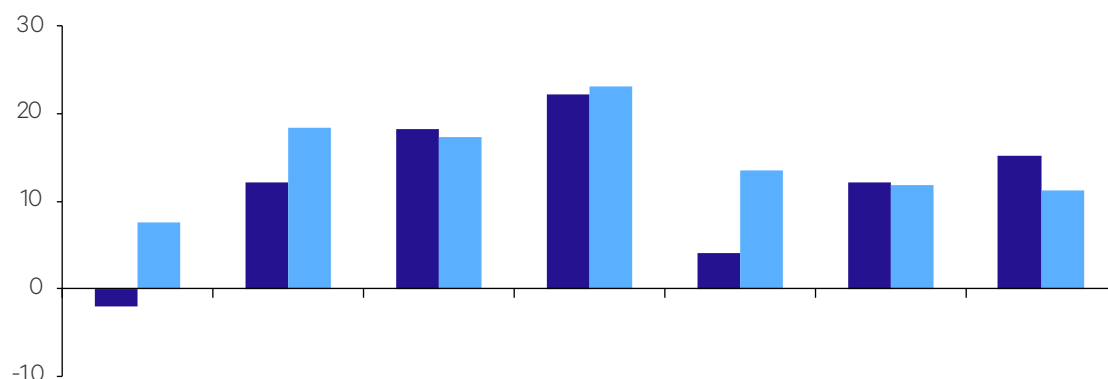
GROWTH-ORIENTED

**25%**

Sands Capital Long-Term  
EPS Growth Estimate

## INVESTMENT RESULTS (%)

Global Growth vs MSCI All Country World Index



Inception: 12/31/2008

● Portfolio (Net)

● Benchmark

Value Added (%)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Portfolio (Net)	-2.0	12.2	18.2	22.2	4.0	12.1	15.2
Benchmark	7.6	18.4	17.3	23.1	13.5	11.9	11.3
Value Added (%)	-9.6	-6.3	0.9	-0.9	-9.5	0.2	4.0

## CALENDAR YEAR RETURNS (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Portfolio (Net)	0.5	38.9	-2.8	30.7	49.6	10.2	-43.6	32.4	15.7	12.2
Benchmark	7.9	24.0	-9.4	26.6	16.3	18.5	-18.4	22.2	17.5	18.4
Value Added (%)	-7.3	14.9	6.6	4.1	33.3	-8.3	-25.3	10.2	-1.8	-6.3

Inception date is 12/31/2008. 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 Global Growth Equity Composite. Net of fee performance was calculated by reducing Global Growth Equity Composite's monthly gross return by 1/12 of the highest applicable annual fee of 0.85%. Past performance is not indicative of future results. GIPS Reports found [here](#).











## PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
Portfolio Businesses	38	2,509
Active Share	85%	n/a
5-Year Historical EPS Growth	38%	20%
Consensus Forward P/E - Next 12 mos.	32x	19x
Strategy Assets	\$18.2B	n/a
Weighted Avg. Market Cap (USD)	\$800.5B	\$905.6B
Median Market Cap (USD)	\$54.7B	\$17.0B
Turnover - Trailing 12 mos.	35%	n/a

## RETURN & VOLATILITY METRICS

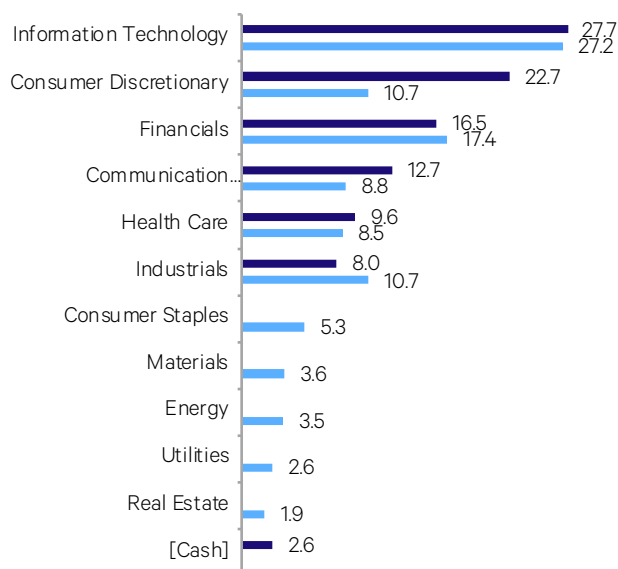
(Trailing 5 Years Net of Fees)	Portfolio	Benchmark
Annualized Excess Return	-9.5%	n/a
Beta	1.38	1
Information Ratio	-0.7	n/a
R-Squared	76.0%	100.0%
Sharpe Ratio	0.0	0.7
Standard Deviation	23.6%	14.9%
Tracking Error	12.9%	n/a
Up Capture	104.9%	100%
Down Capture	143.2%	100%

## TOP TEN HOLDINGS (43.5% OF ASSETS)

Company	Sector	Domicile	Portfolio(%)	Owned Since
 NVIDIA	Information Technology	United States	8.6	2023
 NETFLIX	Communication Services	United States	4.6	2017
 amazon	Consumer Discretionary	United States	4.5	2015
 Alphabet	Communication Services	United States	4.1	2008
 VISA	Financials	United States	4.0	2008
 tsmc	Information Technology	Taiwan	3.8	2025
 DOORDASH	Consumer Discretionary	United States	3.7	2020
 mercado libre	Consumer Discretionary	Argentina	3.7	2020
 AXON	Industrials	United States	3.6	2023
 Spotify	Communication Services	Sweden	3.0	2024

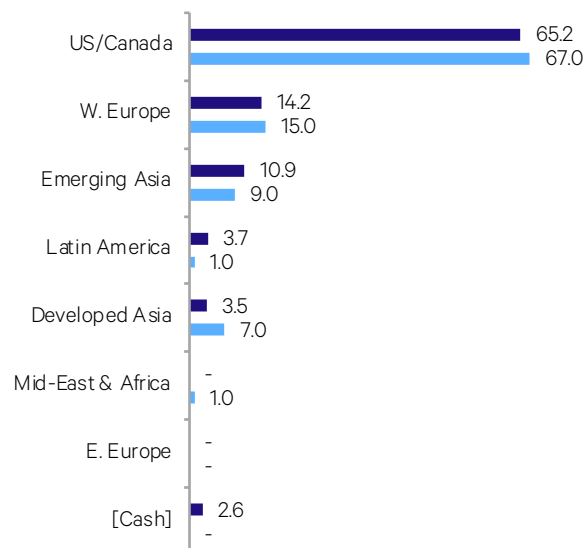
## SECTOR EXPOSURE

● Portfolio ● Benchmark



## REGIONAL EXPOSURE

● Portfolio ● Benchmark



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
<b>Communication Services</b>			<b>12.7</b>	<b>8.8</b>	
Alphabet	Interactive Media & Services	United States	4.1	2.9	2008
CTS Eventim	Entertainment	Germany	1.0	0.0	2025
Netflix	Entertainment	United States	4.6	0.6	2017
Spotify	Entertainment	Sweden	3.0	0.1	2024
<b>Consumer Discretionary</b>			<b>22.7</b>	<b>10.7</b>	
Amazon	Broadline Retail	United States	4.5	2.3	2015
Carvana	Specialty Retail	United States	1.3	0.1	2025
Dollarama	Broadline Retail	Canada	1.6	0.0	2024
DoorDash	Hotels Restaurants & Leisure	United States	3.7	0.1	2020
Flutter Entertainment	Hotels Restaurants & Leisure	United States	2.9	0.0	2024
MercadoLibre	Broadline Retail	Argentina	3.7	0.1	2020
On Holding	Textiles Apparel & Luxury Goods	Switzerland	1.5	-	2025
Pandora	Textiles Apparel & Luxury Goods	Denmark	1.3	0.0	2024
Titan	Textiles Apparel & Luxury Goods	India	2.3	0.0	2013
<b>Financials</b>			<b>16.5</b>	<b>17.4</b>	
3i Group	Capital Markets	United Kingdom	0.2	0.1	2025
Adyen	Financial Services	Netherlands	2.4	0.0	2018
Bajaj Finance	Consumer Finance	India	2.7	0.0	2023
Block	Financial Services	United States	2.4	0.0	2021
HDFC Bank	Banks	India	2.1	0.1	2023
Intercontinental Exchange	Capital Markets	United States	2.7	0.1	2025
Visa	Financial Services	United States	4.0	0.6	2008
<b>Health Care</b>			<b>9.6</b>	<b>8.5</b>	
Dexcom	Health Care Equipment & Supplies	United States	1.1	0.0	2020
Galderma	Pharmaceuticals	Switzerland	3.0	0.0	2025
Intuitive Surgical	Health Care Equipment & Supplies	United States	2.5	0.2	2025
iRhythm Technologies	Health Care Equipment & Supplies	United States	2.1	-	2020
Pro Medicus	Health Care Technology	Australia	0.9	0.0	2025
<b>Industrials</b>			<b>8.0</b>	<b>10.7</b>	
Axon Enterprise	Aerospace & Defense	United States	3.6	0.1	2023
Builders FirstSource	Building Products	United States	1.6	0.0	2025
Carlisle Companies	Building Products	United States	1.5	0.0	2025
Tetra Tech	Commercial Services & Supplies	United States	1.3	-	2024
<b>Information Technology</b>			<b>27.7</b>	<b>27.2</b>	
ASML Holding	Semiconductors & Semiconductor Equipment	Netherlands	1.7	0.4	2010
Atlassian	Software	United States	1.2	0.0	2018
Cloudflare	IT Services	United States	2.3	0.1	2021
Keyence	Electronic Equipment Instruments & Components	Japan	2.6	0.1	2018
NVIDIA	Semiconductors & Semiconductor Equipment	United States	8.6	5.0	2023
Samsara	Software	United States	1.9	0.0	2025
ServiceNow	Software	United States	2.8	0.2	2024
Shopify	IT Services	Canada	2.9	0.2	2017
Taiwan Semiconductor	Semiconductors & Semiconductor Equipment	Taiwan	3.8	1.2	2025
Cash			2.6		

Source: Sands Capital, FactSet, MSCI. Data presented is that of the Global Growth 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](#).

# Commentary

## MARKET ENVIRONMENT

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Global equities advanced in the third quarter of 2025, as measured by the MSCI ACWI, though leadership remained concentrated. Gains spanned regions and sectors, but a small number of constituents and industries accounted for a disproportionate share of the rise.

The United States contributed nearly 70 percent of the index's gain, with developed ex-U.S. and emerging markets also delivering positive returns. Ten of the index's 11 sectors traded higher, but information technology, consumer discretionary, and communication services alone represented over 70 percent of the index's total return. Consumer staples was the only sector that fell. While 60 percent of index constituents rose, the median return was roughly half the headline index gain, reflecting the narrow breadth of leadership.

Emerging markets outpaced developed peers for the third straight quarter, despite the headwind of a strengthening U.S. dollar. The so-called Magnificent Seven accounted for more than 40 percent of the index's advance, underscoring the continued market leadership of large-cap U.S. technology companies.

Higher index levels and subdued index volatility masked significant turbulence beneath the surface. Among large U.S. tech stocks, the gap between single-stock and index volatility widened to its highest level since 2017, reflecting heightened dispersion. This divergence stemmed from investor debate over potential artificial intelligence winners and losers, tariff effects, Federal Reserve policy, and geopolitical dynamics.

In the United States, the Federal Reserve enacted its first interest rate cut since December 2024, citing softening labor market data. However, the pace and scale of future rate cuts remain uncertain due to persistent inflation and growing political scrutiny. Artificial intelligence remained a key market theme, bolstered by strong business results, corporate deal announcements, and continued innovation.



### Are We in an AI Bubble?

Technological transformation often breeds bubbles. Sr. Portfolio Manager Thomas H. Trentman, CFA, discusses how investors can best read the signposts.

[Watch now.](#)

## INVESTMENT RESULTS AND ATTRIBUTION

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Global Growth trailed the MSCI ACWI in the third quarter of 2025.

Valuation pressure was the primary driver, as the median portfolio holding experienced a 7 percent decline in forward price-to-earnings multiples. This multiple compression outweighed the portfolio's stronger earnings growth relative to the index.

We attribute the quarter's underperformance to two key factors: a reversal among strong performers from the first half of 2025 and ongoing investor debate around businesses perceived as vulnerable to artificial intelligence disruption and/or macroeconomic risk.

More than half of the underperformance came from businesses that had been among the top contributors earlier in the year. Notably, the top three individual detractors in the third quarter were also among the top five contributors in the first half. In most cases, we believe these declines were disconnected from underlying business fundamentals.

The second set of detractors included companies facing continued skepticism about their positioning in a world increasingly shaped by artificial intelligence, their exposure to macroeconomic headwinds, or the cyclical nature of their end markets.

Positioning relative to the so-called Magnificent Seven was a modest headwind. While zero percent weights in Apple and Tesla detracted from relative results, these effects were largely offset by contributions from other businesses within that group.

From a regional perspective, Eastern Europe was the sole relative contributor, while the U.S./Canada detracted the most from relative results. From a sector perspective, consumer staples and real estate—zero percent weights in the portfolio—contributed most to relative results, while consumer discretionary and financials were the top relative detractors.

## CONTRIBUTORS

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The top individual absolute contributors to Global Growth's results were NVIDIA, Alphabet, Taiwan Semiconductor, Shopify, and Galderma.

**NVIDIA** is a semiconductor company helping to enable the future of computing. The business delivered another strong quarter, with demand continuing to outpace supply. Excluding China, its datacenter segment accelerated from 64 percent year-over-year growth last quarter to 73 percent this quarter, with guidance implying a further increase to 84 percent. NVIDIA sustained growth even as China's contribution to datacenter revenue fell from about 10 percent to nearly zero. For now, China remains a source of potential upside. Looking ahead, the upcoming Vera Rubin "superchip" is expected to significantly boost compute performance. This could expand use cases and support higher pricing, as NVIDIA typically charges a percentage of the incremental performance gain. In September, OpenAI and NVIDIA announced a strategic partnership to deploy at least 10 gigawatts of NVIDIA systems for OpenAI's next-generation AI infrastructure. The first phase of this deployment is expected to go live in 2026 and will use NVIDIA's Vera Rubin platform.

**Alphabet** operates some of the world's most visited internet properties, including Google and YouTube. In September, the company received a favorable ruling in a U.S. antitrust case that had weighed on the business. The decision largely maintains the status quo in search and helps Google preserve its key advantage: distribution. The company appears to be managing the challenge that artificial intelligence poses to its core search business. Google has moved quickly to develop high-quality AI products, and the court ruling may allow it to distribute them more broadly, countering user momentum at competing generative AI platforms. Outside of search, we remain encouraged by YouTube, where AI could enhance content creation, engagement, and advertising. Google Cloud Platform continues to build credibility with AI-native customers, and Waymo has emerged as a leader in autonomous driving.

**Taiwan Semiconductor** (TSMC) is the world's largest producer of leading-edge logic chips by market share. Shares rose following strong quarterly results, raised full-year guidance, and positive signals from the global AI infrastructure buildout. The company continues to benefit from strong AI-related demand and is expanding CoWoS capacity to narrow the gap between supply and demand. Despite currency headwinds and elevated investment in overseas fabs, gross margins have remained resilient, supported by yield improvements and disciplined pricing. Looking ahead to 2026, we believe TSMC is well positioned to exceed the 16 percent revenue growth expected by consensus. Key drivers include capacity expansion, the launch of a new iPhone with enhanced AI capabilities, and increased outsourcing from Intel. Longer term, we model 20 percent annualized earnings growth through 2029. While AI remains the primary growth engine, we also expect smartphones, PCs, servers, and automotive chips to grow at low-to-mid-teens rates, driven by pricing and rising silicon content.

**Shopify** is a leading global ecommerce platform enabling the next generation of retail. Shares rose after second-quarter results showed gross merchandise value up 31 percent year over year, driven by momentum with larger merchants and improving monetization. This represented the company's largest beat versus consensus in five quarters. We attribute the acceleration to strong merchant additions over the past 12 to 18 months, continued growth in Europe, and a resilient online retail environment. In our view, the quarter highlighted Shopify's ability to outpace global ecommerce growth, supported by enterprise adoption, international expansion, and a rising take rate.

**Galderma**, a Switzerland-based dermatology company, sells facial injectables, skin care products, and pharmaceutical-grade therapies. The company reported strong results for 2025's first half and raised its full-year sales growth guidance by 2 percentage points. The upside was driven primarily by Nemluvio, Galderma's anti-itch drug for atopic dermatitis (AD), which generated \$131 million in sales—well ahead of the \$100 million consensus estimate. Nemluvio remains central to our investment case. We believe the drug can capture about 10 percent of the \$20 billion AD market, with most use in second-line treatment. Encouragingly, early adoption also shows traction in first-line therapy. Nemluvio is also well positioned, in our view, to secure the majority of the prurigo nodularis market, and Galderma has already initiated clinical trials to expand into two additional indications. Beyond Nemluvio, the business

continues to execute well, with solid momentum in both aesthetics and skin care.

## DETRACTORS

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The top individual absolute detractors were Axon Enterprise, Netflix, Intuitive Surgical, Dexcom, and Atlassian.

**Axon Enterprise** is a leading provider of public-safety technology, including body cameras, software, and the TASER electroshock device. Shares declined during the period, but the move appeared more technical than fundamental. After a strong run earlier in the year, investors likely took profits, prompting a modest rotation out of the name. Business performance remained strong. In August, Axon reported second quarter results with revenue of \$669 million, up 33 percent year over year and ahead of expectations. Software and Services drove growth, with annual recurring revenue rising 18 percent to \$1.18 billion. Gross margin expanded to 63.3 percent, and adjusted EBITDA margin improved to 25.7 percent. Net revenue retention held at 124 percent, and future contracted revenue grew to \$10.7 billion. Axon continues to strengthen its AI leadership. The recent acquisition of Prepared, an AI-powered platform for 911 call centers, enhances real-time operations and broadens Axon's role across public safety workflows. Management reaffirmed guidance, underscoring durable momentum.

**Netflix** is the world's largest producer and distributor of streaming video content, based on content investment and subscriber count. Shares declined in the third quarter after strong first-half performance in 2025 pushed its forward earnings multiple to the highest level since 2022, leading to some profit-taking. Fundamentally, the business continues to execute well. Netflix raised full-year revenue guidance by \$700 million at the high end, citing stronger subscriber growth, improved ad performance, and a weaker U.S. dollar. It also raised operating margin guidance by 1 percentage point to 30 percent. We view this as conservative, given the lack of any significant increase in operating expenses. The guidance implies a slowdown in margin expansion for the second half of 2025, which contrasts with over 6 percentage points of expansion in 2024 and more than 5 percentage points in 2025's first half. Our proprietary survey results continue to validate our thesis, with Netflix leading in engagement, retention, content quality, and perceived value.

**Intuitive Surgical** is a quasi-monopolistic provider of soft-tissue robotic surgical systems. Shares declined in

the third quarter of 2025, due to fears about U.S. hospital budgets and fund flows out of medical equipment and health care more broadly. The health care sector underperformed the MSCI ACWI in the quarter, with medical equipment the worst-performing industry group. This masked strong fundamental results. Intuitive exceeded consensus expectations on all metrics, with notably strong operating margins. Da Vinci 5 placements rose 22 percent quarter-over-quarter, even prior to measured launches beginning in the European Union and Japan. Management also repurchased \$180 million in stock, reinforcing confidence based on past buying patterns. The company appears well positioned as it enters the next phase of its robot upgrade cycle. We also noted growing enthusiasm for robotic cardiothoracic procedures at July's Society of Robotic Surgery meeting. These developments could expand Intuitive's U.S. addressable market by an estimated 5 to 10 percent.

**Dexcom** is a leading producer of glucose monitors for diabetes management. Shares declined during the quarter, pressured by broader weakness in the medical devices industry and heightened FDA and customer scrutiny of product reliability. Despite these external pressures, Dexcom continues to execute well following its mid-2024 operational challenges. The second quarter marked its third straight quarter of accelerating year-over-year revenue growth, supported by near-record new patient additions. While management raised 2025 revenue guidance, the increase was more cautious than consensus expected, disappointing investors. We believe this conservative stance creates room for upside in the second half of 2025. Dexcom ended the quarter trading near its all-time low forward earnings multiple, which we view as a disconnect from its growth outlook. Potential catalysts include strong adoption of its newly launched 15-day sensor, expanded Medicare coverage for type-2 non-insulin patients, and clarity on the company's long-range plan. We expect margin leverage from the 15-day sensor to also contribute meaningfully to profitability in 2026.

**Atlassian** is a leading software-application vendor that creates tools to enhance team collaboration and productivity. Shares of the business continue to contend with the overhang of fears that AI will constrain development headcount growth and coding agents will limit the need for its workflow management software. These fears contrasted with otherwise strong business results as year-over-year sales growth reaccelerated to a level above its two-year average, highlighted by robust enterprise growth and increasing paid seat expansion and

upgrades. Moreover, Atlassian reached 2.3 million monthly active users of its AI products, with the number of AI interactions on the platform expanding 20 times relative to a year ago.

## PURCHASES

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In the third quarter Global Growth completed the purchases of 3i Group, Carvana, and Galderma.

During the quarter we also added to what we consider “classic growth” businesses, funding them from “high-growth, high-valuation” holdings that had been strong year-to-date performers.

These actions reflect our multi-year effort to improve the portfolio’s overall earnings growth stability and visibility.

**3i Group** is a London-based private equity firm with a significant stake in Action, Europe’s largest non-food discount retailer. This stake forms the cornerstone of our investment case. Action operates more than 3,000 stores across 12 countries and delivers strong unit economics, with store paybacks typically under one year. We believe the company can more than double its footprint in Europe over the next decade, with longer-term potential to expand beyond the continent. Action embodies the key traits we seek in discount retail: a differentiated value proposition, agile buying, efficient logistics, an assortment that drives repeat shopping, and a strong, enduring culture. Its healthy margin profile and consistent cash generation are underpinned by highly productive, low-cost stores, strong merchandise margins, and robust supply chain capabilities. Beyond Action, we expect modest value creation from the rest of 3i’s portfolio. Select investments—such as Royal Sanders and EBG—are large and promising enough to contribute to long-term growth potential. Importantly, 3i invests solely from its own balance sheet, which in our view insulates the firm from the private equity industry’s cyclical risks and enables disciplined capital deployment.

**Carvana** is the world’s largest ecommerce used car retailer by revenue. The business seeks to transform the used car industry, which is massive, fragmented, and characterized by a complicated customer experience. Used cars are one of the largest consumer verticals—with over \$1 trillion in annual sales—but only a low single-digit percentage of vehicles is purchased online today. It’s also a highly fragmented industry, with the current market leader accounting for a roughly 2 percent share. The buying

process is often emotional, cumbersome, and anxiety-inducing, which is worsened by low trust in traditional salespeople. Carvana seeks to improve this process through its vertically integrated platform, which provides a radically different experience through convenience, transparency, and competitive prices. Nationwide scale and verticalization also result in attractive unit economics, which we believe will drive strong margin expansion over our investment time horizon. Ultimately, we expect Carvana—by providing a service that is faster, better, and cheaper than brick-and-mortar car dealerships—to consolidate a significant portion of used car sales moving forward as more transactions shift online.

**Galderma** a Switzerland-based dermatology company, sells facial injectables, skin care products, and pharmaceutical-grade therapies. Nearly 90 percent of its revenue comes from products that patients pay for directly, which helps insulate the business from insurance-related pricing pressures and government reimbursement risks. The company’s strong brand reputation, combined with a commercial strategy that emphasizes high-touch service for dermatologists, reinforces its leadership in this regulated market. In the United States, Galderma has continued to gain injectable market share by launching longer-lasting neurotoxins and deepening physician relationships. At the same time, its prescription therapeutics business is showing promise, led by Nemluvio, a new treatment for chronic skin conditions that has already delivered encouraging results. Looking ahead, Galderma is well-positioned to expand margins as high-growth, high-margin products scale and efficiencies from its recent spinout take hold. With steady growth in the broader dermatology market—especially in aesthetic treatments—the company’s specialized focus and global reach provide a clear path, in our view, for long-term, above-average earnings growth.

## SALES

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In the third quarter Global Growth completed the sales of IMCD, Repligen, and Sika.

**IMCD** is the world’s largest distributor of specialty chemical formulations. The company sells more than 50,000 compounds—from mucoadhesives for nasal sprays to stainproof coatings for sneakers—to over 60,000 customers globally. We continue to view IMCD as a strong franchise, but exited the business to fund a future purchase that we believe is a stronger fit with our criteria and the overall Global Growth portfolio.

**Repligen** is a leading supplier of bioprocessing tools for manufacturing biologic drugs. Our research indicates that Repligen has built a strong reputation in the bioprocessing supply chain by differentiating itself within a fragmented field of component providers. However, the business remains heavily tied to the health of its end markets, limiting its ability to “make its own weather”—an important consideration for the Global Growth portfolio. Since our initial investment in 2022, Repligen has faced prolonged end-market weakness, resulting in a 20 percent revenue decline and a 65 percent contraction in adjusted operating income through 2024. While 2025 has shown signs of recovery in revenue and order momentum, ongoing headline risk has amplified downside volatility. Unlike peers whose margins have normalized, Repligen’s profitability remains well below pre-COVID levels and may take several years to recover. We initially expected Repligen to offer a “classic growth” profile—with lower stock and business volatility that could provide ballast to the portfolio. That outcome has not materialized. Given this dynamic, along with the stock’s still-elevated valuation and small portfolio weight (under 1 percent), we used the market’s positive reaction to Repligen’s second-quarter 2025 earnings as an opportunity to reallocate the capital.

We sold **Sika** to fund our purchase of Galderma. While Sika remains a fit with our investment criteria, we prefer to own Galderma in the context of the Global Growth portfolio. We view Galderma as faster growing, less cyclical, and offering greater potential for meaningful upward earnings revisions driven by new products.



#### **Global Growth Quarterly Strategy Review**

Sr. Portfolio Manager Brian A. Christiansen, CFA, shares insights on the markets, Global Growth’s positioning, and where we see long-term opportunities.

**Watch the replay** until November 21, 2025.

## **OUTLOOK**

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Major equity indices are higher year to date, but beneath the surface, speculation and shifting investor narratives continue to drive volatility across stocks and industries. The speed of information flow and changes in market structure have amplified these swings.

As business owners—rather than stock traders—we continue to focus on the earnings growth potential and durability of the few companies we own. We continue to believe that earnings trajectory is ultimately what drives value creation over our investment horizon—not Federal Reserve policy over the next quarter or the announcement of a trade deal.

Our portfolio is stronger than in past years and better positioned, in our view, to weather a dynamic operating and market environment. It is anchored by higher-quality businesses, stronger balance sheets, and more durable growth. It has a modestly higher allocation to “classic growth” businesses, a lower allocation to “high-growth, high-valuation” names, and greater diversification across end markets, sectors, and growth stages. Meanwhile, the portfolio ended the period trading at its lowest forward earnings premium to the MSCI ACWI since 2016.

We remain committed to our growth investment philosophy, focused on owning great businesses over the long term. Our stronger portfolio positioning gives us conviction that we are well prepared for the challenges—and opportunities—that lie ahead.

# Contribution Analysis

## CONTRIBUTION ANALYSIS (NET %)

### Top Absolute Contributors

#### Quarter to Date

Company Name	Average Weight	Return	Contribution
NVIDIA	8.0	17.8	1.3
Alphabet	3.7	37.7	1.2
Taiwan Semiconductor	3.3	23.3	0.7
Shopify	2.6	28.5	0.6
Galderma	2.6	20.0	0.3

#### Trailing 1 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	7.4	52.6	3.4
Axon Enterprise	4.4	78.5	3.4
Netflix	4.7	67.9	2.9
DoorDash	3.4	89.5	2.2
Cloudflare	2.2	164.2	1.9

#### Trailing 3 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	4.8	365.4	11.0
Netflix	3.8	404.0	8.1
MercadoLibre	4.4	177.1	6.8
Axon Enterprise	3.0	273.7	6.4
ASML Holding	4.3	133.6	6.2

#### Trailing 5 Year

Company Name	Average Weight	Return	Contribution
NVIDIA	2.9	366.6	11.1
Axon Enterprise	1.8	275.0	6.5
Netflix	3.4	133.6	5.8
ASML Holding	4.5	166.7	5.4
MercadoLibre	3.6	75.7	5.2

### Bottom Absolute Contributors

Company Name	Average Weight	Return	Contribution
Axon Enterprise	3.9	-13.6	-0.6
Netflix	4.7	-10.8	-0.5
Intuitive Surgical	2.7	-18.0	-0.5
Dexcom	2.1	-23.2	-0.5
Atlassian	1.9	-21.7	-0.5

Company Name	Average Weight	Return	Contribution
Keyence	3.1	-22.5	-0.9
Sika	1.8	-23.5	-0.8
Nike	1.0	-28.9	-0.8
Titan	2.6	-18.0	-0.6
IMCD	1.3	-25.6	-0.6

Company Name	Average Weight	Return	Contribution
Atlassian	2.2	-29.4	-1.7
Sea	0.8	-39.5	-1.3
Nihon M&A Center	0.3	-61.8	-1.1
Asian Paints	1.3	-43.8	-1.0
Repligen	1.4	-38.7	-0.9

Company Name	Average Weight	Return	Contribution
Block	1.8	-76.0	-3.4
Sea	2.4	-81.2	-3.1
Zalando	2.1	-69.0	-2.8
Nihon M&A Center	0.9	-87.3	-2.8
Nike	2.9	-52.9	-2.4

All values are those of the Global Growth Equity Composite. The companies identified above represent a subset of current holdings in the Global Growth portfolio and were selected based on the performance measures presented. With the exception of IPOs where actual transacted prices are used, contributions are calculated in FactSet Portfolio Analysis using FactSet end of day prices, and do not reflect actual purchase prices. This can affect the presentation of contribution and performance of transactions amid heightened volatility. Security return and contribution are net of advisory fees and expenses and reflect the reinvestment of dividends and any other earnings. Attribution generated returns will not match actual performance because FactSet uses different exchange rate sources, the performance does not capture intra-day trading, and the analysis removes the impact of cash flows. Relative Return calculations do not incorporate risk or volatility impacts and should not be exclusively relied upon. To receive a description of the calculation methodology for the attribution analysis and a complete list detailing each holding's attribution please contact a member of the Client Relations Team at 703-562-4000. Past performance is not indicative of future results. GIPS Reports found [here](#).

## CARBON EXPOSURE

Global Growth vs. MSCI All Country World Index (MSCI ACWI)  
Reported September 30, 2025

### Carbon Footprint

	CARBON EMISSIONS	TOTAL CARBON EMISSIONS	CARBON INTENSITY	WTD AVG. CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
Global Growth	2.1	2,136	15.1	16.0	98%
MSCI ACWI	57.0	57,036	149.3	112.5	100%
	tCO <sub>2</sub> e/\$M Invested	tCO <sub>2</sub> e	tCO <sub>2</sub> e/\$M Sales		Market Value

### Largest Contributors

to Portfolio Weighted Average Carbon Intensity

COMPANY	PORTFOLIO WEIGHT (%)	CARBON INTENSITY (\$1+2) tCO <sub>2</sub> e/\$m	CONTRIB. TO WTD AVG. CARBON INTENSITY
Taiwan Semiconductor	3.9	185.9	7.3
MercadoLibre	3.8	40.4	1.5
Amazon	4.6	29.7	1.4
Cloudflare	2.4	44.2	1.1
Axon	3.7	13.5	0.5

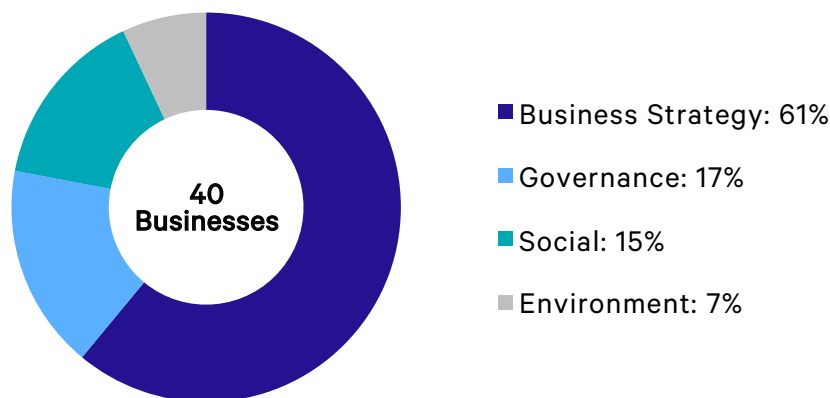
Carbon Emissions are calculated as Scope 1 & Scope 2 carbon emissions per \$1 million invested. Portfolio and Benchmark Carbon Intensity is defined as the portfolio or benchmark carbon emissions per \$1 million of portfolio or benchmark sales. At a business level, carbon intensity is calculated as carbon 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.

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## VOTING ACTIVITY - TRAILING 12 MONTHS ENDING SEPTEMBER 30, 2025

VOTES	BUSINESSES	RESOLUTIONS	%
Cast in Favor of Management	37	475	98%
Cast Against Management	8	10	2%
Abstentions	1	1	0%
		<b>486</b>	<b>100%</b>

## ENGAGEMENT ACTIVITY - TRAILING 12 MONTHS ENDING SEPTEMBER 30, 2025



### TOPICS ADDRESSED

#### Governance

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

#### Social

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

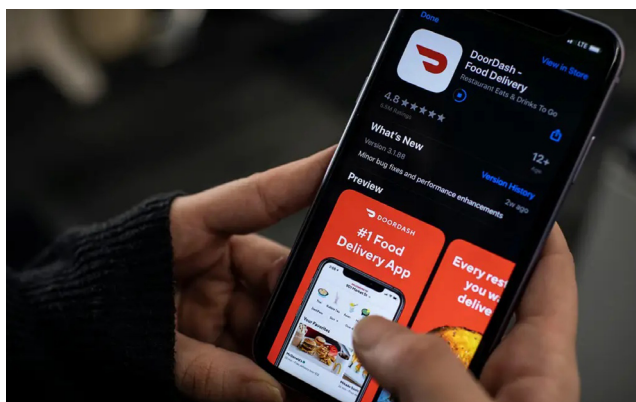
#### Environmental

Materials use and sourcing  
Water use and efficiency  
GHG emissions or climate change strategy  
Regulation  
Energy use and efficiency  
Environmental policy and strategy  
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. Sands Capital's engagement with management teams and board members does not involve any direct or indirect attempt to exert pressure to implement specific measures, change policies, or otherwise influence control over the issuer.

## DoorDash



**Business:** DoorDash is the leading food-delivery platform in the United States, based on market share.

**Key issues:** Board structure or composition and executive compensation.

**DoorDash** operates an online platform that enables consumers to order food and other goods for pickup or delivery. The business is well positioned to capture a sizable share of a large and growing total addressable market. As the company nears its fifth anniversary as a public company, we believe it has an opportunity to modernize elements of its governance framework to reflect its scale and maturity.

Earlier this year, we contacted DoorDash representatives to discuss board structure and executive compensation. These discussions build on prior governance engagements and reflect our ongoing efforts to promote stronger alignment between management, the board, and long-term shareholders.

### Board Structure: Encouraging Annual Director Elections

We encouraged the board to consider transitioning to annual director elections. While we recognize DoorDash's desire to protect its long-term strategic vision, particularly through mechanisms such as its dual-class share structure, we noted that several shareholder rights remain limited. In addition to the dual-

class share structure, this includes the inability to call special meetings. We believe moving to annual elections would also represent a reasonable first step toward a more institutional-quality governance approach and could signal a willingness to evolve. Notably, ESG rating agencies have continued to cite DoorDash's staggered board structure as a weak point in its governance profile. Adopting annual elections would be a straightforward improvement that strengthens accountability and transparency, in our view.

### Executive Compensation: Seeking Greater Alignment with Business Results

We also discussed executive compensation, with a focus on the methodology used to determine remuneration. The current framework considers financial metrics, business outcomes, key performance indicators, and achievement of business objectives. However, the assessment is primarily qualitative. We advocated for an evolution of the framework to include explicit links to these elements. Our objective is not to make the company overly prescriptive but to help ensure that guardrails are in place. We believe this would serve the best interests of shareholders and result in greater alignment between management incentives and long-term value creation.

These governance enhancements would not only address current shareholder concerns but also support DoorDash's continued transition into a more mature, publicly traded company.

### Next Steps: Monitoring Progress and Continuing Dialogue

We will continue to monitor DoorDash's governance disclosures, particularly with respect to any movement toward annual board elections and greater transparency around executive compensation. We plan to follow up in future engagements to assess whether the board is receptive to evolving its practices. We view these conversations as constructive and ongoing and will continue to advocate for incremental changes that support long-term value creation.

This report is an example of the type of fundamental research Sands Capital conducts and, as such, contains the opinions and comments of Sands Capital at points in time. Additional or subsequent information may cause Sands Capital's views to change. This report is not a complete analysis of all material facts and therefore is not a sufficient basis alone on which to base an investment decision. This material may include summaries and references to research notes, emails, conference calls, and meetings, and there is no guarantee or representation that this information is complete, current, or accurate. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy and is not a complete summary or statement of all available data. This report is for informational purposes only. As part of our ongoing research, Sands Capital regularly engages with the management teams and, if appropriate, board members of portfolio businesses to better understand each business's long-term strategic vision and management of risks and opportunities, including those pertaining to environmental, social, and governance (ESG) matters. Sands Capital's engagement with management teams and board members does not involve any direct or indirect attempt to exert pressure to implement specific measures, change policies, or otherwise influence control over the issuer. The company illustrated represent a holding in the Sands Capital strategies as of June 30, 2025, and was selected by the author on an objective basis to illustrate the views expressed in the Commentary. The example was selected based on the recent date of the engagements and topics discussed. The assessment of each business is based on factors that we believe are material to the long-term investment case. To receive a complete list of company engagements for the prior twelve months please contact a member of the Client Relations Team at 703-562-4000.

## Global Growth Equity Composite (GGEC) GIPS Report

YEAR END	NUM OF ACCTS	END OF PERIOD AUM (USD \$M)	GGEC			MSCI ACWI			NON-FEE PAYING % OF COMPOSITE	ASSET WGT'D STD. DEV. (GROSS)	FIRMS TOTAL ASSETS (USD \$M)
			NET RETURNS	GROSS RETURNS	ANN. 3 YR. STD. DEV. (NET)	MSCI ACWI	ANN. 3 YR. STD. DEV.				
2024	21	\$16,149.85	15.72	16.70	26.72	17.49	16.20	0.01	0.11	\$47,462.52	
2023	19	\$15,031.73	32.39	33.51	26.51	22.20	16.27	0.00	0.18	\$46,746.96	
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	

### Net Returns

As of 09/30/2025	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (12/31/2008)
GGEC	-2.0	12.2	18.2	22.2	4.0	12.1	15.2
MSCI ACWI	7.6	18.4	17.3	23.1	13.5	11.9	11.3

As of October 1, 2021, the firm was redefined to be the combination of Sands Capital Management, LLC and Sands Capital Alternatives, LLC (previously known as Sands Capital Ventures, LLC). Both firms are registered investment advisers with the U.S. Securities and Exchange Commission in accordance with the Investment Advisers Act of 1940, as amended. The two registered investment advisers are combined to be one firm for GIPS purposes and are doing business as Sands Capital. Sands Capital operates as a distinct business organization, retains discretion over the assets between the two registered investment advisers, and has autonomy over the total investment decision making process. Prior to October 1, 2021, the firm was defined as Sands Capital Management, LLC, is an independent registered investment adviser. Sands Capital claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Sands Capital has been independently verified for the periods February 7, 1992 through December 31, 2024. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Global Growth Equity Composite ("GGEC") has had a performance examination for the periods December 31, 2008 through December 31, 2024. 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 highest applicable annual fee of 0.85%. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A list of composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. Past performance is not indicative of future results. The investment management fee schedule for separate accounts is 0.85% on the first \$50 million, 0.65% on the next \$200 million and 0.55% on all assets above \$250 million. 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 disseminated 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. 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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**

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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.

#### **GLOBAL PERSPECTIVE WITH LOCAL UNDERSTANDING**

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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.

#### **INSIGHT DRIVEN**

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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**

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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.