



COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
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AGENDA OF THE BOARD OF RETIREMENT
REGULAR RETIREMENT BOARD MEETING
Wednesday, January 26, 2022 at 8:30 a.m.
TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

NOTICE TO THE PUBLIC

Persons who wish to address the Board of Retirement during public comment or regarding an item that is on the agenda may address the Board of Retirement in person at the meeting. Any person addressing the Board will be limited to a maximum of five (5) minutes. A total of 15 minutes will be allotted for the Public Comment period unless otherwise extended by the Board Chair. If you are part of a large group that would like to comment on an agenda item, please consider commenting in writing or sending one spokesperson to speak on behalf of the group. Members of the public may also submit public comment via U.S. mail or via email to BORPublicComment@tularecounty.ca.gov before the meeting. The comments received via U.S. mail or email before the meeting will be read to the Board of Retirement in open session during the meeting as long as the comments meet the requirements for Public Comments as posted in the agenda. Public comments are limited to any item of interest to the public that is within the subject matter jurisdiction of the Board of Retirement. (Gov't Code Section 54954.3(a).)

Persons wishing to listen to the meeting may call the TCERA Office during regular business hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.) within 48 hours of the meeting at 559-713-2900 for access information. Documents related to the items on this agenda are available for public inspection at the Retirement Office, 136 N Akers Street, Visalia, CA, during normal business hours. Such documents are also available on TCERA's website, www.tcera.org, subject to staff's ability to post the documents before the meeting.

NOTICE TO THOSE ATTENDING THE MEETING IN PERSON: The California Department of Public Health requires all persons to wear masks from December 15, 2021 through February 15, 2022 unless they have a medical exemption.

As a courtesy to those in attendance, all individuals are requested to place cell phones and other electronic devices in the non-audible alert mode.

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENT

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes. Please state your name for the record.

V. X-AGENDA ITEMS

VI. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of January 12, 2022.
2. Approve payments to:
 - a. LMCG – invoice for investment management services in the amount of \$58,299.74 for the quarter ended December 31, 2021.
 - b. Cheiron – invoice for actuarial services in the amount of \$61,838.75 for the quarter ended December 31, 2021.

VII. INVESTMENT COMMITTEE REPORT

1. Update by Gary Reed regarding the Investment Committee meeting of January 12, 2022. Discussion and possible action regarding the following items:
 - a. Asset Allocation Status
 - b. 2022 Investment Committee Goals and Objectives Timeline and 2022 Education Calendar
 - c. Vendor/Investment Firm Referral Report – Barrow Hanley, Small Cap Value Equity
 - d. Investment Managers
 - 1) Verus Flash Report – All Managers
 - 2) Managers of Interest
 - a) LMCG – Pending transition to Leeward Investments

VIII. INVESTMENTS

1. Presentation from Sands Capital regarding TCERA's investment allocation to Large Cap Growth Equity. Discussion and possible action.
2. Presentation from William Blair regarding TCERA's investment allocation to Large Cap Growth Equity. Discussion and possible action.
3. Discussion and possible action regarding TCERA's investment allocation to Large Cap Growth Equity.
4. Discussion and possible action regarding TCERA's Private Markets Investment Policy Statement.
5. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

IX. NEW BUSINESS

1. Discussion and possible action regarding TCERA Board of Retirement Continuing Education Report – January 1, 2021 through December 31, 2021.
2. Discussion and possible action regarding SACRS Board of Director Elections 2022-2023 – Elections Notice.

X. EDUCATION ITEMS

1. Discussion and possible action regarding available educational events.

XI. COMMUNICATIONS

1. Discussion and possible action regarding SACRS Legislative Update – January 2022.
2. Appointment of Investment Committee and Administrative Committee members and chairpersons.

XII. UPCOMING MEETINGS

1. Board of Retirement Meeting February 23, 2022, 8:30 a.m.
2. Investment Committee Meeting – February meeting canceled due to World Ag Expo
3. Administrative Committee Meeting – Pending Committee Assignments.

XIII. TRUSTEE/STAFF COMMENTS

Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

XIV. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary of the Board of Retirement at (559) 713-2900. Notification 48 hours prior to the meeting will help enable staff to make reasonable arrangements to ensure meaningful access. Documents related to the items on this Agenda submitted after distribution of the Agenda packet are available for public inspection at TCERA, 136 N. Akers Street, Visalia, CA. during normal business hours.



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MINUTES OF THE BOARD OF RETIREMENT REGULAR RETIREMENT BOARD MEETING Wednesday, January 12, 2022, at 8:30 a.m. TCERA Board Room, 136 N. Akers Street, Visalia, CA 93291

I. CALL TO ORDER

The meeting was called to order at 8:30 a.m. by Wayne Ross, Chair.

II. ROLL CALL

Voting Trustees Present:	Cass Cook, Wayne Ross, Gary Reed, Nathan Polk, Dave Kehler, Pete Vander Poel, and Ty Inman
Voting Trustees Absent:	Jim Young, Laura Hernandez
Alternate Trustees Present:	George Finney, Paul Sampietro
Voting Alternate Present:	Dave Vasquez
Staff Members Present:	Leanne Malison, Retirement Administrator Mary Warner, Assistant Retirement Administrator, Susie Brown, Secretary
Board Counsel Present:	Aaron Zaheen, Deputy County Counsel

III. PLEDGE OF ALLEGIANCE

IV. BOARD ELECTIONS

1. Annual nominations and elections for the positions of Chair and Vice Chair for the TCERA Board of Retirement effective January 12, 2022.

Motion to nominate and elect Wayne Ross as Chair and Pete Vander Poel as Vice Chair of the TCERA Board of Retirement effective January 12, 2022.

Motion: Reed
Second: Vasquez
Motion passed unanimously.

V. PUBLIC COMMENT

At this time, members of the public may comment on any item not appearing on the agenda. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments at the time the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of five (5) minutes. Please state your name for the record.

None.

VI. X-AGENDA ITEMS

None.

VII. DISABILITIES

Mr. Carlson answered questions from the trustees regarding the delay in filing his application. He indicated that he was advised to wait while he tried to go back to work.

1. Closed session to be held regarding disability matters listed on this agenda.
Closed session was held from 8:38 a.m. to 8:43 a.m. to discuss disability matters listed on the agenda.
2. In the matter of the disability application of Jerry Carlson, consider and take action regarding the application for a disability retirement.

Motion to grant a service connected disability retirement, based on the medical evidence submitted, the applicant has met the burden of proof on the question of permanent disability and the question of job causation.

Motion: Cook

Second: Reed

Ayes: Ross, Reed, Polk, Vander Poel, Cook, Inman, Vasquez

Noes: Kehler

Motion passed. 7/1

3. In the matter of the disability application of Gene Fernandez, consider and take action regarding the application for a disability retirement.

Motion to grant a service connected disability retirement, based on the medical evidence submitted, the applicant has met the burden of proof on the question of permanent disability and the question of job causation.

Motion: Vander Poel

Second: Vasquez

Motion passed unanimously.

4. Accept as filed the Disability Status Report Overview.

VIII. CONSENT CALENDAR

1. Approve Minutes of the following meetings:
 - a. Retirement Board Minutes of December 8, 2021.
 - b. Retirement Board Minutes of October 27, 2021 - Revised
2. Approve payments to:
 - a. Verus – invoices for investment consulting services in the amount of \$45,000.00 for the months ended November 2021 and December 2021.
 - b. Brown Armstrong – invoice for work in progress on audit processes in the amount of \$2,698.78.
 - c. BNY Mellon – invoice for custodian bank services for the period July 1, 2021 to September 30, 2021 in the amount of \$77,423.81.

- d. Nossaman – invoices for legal services to the Board of Retirement in the amount of \$117.40 and \$139.50 for the period ending November 30, 2021.
 - e. Nossaman – invoice for legal services to the Board of Retirement in the amount of \$15,000.00 for the period ending November 30, 2021.
 - f. Hanson Bridgett – invoice for legal services to the Board of Retirement in the amount of \$1,058.40 for the period ending August 31, 2021.
 - g. County Counsel – invoices for legal services to the Board of Retirement in the amount of \$1,691.60.
3. Pension Board Reports and Actions
- a. Ratify Retirement Administrator actions regarding Retirement Application approvals and Option Selections for the month of December 2021.
 - b. Approve Reports regarding Retirement Applications, Option Selections and Deceased Pensioners and 30-Year Members for the month of December 2021.
 - c. Approve reinstatement of burial benefit (\$5,000) and final retirement allowance (\$659.14) payable to Brian Flemate, beneficiary of Laura Flores.

Motion to approve Consent Calendar as presented.

Motion: Vander Poel

Second: Polk

Motion passed unanimously.

IX. INVESTMENT COMMITTEE REPORT

1. Update by Gary Reed regarding the Investment Committee meeting of December 8, 2021.
Discussion and possible action regarding the following items:

- a. Asset Allocation Status

Mr. Reed indicated that the report reflects ongoing rebalancing. It was also noted that capital calls have been coming in for TCERA's new manager, Invesco.

- b. 2021-2022 Investment Committee Goals and Objectives Timeline and 2021-2022 Education Calendar.

Ms. Reed reported updates including the objectives underway for implementing the new asset allocation.

Mr. Reed had suggested that the Board consider a strategic planning retreat in 2022, which has been moved to the Administrative Committee for further details.

- c. Investment Managers

- 1) Verus Flash Report – All Managers

No discussion on the Flash report.

- 2) Managers of Interest

- a) StepStone – Notice of Personnel Changes

No discussion on this item.

- b) LMCG – Notice of transition to Leeward Investments, LLC.

Ms. Malison reported this was a team lift out and there were no immediate concerns with the transition.

X. INVESTMENTS

1. Discussion and possible action regarding TCERA's strategic investment allocation and investment managers, including performance, contracts, and fees.

No discussion or action.

XI. NEW BUSINESS

1. Discussion and Possible Action regarding TCERA and TCERA Property, Inc. Financial Statements for the months ended September 30, 2021, October 31, 2021, and November 30, 2021.

Motion to accept all the financial statements as presented.

Motion: Kehler

Second: Vander Poel

Motion passed unanimously.

2. Discussion and possible action regarding adoption of Amendment to Resolution Regarding Pay Codes Included as Pensionable Income.

Motion to accept the Resolution regarding the pay codes 36M and 36N as non-pensionable.

Motion: Vasquez

Second: Cook

Motion passed unanimously.

XII. EDUCATION ITEMS

1. Discussion and possible action regarding Summary Education Reports as filed:
 - a. George Finney – SACRS Conference, November 9-12, 2021, 12 hours
 - b. Leanne Malison – Verus 2022 Capital Market Assumptions Webinar, December 2, 2021, 1 hour
 - c. Leanne Malison – Nossaman – Risk Management and Litigation Update – Webinar, December 6-7, 2021, 6 hours.

Motion to approve the Summary Education Reports as presented.

Motion: Kehler

Second: Reed

Motion passed unanimously.

2. Discussion and possible action regarding available educational events.

No discussion or action.

XIII. COMMUNICATIONS

1. Discussion and possible action regarding SACRS Legislative Update – December 2021.

No discussion or action.

2. Discussion and possible action regarding County Counsel Report – Cases Pending in Court and Pending Appeal to Court.

No discussion or action.

3. Accept as filed the Statement of Vote for the Tulare County Employees' Retirement Association Election, December 7, 2021.

No discussion or action.

4. Tulare County Board of Supervisors reappointments of Wayne Ross and Jim Young as trustees on the Tulare County Employees' Retirement Board for terms ending December 31, 2024.

No discussion or action.

XIV. UPCOMING MEETINGS

1. Investment Committee Meeting January 12, 2022, 10:30 a.m.
2. Board of Retirement Meeting January 26, 2022, 8:30 a.m.
3. Administrative Committee Meeting, January 26, 2022, 10:30 a.m. (Tentative pending new Committee assignments)

XV. TRUSTEE/STAFF COMMENTS

Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time.

Ms. Malison reminded the trustees that new committee assignments will be forthcoming from the Board Chair. When the assignments are provided, committee meeting dates and times will be determined.

Mr. Ross requested trustees to call his cell phone as the work phone of record is no longer valid.

Mr. Kehler let the Board Chair know that he would like to stay on the Administrative committee.

Ms. Malison asked the meeting close with a moment of silence honoring Mr. Ron Neve, previous Board of Retirement trustee who recently passed away

XVI. ADJOURNMENT

The meeting was adjourned at 9:02 a.m.

Wayne Ross, Chair



January 6, 2022

Ms Mary Warner
County of Tulare Board of Retirement
136 N. Akers Street
Visalia, CA 93921

SCV079: Tulare County Employees' Retirement Fund

Dear Mary :

The fee for investment management services for the Fourth Quarter 2021 for the account we manage is \$58,299.74. The month end market values were calculated by LMCG. The fee calculation is listed below.

Market Value as of:

October 31, 2021	\$33,103,903.32
November 30, 2021	\$32,624,430.96
December 31, 2021	<u>\$34,214,072.88</u>

Average Assets:

\$33,314,135.72

\$33,314,135.72 x 0.70% \$233,198.95

Total \$233,198.95 (annual fee)

\$233,198.95 x .25 \$58,299.74 (quarterly fee)

If you have any questions regarding the fee please feel free to call me at any time at (617) 380-5662.

Sincerely,

Colleen A. Pink

Tulare County Employees' Retirement Fund
LMCG acct: SCV079
Mellon Bank acct: TULF1010022

Remittance Information:
Make checks payable to LMCG Investments, LLC

Send to:
LMCG Investments, LLC
File 1125
1801 W Olympic Blvd
Pasadena, CA 91199-1125
Federal Tax ID #27-0282607

Or by wire:

City National Bank
Routing # 026013958
400 Park Avenue NYC
New York, NY 10022
For further credit to: LMCG Investments, LLC
Account #665112241

CHECKED:	<u>FM</u> Initial	<u>1/6/22</u> Date
VERIFIED:	<u>CS</u> Initial	<u>1/6/22</u> Date
APPROVED:	<u> </u> Initial	<u> </u> Date
PAID:	<u> </u> Wired	<u> </u> Date

January 13, 2022

Via Electronic Mail

Ms. Leanne Malison
Retirement Administrator
Tulare County Employees' Retirement Association
136 N. Akers Street
Visalia, CA 93291

Dear Leanne:

Enclosed with this letter is our statement of professional services related to the actuarial services provided. If you have any questions about setting up ACH direct payment, please contact accounting@cheiron.us or (703) 893-1456, x1020.

If you have any questions, please feel free to call myself or the accounting department.

Sincerely,
Cheiron

A handwritten signature in dark ink, appearing to read "Graham Schmidt", is written over a faint, light-colored circular watermark that contains a horse head profile.

Graham A. Schmidt, ASA, EA, FCA, MAAA
Consulting Actuary
(703) 893-1456, x1137
gschmidt@cheiron.us

Invoice

Date: 13-Jan-22

Inv. # 42594

For:

Actuarial Services

Payment Options

Cheiron, Inc., P.O. Box 37117, Baltimore, MD 21297-3117

BB&T, Routing Number: 051404260, Account Number: 0000155739428

Please include invoice number(s) with your payment and forward the payment confirmation to accounting@cheiron.us to ensure payment is applied accurately.

THANK YOU FOR YOUR BUSINESS!





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TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1 b.

Agenda Date: January 12, 2022

Subject: Asset Allocation Status

Requests:

That the Investment Committee:

1. Discuss the current asset allocation status as compared to targets.
2. Make recommendations to the Board of Retirement as necessary.

Summary:

The Asset Allocation Comparison is provided as a reference tool for the Committee to note the current allocation as compared to target and to track new manager implementation and rebalancing activity. Depending on the date of the Investment Committee meeting, the report may not be available for distribution with the original packet of backup materials. The report will be provided as soon as the data is available from the custodian bank.

Prepared by: Leanne Malison

TCERA Asset Allocation Comparison 12-31-21 - Preliminary Numbers

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
DOMESTIC EQUITY							
QMA	Large Core Enhanced	75,995,865	3.75%	3.00%	60,801,228	15,194,637	
SSGA S&P 500 Sec Lnd Index Fund	Large Core	234,053,793	11.55%	10.00%	202,670,761	31,383,031	
Boston Partners	Large Value	75,086,127	3.70%	3.50%	70,934,766	4,151,361	
Ivy (Waddell & Reed)	Large Growth	84,640,907	4.18%	3.50%	70,934,766	13,706,141	Rebalancing Pending
SSGA US Ext Sec Lnd	SMID Core Index	81,060,803	4.00%	3.00%	60,801,228	20,259,575	
LMCG	Small Value	34,214,122	1.69%	1.50%	30,400,614	3,813,508	
William Blair	Smid Growth	33,043,379	1.63%	1.50%	30,400,614	2,642,765	
	Total	618,094,997	30.50%	26.00%	526,943,980	91,151,017	
INTERNATIONAL EQUITY							
SGA	International Growth	100,577,469	4.96%	6.00%	121,602,457	(21,024,988)	
PIMCO RAE	International Value	97,713,147	4.82%	4.00%	81,068,305	16,644,843	
SSGA - ACWI Index Fund	International Core	109,164,876	5.39%	6.00%	121,602,457	(12,437,581)	
	Total	307,455,492	15.17%	16.00%	324,273,218	(16,817,726)	
GLOBAL EQUITY							
Skellig Water Fund (KBI)	Water Related	83,341,459	4.11%	3.00%	60,801,228	22,540,231	\$14 million transfer to cash in January
	Total	83,341,459	4.11%	3.00%	60,801,228	22,540,231	
PRIVATE EQUITY							
Pantheon	Private Equity - F of F	368,953	0.02%				
Stepstone	PE - Secondaries	6,211,096	0.31%				
Ocean Avenue III	Private Equity - F of F	16,428,499	0.81%				
Ocean Avenue IV	Private Equity - F of F	19,574,403	0.97%				Underweight pending new commitments and capital calls. Pantheon, Stepstone and BlackRock in liquidation phase.
Pathway Fund 8	Private Equity - F of F	31,146,031	1.54%				
Pathway Fund 9	Private Equity - F of F	24,456,329	1.21%				
Pathway Fund 10	Private Equity - F of F	11,609,404	0.57%				
BlackRock Alternatives	Private Equity - F of F	514,486	0.03%				
	Total	110,309,202	5.44%	12.00%	243,204,914	(132,895,712)	
FIXED INCOME							
BlackRock	Core Plus	133,786,161	6.60%	6.00%	121,602,457	12,183,704	
MacKay Shields	Core Plus	123,229,773	6.08%	5.50%	111,468,919	11,760,854	Rebalancing Pending
DoubleLine	Core Plus	117,744,659	5.81%	5.50%	111,468,919	6,275,740	
PGIM	Emerging Market Debt	83,325,261	4.11%	3.00%	60,801,228	22,524,033	
	Total	458,085,854	22.60%	20.00%	405,341,523	52,744,331	

TCERA Asset Allocation Comparison 12-31-21 - Preliminary Numbers

Manager	Category	Market Value	Actual %	Target %	Value at Target	Difference to Target	Comments
PRIVATE CREDIT							
Sixth Street DCP (TSSP)	Private Credit	83,619,268	4.13%	5.00%	101,335,381	(17,716,113)	Underweight pending capital calls
	Total	83,619,268	4.13%	5.00%	101,335,381	(17,716,113)	
REAL ASSETS							
Invesco	Real Estate Debt	55,386,627	2.73%	3.00%	60,801,228	(5,414,601)	
American Realty Advisors	Value Add Real Estate	37,857,934	1.87%	4.00%	81,068,305	(43,210,370)	Underweight pending IFM, American Realty and Invesco capital calls and Opportunistic. RREEF America II overweight pending rebalancing. SSGA REIT Index Pending Capital Calls.
Opportunistic RE Funds	Opportunistic Real Estate	-	0.00%	4.00%	81,068,305	(81,068,305)	
IFM	Infrastructure	-	0.00%	4.00%	81,068,305	(81,068,305)	
SSGA US REIT	REIT Index Fund	42,080,134	2.08%	0.00%	-	42,080,134	
RREEF America II	Core Commingled	180,697,807	8.92%	3.00%	60,801,228	119,896,579	
	Total	316,022,503	15.59%	18.00%	364,807,370	(48,784,867)	
OPPORTUNISTIC							
KKR - Mezzanine	Opportunistic	3,904,517	0.19%	n/a	-	3,904,517	Opportunistic outside of Target Allocation. KKR and PIMCO funds in distribution phase.
Sixth Street TAO Contingent (TSSP)	Opportunistic	23,587,526	1.16%	n/a	-	23,587,526	
PIMCO BRAVO - Distressed Debt	Opportunistic	10,362	0.00%	n/a	-	10,362	
	Total	27,502,405	1.36%		-	27,502,405	
OTHER							
			1.36%		-	27,502,405	
Cash		22,276,434	1.10%	0.00%	-	22,276,434	Capital Calls and Cash Flow Needs.
	Total	22,276,434	1.10%	0.00%	-	22,276,434	
Grand Total		2,026,707,614	100.00%	100.00%	2,026,707,614		

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TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1 c.

Agenda Date: January 12, 2022

Subject: 2022 Investment Committee Goals and Objectives Timeline and 2022 Education Calendar

Requests:

That the Investment Committee:

1. Discuss the Goals and Objectives Timeline and Education Calendar
2. Direct Staff to make revisions as determined by the Committee
3. Make recommendations to the Board of Retirement as necessary

Summary:

The Goals and Objectives Timeline is provided to assist the Committee in monitoring the progress of its goals and objectives for the year. The Education Calendar is provided to ensure that education items related to the Committee's goals and objectives are included in the presentation schedule for the year.

Prepared by: Leanne Malison

TCERA Investment Committee Goals and Objectives Timeline

Revised 12/23/21

2022

January - March

Large Cap Growth Equity Manager Review – Comparative manager information as it relates to the large cap growth equity investment with Ivy was provided by Verus at the October 13th Investment Committee meeting. The Committee recommended identifying Sands Capital and William Blair as finalists for the mandate and the Board approved the recommendation at the October 27th Board meeting. The Board also directed Verus to provide information regarding SGA's large cap growth product. Finalist presentations are expected at the January 26th Board meeting.

"Dry Powder" Investment -- On October 27th, the Board approved the transfer of funds from Global Fixed Income and Emerging Market Debt to SSGA SMID and REIT index funds pending capital calls for real estate and private equity. The REIT Index Fund has been opened with SSGA. Transfer of funds is expected in December.

Infrastructure – On October 27th, the Board requested a presentation from IFM to the Board of Retirement regarding the firm's infrastructure fund. IFM presented to the Board on November 17th. At that meeting the Board approved IFM as the infrastructure investment manager. Contract is pending.

Private Equity/Opportunistic Real Estate – On October 27th, the Board determined that direct fund investing with the assistance of a consultant will be the implementation strategy for private equity and other similar private markets investments. At the November 17, 2021 Board meeting, the Board authorized Staff to enter into a contract with Verus for private markets consulting. Implementation can begin when the contract is complete. Contract is currently pending.

Small Cap Value Review – In response to the LMCG investment group's formation of a new investment management firm, Leeward Investments, the Investment Committee recommended an exploratory search to compare other top tier managers to LMCG/Leeward. The review is tentatively scheduled for the March 9, 2022 Investment Committee meeting pending approval from the Board.

TCERA Board of Retirement 2022 Trustee Education/Presentation Calendar

Month	Meeting Date	Education Topics
January	January 12	Large Cap Growth Equity Presentations
	January 26	
February	February 23	No first meeting due to World Ag Expo 12/31/21 Investment Report – Verus
	March 9	QMA (PGIM) LMCG (Leeward)
March	March 23	Small Cap Value Review (Investment Committee)
	April 13	Sixth Street Stepstone
April	April 27	3/31/22 Investment Report – Verus Strategic Asset Allocation Review - Verus
	SACRS – May 10-13	
May	May 25	RREEF Ocean Avenue
	June 8	
June	June 22	William Blair KBI
	July 13	
July	July 27	Private Markets Review – Verus
	August 10	PGIM American Realty
August	August 24	6/30/22 Investment Report – Verus Investment Manager Fee Review

September	September 14 September 28	MacKay Shields KKR
October	October 12 October 26	Preliminary Actuarial Analysis - Cheiron
November	November 2 - due to SACRS SACRS Nov 8-11 November 16 - due to Thanksgiving Holiday	Actuarial Valuation Report - Cheiron 9/30/22 Investment Report
December	December 14	Brown Armstrong – Audit Results

Expected 2023 Investment Manager Regular Biennial Presentations:

BlackRock
 PIMCO RAE
 Ivy Investments
 Boston Partners
 SGA
 Pathway
 Pantheon
 DoubleLine
 Invesco
 SSGA
 Infrastructure Manager TBD



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**TCERA, Board of Retirement
Investment Committee**

Agenda Item # IV. 1. d.

Agenda Date: January 12, 2022

Subject: Vendor/Investment Firm Referral Report

Requests:

That the Investment Committee:

1. Review the attached Vendor and Investment Firm Referral Report
2. Provide direction to TCERA's Investment Consultant

Summary:

TCERA's *Communications Between Trustees and Outside Service Providers* policy requires that trustees requesting consideration of specific firms for an investment manager search submit those names to the Investment Committee for review and approval. Attached is a request for consideration of Barrow Hanley, a firm providing investment management services. The Committee is asked to provide direction to the Investment Consultant regarding the inclusion of this firm in TCERA's domestic small cap value exploratory search.

Prepared by: Leanne Malison

RECEIVED

TULARE COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

DEC 03 2021

Vendor/Investment Firm Referral Report

TULARE COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION

REQUESTED BY (NAME OF TRUSTEE/STAFF):

Jim Lounsbury

DATE SUBMITTED:

12/2/21

NAME OF FIRM:

Barlow Hanney

SERVICE/INVESTMENT TYPE:

US Small Cap Value

CONTACT INFORMATION:

NAME

Caryton Johnston

PHONE

214 665-1982

E-MAIL

CJOHNSTON@BARLOWHANNEY.COM

SOURCE OF CONTACT:

*Friends; former Rep with another firm;
(CONFERENCE, COLLEAGUE REFERRAL, NETWORKING, ETC.)
EXCELLENT SERVICE*

REASON FOR REFERRAL:

- ☐ INFORMATION ONLY – FOR FUTURE REFERENCE – NO ACTION REQUIRED
- ☐ RECOMMEND AN EDUCATIONAL PRESENTATION TO BOARD OF RETIREMENT
- ☐ RECOMMEND STAFF CONTACT FIRM FOR ADDITIONAL INFORMATION
- ☒ RECOMMEND ADDITIONAL INFORMATION FROM INVESTMENT CONSULTANT
- ☒ RECOMMEND FOR CONSIDERATION IN UPCOMING MANAGER/VENDOR SEARCH
- ☐ OTHER *Replacement for Lee Munser*

COMMITTEE MEETING DATE AND ACTION TAKEN:



COUNTY OF TULARE BOARD OF RETIREMENT

Leanne Malison
Retirement Administrator

136 N AKERS STREET
VISALIA, CALIFORNIA 93291

TELEPHONE (559) 713-2900
FAX (559) 730-2631
www.tcera.org

TCERA, Board of Retirement Investment Committee

Agenda Item # IV. 1. e.

Agenda Date: January 12, 2022

Subject: Investment Manager Review

Requests:

That the Investment Committee:

1. Review and Discuss manager performance as reported in the most recent Verus Flash Report.
2. Review and Discuss any Managers of Interest and other presented topics

Summary:

1. **Verus Flash Report** – The Flash Report provides the most current performance information provided by Verus. The Committee will periodically discuss individual managers and their performance as well as overall portfolio performance. The Flash report is prepared by Verus as soon as month end information is available from TCERA's managers and is generally available by the 15th of the month. Depending on the timing of the receipt of the investment data and the date of the committee meeting, the most recent month-end report may not be ready in time for distribution or discussion.
2. **Managers of Interest** – The Committee has requested a standing agenda item to discuss managers of interest in greater detail. Most often these will be current investment managers as listed on the Verus Flash Report that have reported firm/personnel changes or managers that require additional discussion or scrutiny.
 - a. LMCG – Pending transition to Leeward Investments, LLC

Prepared by: Leanne Malison

Total Fund

Executive Summary (Net of Fees) - Preliminary

Period Ending: November 30, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Fund	1,984,280,883	100.0	-1.5	1.7	1.9	23.6	0.6	6.0	13.8	10.5	9.3	8.1	--	--
<i>Policy Index</i>			-1.2	1.2	2.3	22.1	3.2	7.0	13.1	11.4	9.9	8.3	--	--
Total Domestic Equity	578,024,020	29.1	-1.5	4.7	4.4	44.5	4.2	7.6	27.0	18.9	16.9	15.6	--	--
<i>Russell 3000</i>			-1.5	5.1	5.0	44.2	6.5	9.0	26.3	20.2	17.5	16.0	10.4	9.6
SSGA S&P 500 Flagship Fund	224,019,486	11.3	-0.7	6.3	6.8	40.8	7.5	10.4	27.8	20.3	17.9	16.2	--	--
<i>S&P 500</i>			-0.7	6.3	6.9	40.8	7.5	10.4	27.9	20.4	17.9	16.2	10.4	9.3
QMA Large Cap Core	72,768,406	3.7	-0.6	5.6	5.7	39.5	3.8	6.6	28.9	17.4	15.6	15.6	--	--
<i>S&P 500</i>			-0.7	6.3	6.9	40.8	7.5	10.4	27.9	20.4	17.9	16.2	10.4	9.3
Ivy Large Cap Growth	82,244,060	4.1	0.6	8.5	9.9	38.0	20.2	15.1	30.9	27.7	24.6	18.8	--	--
<i>Russell 1000 Growth</i>			0.6	9.3	10.6	42.5	23.3	11.6	30.7	29.2	25.1	19.5	13.6	10.7
Boston Partners Large Cap Value	70,274,763	3.5	-2.2	2.4	0.7	49.5	-8.8	4.5	27.0	11.6	11.3	13.1	--	--
<i>Russell 1000 Value</i>			-3.5	1.4	0.6	43.7	-8.8	8.5	22.2	11.5	10.4	12.5	7.2	8.1
SSGA US Extended Market Index	63,476,907	3.2	-5.0	0.1	-3.1	--	--	--	--	--	--	--	--	--
<i>Dow Jones U.S. Completion Total Stock Market</i>			-5.0	0.1	-3.2	61.6	1.0	1.9	19.8	19.0	15.5	14.7	10.3	11.0
William Blair SMID Cap Growth	32,615,968	1.6	-5.7	0.1	-1.1	42.4	6.1	10.1	14.1	18.0	18.9	16.3	--	--
<i>Russell 2500 Growth</i>			-5.2	-0.3	-3.8	49.6	9.2	6.1	13.5	20.2	17.7	15.6	11.2	10.6
Lee Munder Small Value	32,624,431	1.6	-1.3	2.3	2.0	61.1	-14.9	-4.7	33.6	12.5	8.6	11.4	--	--
<i>Russell 2000 Value</i>			-3.4	0.3	-2.7	73.3	-17.5	-6.2	33.0	11.5	9.1	11.8	7.0	9.3
Total International Equity	308,975,360	15.6	-5.5	-3.3	-5.3	38.3	-4.0	3.5	10.9	11.5	10.0	7.2	--	--
<i>MSCI ACWI ex USA Gross</i>			-4.5	-2.2	-5.0	36.3	-4.4	1.8	9.6	10.5	9.8	7.2	4.2	7.1
SSGA MSCI ACWI Ex US Index Fund	114,518,123	5.8	-4.5	-2.2	-5.1	35.9	-4.5	1.5	9.3	10.2	9.5	6.9	--	--
<i>MSCI ACWI ex USA</i>			-4.5	-2.2	-5.1	35.7	-4.8	1.3	9.1	9.9	9.3	6.7	3.7	6.6
PIMCO RAE Fundamental Global Ex US Fund	97,713,147	4.9	-5.6	-4.7	-7.4	45.3	-14.9	-1.5	13.9	5.9	6.7	--	--	--
<i>MSCI ACWI ex USA Value</i>			-5.4	-3.9	-6.1	37.6	-15.3	-0.1	10.7	4.8	5.7	4.7	2.1	5.9
SGA Global Growth	96,744,090	4.9	-6.6	-3.3	-3.1	34.3	6.5	10.7	10.4	17.8	--	--	--	--
<i>MSCI ACWI ex USA Growth</i>			-3.6	-0.6	-4.2	33.7	5.8	2.6	7.4	14.8	12.7	8.6	5.2	7.3
Total Global Equity	78,268,431	3.9	-1.5	2.5	3.6	50.4	-3.6	1.9	26.9	17.2	13.8	--	--	--
<i>MSCI ACWI Gross</i>			-2.4	2.6	1.7	39.9	2.6	6.3	19.8	16.5	14.6	12.0	7.5	8.4

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% Bloomberg US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. Invesco Commercial MIF funded 9/1/21. All data is preliminary.

Total Fund

Executive Summary (Net of Fees) - Preliminary

Period Ending: November 30, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Skellig Water Fund (aka KBI)	78,268,431	3.9	-1.5	2.5	3.6	50.4	-3.6	1.9	26.9	17.2	13.8	--	--	--
MSCI ACWI			-2.4	2.6	1.5	39.3	2.1	5.7	19.3	16.0	14.0	11.4	6.9	7.8
Total Fixed Income	519,309,363	26.2	-0.4	-0.6	-1.0	2.8	2.9	7.2	-1.3	3.7	3.0	3.0	--	--
Bloomberg US Aggregate TR			0.3	0.3	0.3	-0.3	8.7	7.9	-1.2	5.5	3.7	3.0	4.1	4.3
Total Domestic Fixed Income	389,149,789	19.6	0.1	0.1	0.2	2.3	7.3	7.6	-0.1	5.8	4.0	3.5	--	--
Bloomberg US Aggregate TR			0.3	0.3	0.3	-0.3	8.7	7.9	-1.2	5.5	3.7	3.0	4.1	4.3
BlackRock Fixed Income	148,175,358	7.5	0.3	0.3	0.3	0.5	9.1	8.0	-0.9	5.8	3.9	3.3	--	--
Bloomberg US Aggregate TR			0.3	0.3	0.3	-0.3	8.7	7.9	-1.2	5.5	3.7	3.0	4.1	4.3
Doubleline Core Plus	117,744,659	5.9	0.0	-0.1	0.1	2.9	4.1	7.0	0.4	4.7	3.4	--	--	--
Bloomberg US Aggregate TR			0.3	0.3	0.3	-0.3	8.7	7.9	-1.2	5.5	3.7	3.0	4.1	4.3
MacKay Shields Core Plus	123,229,773	6.2	-0.1	0.0	0.1	3.7	8.5	7.4	0.2	6.7	4.5	--	--	--
Bloomberg US Aggregate TR			0.3	0.3	0.3	-0.3	8.7	7.9	-1.2	5.5	3.7	3.0	4.1	4.3
Total Global Fixed Income	46,834,312	2.4	-0.8	-1.4	-3.0	-2.2	-7.9	6.1	-5.1	-3.6	-0.8	--	--	--
JPM GBI Global TR USD			0.1	-0.2	-1.3	0.0	5.2	5.7	-4.8	3.9	2.9	1.2	3.1	--
Franklin Templeton Global Bond Plus	46,834,312	2.4	-0.8	-1.4	-3.0	-2.2	-7.9	6.1	-5.1	-3.6	-0.8	--	--	--
JPM GBI Global TR USD			0.1	-0.2	-1.3	0.0	5.2	5.7	-4.8	3.9	2.9	1.2	3.1	--
Total Emerging Markets Fixed Income	83,325,262	4.2	-2.5	-3.1	-4.6	10.3	-2.4	--	-3.0	--	--	--	--	--
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			-2.3	-2.9	-4.8	7.1	-1.1	10.8	-4.2	4.0	3.8	2.9	4.9	--
PGIM Emerging Markets Debt	83,325,262	4.2	-2.5	-3.1	-4.6	10.3	--	--	-3.0	--	--	--	--	--
50% JPM EMBI Global Div/50% JPM GBI EM Global Div			-2.3	-2.9	-4.8	7.1	-1.1	10.8	-4.2	4.0	3.8	2.9	4.9	--
Total Real Estate	251,955,395	12.7				2.2	5.3	6.7	12.2	6.3	6.7	8.9	--	--
NCREIF ODCE						1.5	3.9	6.6	13.6	6.1	6.6	9.1	5.6	--
RREEF America II	180,697,807	9.1				2.1	5.3	6.6	12.8	6.5	7.0	10.0	--	--
NCREIF ODCE						1.5	3.9	6.6	13.6	6.1	6.6	9.1	5.6	--
American Realty	31,474,745	1.6				3.4	--	--	11.3	--	--	--	--	--
NCREIF ODCE						1.5	3.9	6.6	13.6	6.1	6.6	9.1	5.6	--
Invesco Commercial Mortgage Income Fund	39,782,842	2.0				--	--	--	--	--	--	--	--	--
NCREIF ODCE						1.5	3.9	6.6	13.6	6.1	6.6	9.1	5.6	--

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% Bloomberg US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. Invesco Commercial MIF funded 9/1/21. All data is preliminary.

Total Fund

Executive Summary (Net of Fees) - Preliminary

Period Ending: November 30, 2021

	Market Value	% of Portfolio	1 Mo	QTD	Fiscal YTD	Fiscal 2021	Fiscal 2020	Fiscal 2019	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Private Equity	109,633,561	5.5				42.4	5.4	17.8	38.1	20.9	19.2	15.5	--	--
<i>Private Equity Benchmark</i>						42.4	5.4	17.8	37.7	20.8	19.2	15.4	--	--
BlackRock Alternative Advisors	514,486	0.0				-13.7	8.1	8.8	-23.4	-4.3	2.2	5.6	--	--
Ocean Avenue Fund III	19,428,500	1.0				25.2	13.7	35.4	60.0	29.4	27.4	--	--	--
Ocean Avenue Fund IV	20,601,057	1.0				35.2	--	--	35.7	--	--	--	--	--
Pantheon Ventures	420,959	0.0				4.4	-23.1	5.6	-1.3	-8.5	-2.0	3.2	--	--
Pathway Private Equity Fund Investors 8	31,801,304	1.6				67.5	4.9	26.4	47.3	28.8	27.2	--	--	--
Pathway Private Equity Fund Investors 9	21,939,974	1.1				73.9	0.0	22.0	36.0	24.0	--	--	--	--
Pathway Private Equity Fund Investors 10	8,716,185	0.4				46.9	--	--	26.6	--	--	--	--	--
Stepstone Secondary Opportunities Fund II	6,211,096	0.3				22.4	-0.5	2.1	18.0	6.6	8.1	--	--	--
Total Private Credit	87,474,044	4.4				28.3	-4.5	11.2	12.5	9.1	8.8	--	--	--
<i>Private Credit Benchmark</i>						28.3	-4.5	11.2	12.5	9.1	8.8	--	--	--
Sixth Street DCP (fmrly TSSP DCP)	87,474,044	4.4				28.3	-4.5	11.2	12.5	9.1	8.9	--	--	--
Total Opportunistic	24,910,468	1.3				15.0	-6.2	-6.2	23.9	1.8	8.2	13.0	--	--
Sixth Street TAO Contingent (fmrly TSSP TAO Contingent)	20,995,589	1.1				27.6	--	--	27.5	--	--	--	--	--
KKR Mezzanine Partners I	3,904,517	0.2												
PIMCO Bravo	10,362	0.0												

Policy (10/1/2020): 25% Russell 3000, 15% MSCI ACWI ex US, 3% MSCI ACWI, 17% Bloomberg US Aggregate, 5% JPM GBI Global, 5% (50% JPM EMBI Global Div/50% JPM GBI EM Global Div), 20% NCREIF-ODCE, 5% Private Equity Returns, 5% Private Credit Returns. Shenkman HY liquidated 3/11/19. PGIM EMD funded 8/26/19. Ocean Ave Fund IV funded 9/16/19. Gresham Commodity and Wellington Commodity liquidated 9/27/19. American Realty funded 12/20/19. Pathway Fund 10 funded 3/25/20. TAO Contingent funded 4/16/20. SSGA Russell Small Cap Completeness Index transitioned to SSGA US Extended Market Index on 6/10/21. Invesco Commercial MIF funded 9/1/21. All data is preliminary.



Tulare County Employees' Retirement Association

Select Growth 4Q21 Review
January 2022



SANDS CAPITAL

**Sands Capital exists to add value and
enhance the wealth of our clients
with prudence over time.**

We are active, long-term investors in leading innovative growth businesses, globally.

AII-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.

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.

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.

YEAR FOUNDED

1992

OWNERSHIP

Independent
100% Staff Owned¹

AUM

\$73.1B

STAFF

179

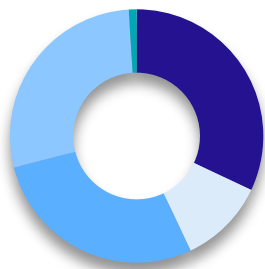
HEADQUARTERS

Arlington, VA, USA

¹ Sands Capital Management, LLC is ultimately owned by the Sands Family and Sands Capital Staff Members. While the majority of ownership resides with the Sands family, there is a significant and growing percentage of the firm in the hands of key staff members, including the entire senior investment team. All data is as of 12/31/2021.

Who We Serve

ASSETS BY TYPE



- U.S. Institutional Separate Accounts: 32%
- Non-U.S. Institutional Separate Accounts: 11%
- U.S. Pooled Funds: 28%
- Non-U.S. Pooled Funds: 28%
- Private Clients: 1%

REPRESENTATIVE CLIENTS

Corporate and Multi-Employer

Con Edison
General Mills
Halliburton

Non-Profit

National Gallery of Art
Sutter Health
Wheaton College

Pooled Funds/Other

Alberta Investment Management Corporation
Lombard Odier
MLC (National Australia Bank)
Touchstone Investments

Public

District of Columbia Retirement Board
Minnesota State Board of Investment
San Francisco Employees' Retirement System

AMERICA

Argentina
Bahamas
Brazil
British Virgins Islands
Canada
Cayman Islands
USA

EUROPE

Andorra
Denmark
Finland
France
Germany
Guernsey
Ireland
Isle of Man
Jersey
Luxembourg
Monaco
Netherlands
Norway
Portugal
Russia
Spain
Sweden
Switzerland
UK

AFRICA

Mauritius
Namibia
South Africa
Zambia

GULF STATES

Bahrain
Kuwait
Qatar
Saudi Arabia
UAE

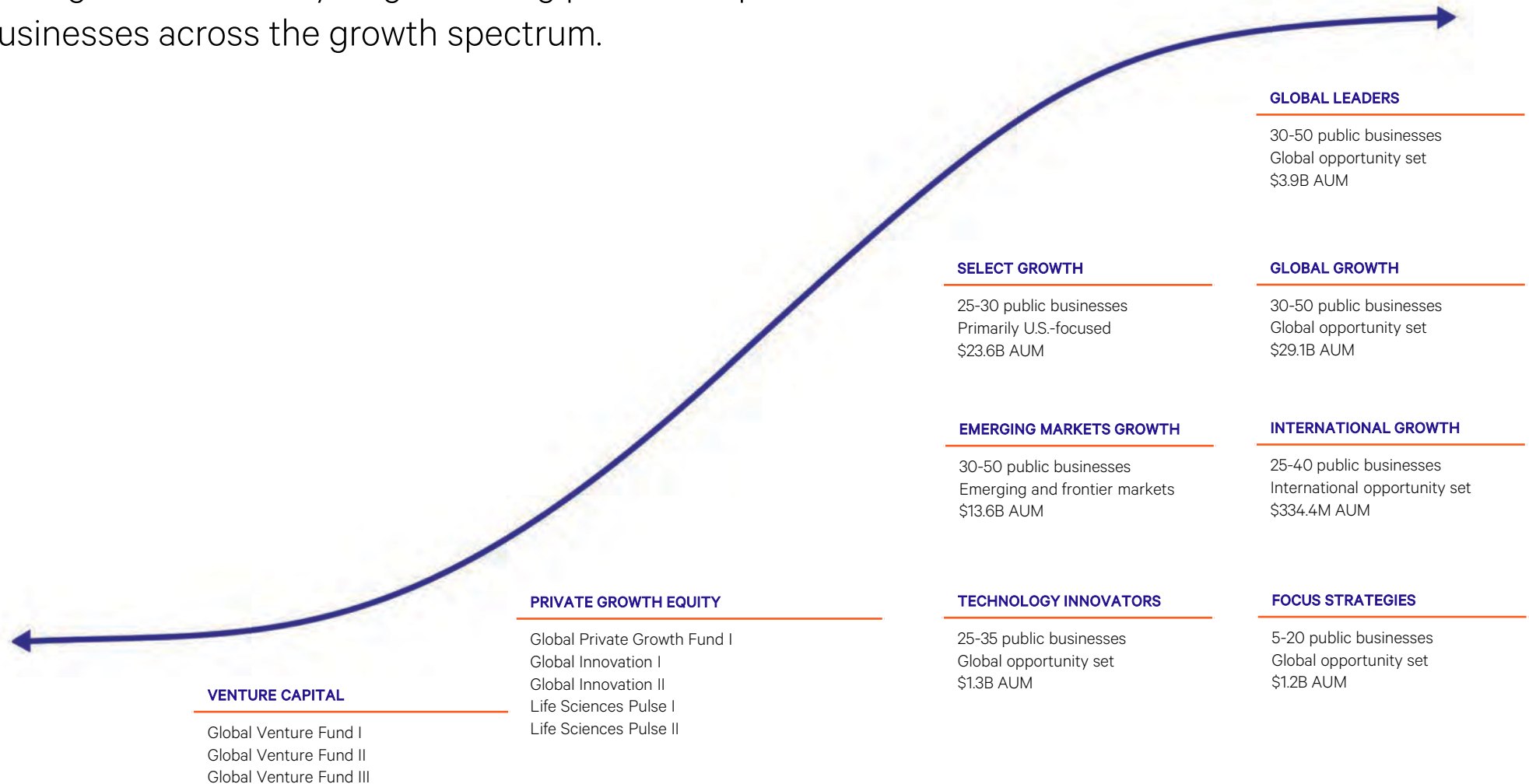
ASIA PACIFIC

Australia
China
Hong Kong
Japan
New Zealand
Singapore
South Korea
Thailand

All data is as of 12/31/2021. Sands Capital Management selected institutional, fully discretionary, equity accounts which are indicative of the various types and locales of its client base for inclusion in this Representative Client List. Rounding may cause figures to vary from 100.0%. The client's consent to be included on this list should not be construed as approval or disapproval by these clients of Sands Capital Management or its advisory services. The countries above represent both direct and pooled-fund clients or investors of Sands Capital Management.

What We Do

With a singular focus on growth investing, we offer clients strategies that actively target leading public and private businesses across the growth spectrum.



All data is as of 12/31/2021. The above figures represent total Assets Under Management for each public investment strategy listed. The Venture Capital and Growth Equity investment strategies are managed by Sands Capital Ventures, LLC, an affiliate of Sands Capital Management, LLC, and are only available to qualified investors. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. References to “Sands Capital”, the “firm”, “we” or “our” are references to Sands Capital Management and its affiliates, collectively, including Sands Capital Ventures, LLC (“Sands Capital Ventures”), which is a registered investment adviser that provides private market investment strategies, including its Private Growth Strategy to its clients. Sands Capital Management seeks to adhere to the Global Investment Performance Standards (GIPS®) when reporting its investment performance results; however, Sands Capital Ventures does not.

Investment Strategies & Results

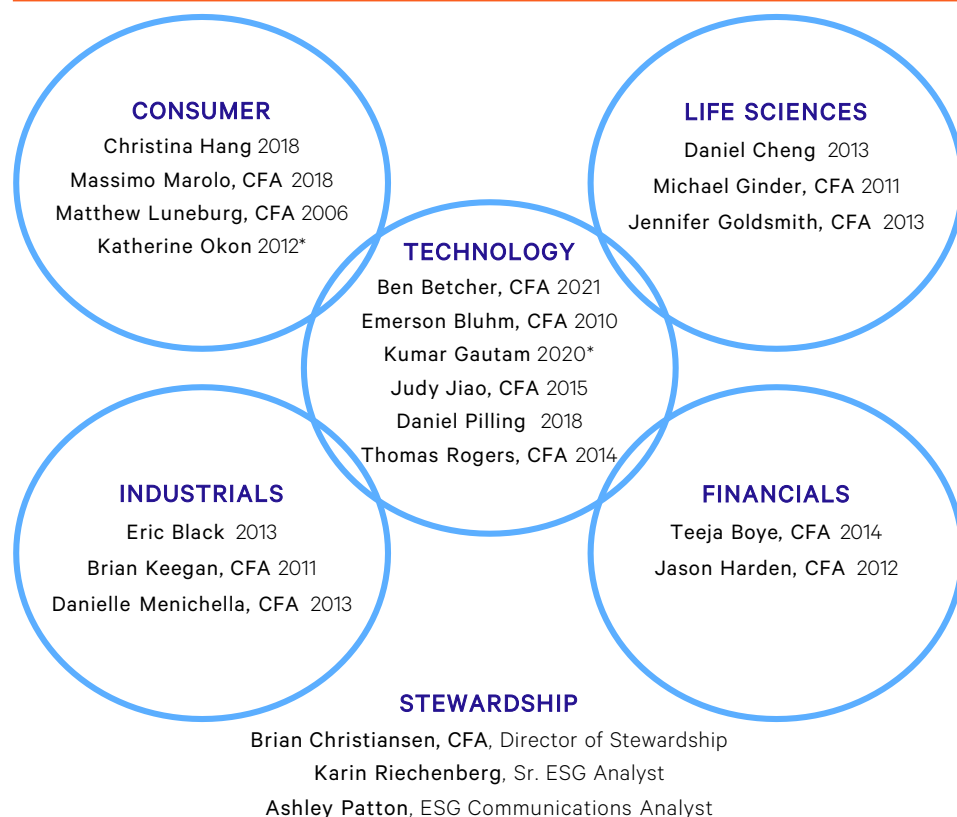
Net Results (%) as of December 31, 2021

					ANNUALIZED %			
	INCEPTION DATE	STRATEGY ASSETS	4Q21	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
Select Growth	2/29/1992	\$23.6B	-6.9	4.9	33.8	28.2	20.3	13.7
Russell 1000 Growth Index			11.6	27.6	34.1	25.3	19.8	11.0
Value Added (bps)			-1,850	-2,270	-30	290	50	270
Global Growth	12/31/2008	\$29.1B	-2.6	10.2	29.1	23.8	16.9	20.4
MSCI All Country World Index			6.7	18.5	20.4	14.4	11.9	11.9
Value Added (bps)			-930	-830	870	940	500	850
Emerging Markets Growth	12/31/2012	\$13.6B	-11.7	-9.0	21.8	16.7	-	10.2
MSCI Emerging Markets Index			-1.3	-2.5	10.9	9.9	-	4.2
Value Added (bps)			-1,040	-650	1,090	680	-	600
Global Leaders	3/31/2017	\$3.9B	-0.9	7.5	22.8	-	-	19.0
MSCI All Country World Index			6.7	18.5	20.4	-	-	13.6
Value Added (bps)			-760	-1,100	240	-	-	540
International Growth	3/31/2018	\$334.4M	-8.2	14	33.4	-	-	23.5
MSCI All Country World Index ex USA			1.8	7.8	13.2	-	-	6.3
Value Added (bps)			-1,000	-640	2,020	-	-	1,720
Technology Innovators	12/31/2010	\$1.3B	-3.5	9.9	40.0	35.4	25.4	22.0
MSCI ACWI Info Tech and Communication Services Index			8.4	22.4	32.8	26.0	20.0	17.5
Value Added (bps)			-1,190	-1,250	720	940	540	450

Periods greater than one year are annualized. The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. Investment results presented are that of the Tax-Exempt Institutional Equity Composite, Global Growth Equity Composite, Global Leaders Equity Composite, Emerging Markets Growth Composite, International Growth Equity Composite and Technology Innovators Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, MSCI, FTSE Russell.

Global Research Team

RESEARCH ANALYSTS



Depth

We know our businesses. With approximately 175 aggregate portfolio businesses and 50 investment professionals, our people dig deep for insights. Intimate knowledge of a small number of companies is more valuable than superficial knowledge of many companies.

Focus

We've developed substantial domain knowledge in business spaces where innovation and industry transformation are rampant. Domain experience enables us to recognize patterns, identify analogues, and understand business models and ecosystems.

Collaboration

All PM's are analysts first. Together, they are integrally involved in every step of the research process. Our organization is intentionally designed to encourage analysts to work in sectors, not within silos, reflecting the interconnected webs in which our businesses operate.

All data is as of 12/31/2021. * Denotes year that staff member had re-joined Sands Capital. The Venture/Private Growth, Life Sciences Pulse, and Global Innovation investment strategies are managed by Sands Capital Ventures, LLC, an affiliate of Sands Capital Management, LLC, and are only available to qualified investors. References to "Sands Capital", the "firm", "we" or "our" are references to Sands Capital Management and its affiliates, collectively, including Sands Capital Ventures, LLC ("Sands Capital Ventures"), which is a registered investment adviser that provides private market investment strategies, including its Private Growth Strategy to its clients.

PORTFOLIO MANAGERS

SELECT GROWTH

Frank Sands, CFA Sr. Portfolio Manager	2000*
Wesley Johnston, CFA Sr. Portfolio Manager	2004
Michael Sramek, CFA Sr. Portfolio Manager	2001
Thomas Trentman, CFA Sr. Portfolio Manager	2005

EMERGING MARKETS GROWTH

Brian Christiansen, CFA Sr. Portfolio Manager	2006
Ashraf Haque Sr. Portfolio Manager	2008
Neil Kansari Sr. Portfolio Manager	2008

GLOBAL SHARIAH

Ashraf Haque Sr. Portfolio Manager	2008
Danielle Menichella, CFA Portfolio Manager	2013

FOCUS STRATEGIES

Michael Sramek, CFA Sr. Portfolio Manager	2001
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TECHNOLOGY INNOVATORS

Thomas Trentman, CFA Sr. Portfolio Manager	2005
Emerson Bluhm, CFA Portfolio Manager	2010
Michael Clarke Portfolio Manager	2011

GLOBAL GROWTH

Brian Christiansen, CFA Sr. Portfolio Manager	2006
David Levanson, CFA Sr. Portfolio Manager	2002*
Perry Williams, CFA Sr. Portfolio Manager	2004

GLOBAL LEADERS

Sunil Thakor, CFA Sr. Portfolio Manager	2004
Michael Raab, CFA Portfolio Manager	2007

INTERNATIONAL GROWTH

Ashraf Haque Sr. Portfolio Manager	2008
Sunil Thakor, CFA Sr. Portfolio Manager	2004

GLOBAL INNOVATION

Michael Clarke Managing Partner	2011
Barron Martin, CFA Managing Partner	2008

VENTURE CAPITAL

Ian Ratcliffe Managing Partner	2016
Michael Graninger Partner	2018

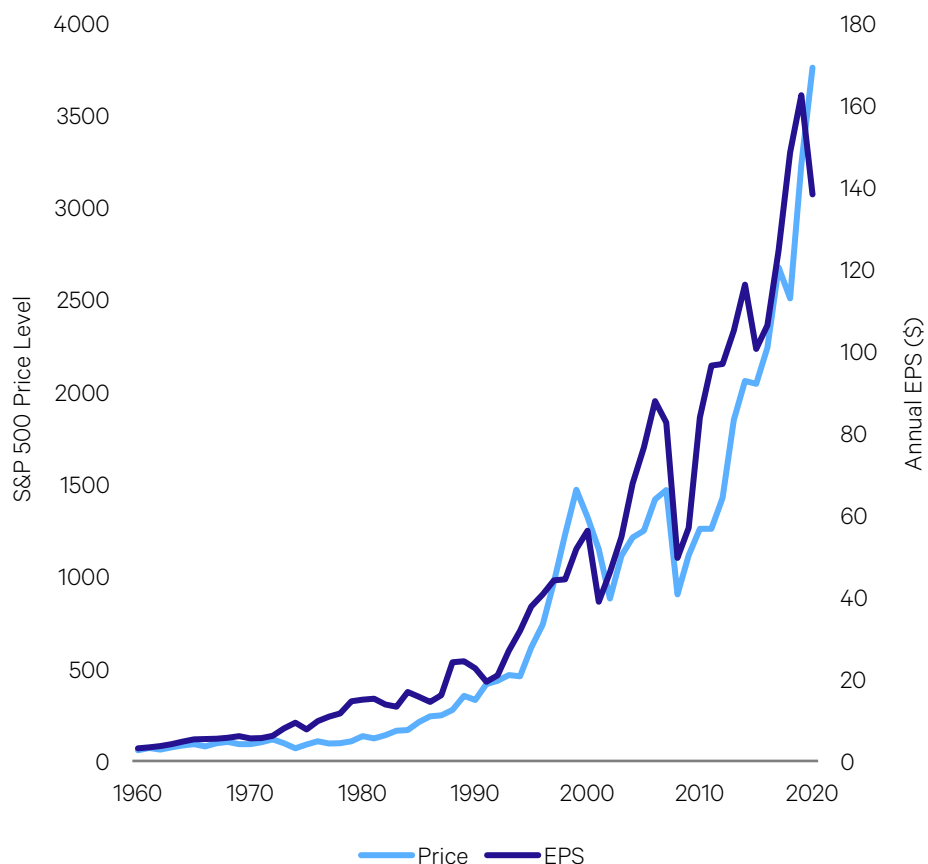
LIFE SCIENCES PULSE

Ian Ratcliffe Managing Partner	2016
Stephen Zachary, PhD Managing Partner	2016

What We Believe

Stock prices tend to reflect the earnings power and growth of the underlying businesses over the long term. To be successful, we must seek to:

S&P 500: 1960-2020



Identify those businesses with sustainable above-average growth.

Construct a concentrated, conviction-weighted portfolio.

Accept short-term market volatility in exchange for long-term growth potential.

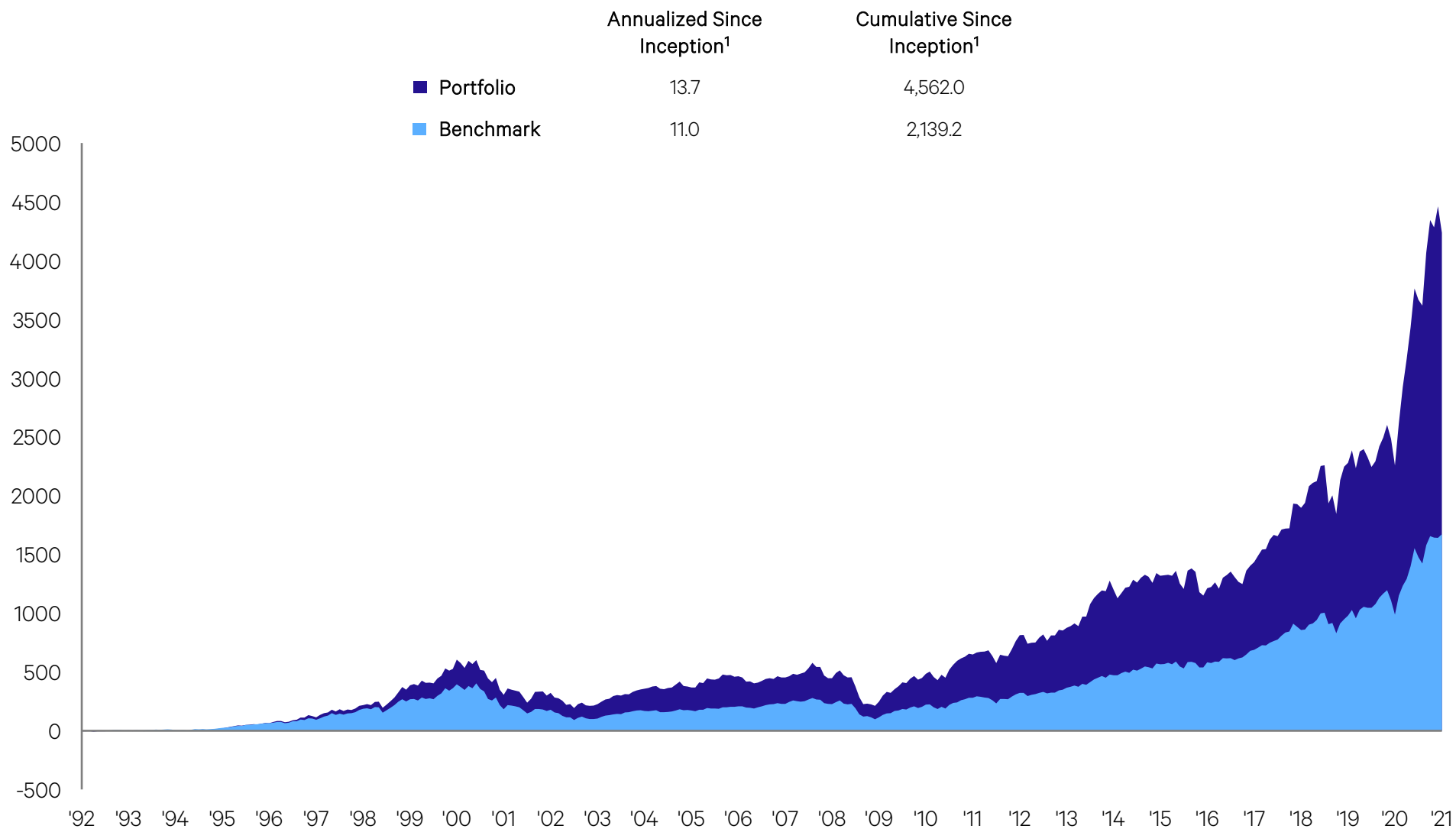
“As long-term investors, we buy leading growth **businesses**...we do not trade stocks.”

- Frank M. Sands, Sr., Founder

Power of Long-term Compounding

Select Growth vs. Russell 1000 Growth Index

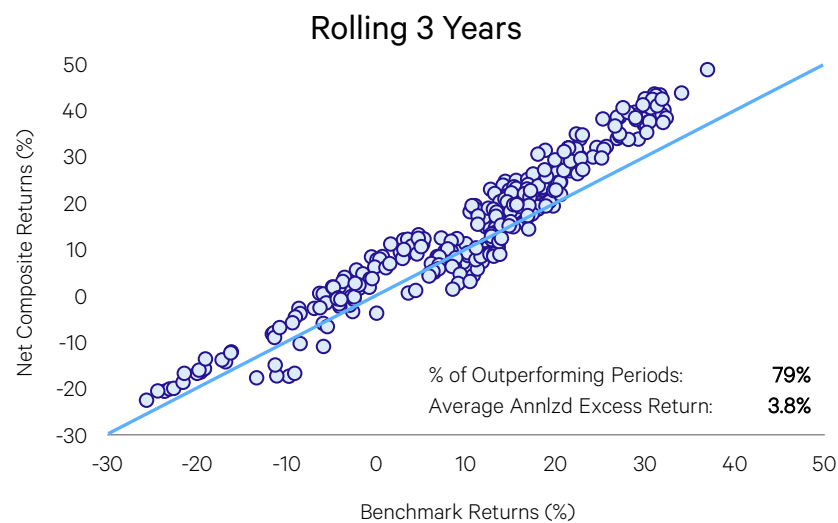
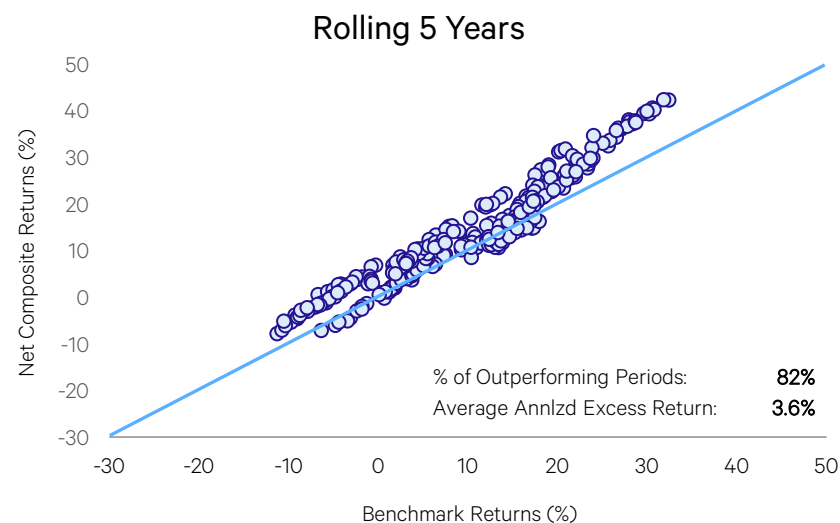
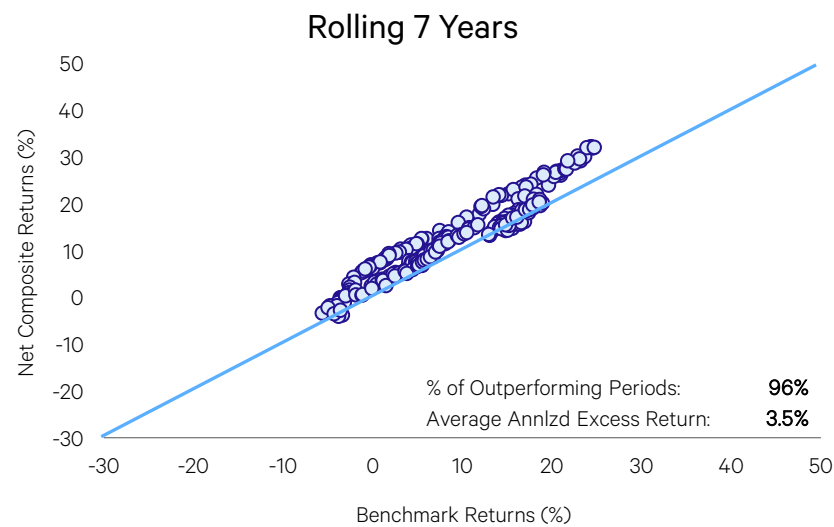
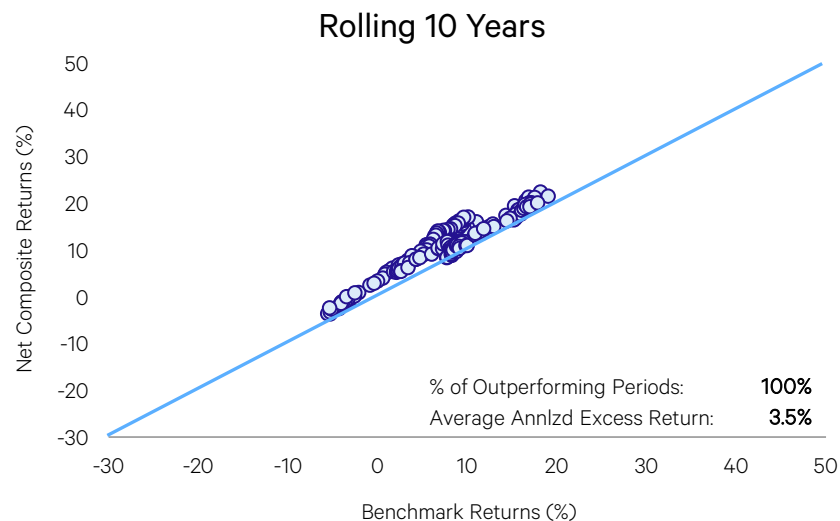
Net Results for Period Ending December 31, 2021



¹Inception date is 2/29/1992. The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. The investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell.

We Exist to Add Value and Enhance the Wealth of Our Clients With Prudence Over Time

Net Results (%) as of December 31, 2021



Average annualized excess returns are calculated based on monthly rolling periods beginning 2/29/1992 (composite inception date). The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. Investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell

Investment Strategy

The cornerstone of our investment strategy is our proprietary global research: **Fundamental, bottom-up, and business-focused.**

We seek to identify leading growth businesses that meet the following criteria:

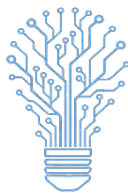
1. Sustainable above-average earnings growth
2. Leadership position in a promising business space
3. Significant competitive advantage/unique business franchise
4. Clear mission and value-added focus
5. Financial strength
6. Rational valuation relative to the market and business prospects

Research Process

The objective is to consistently identify businesses that meet our six criteria.

Idea Generation

Our ideas spring organically from our deep domain experience and extensive networks in public and private markets.



Active Ownership

We purchase each business with the intent to own it for five years or more. As part of our ongoing deep research, we proactively engage management on issues relevant to long-term value creation.



Debate & Decision

Analysts and PMs collaborate to develop key questions and conduct on-the-ground research. Teams work jointly to ensure that we've evaluated every concern and validated each of our investment criterion. Decisions are made by PM teams over many rounds of debate, in a consensus-driven approach that leans heavily on analyst expertise.



Shallow Dive

We evaluate a business's fit with our six investment criteria and develop a preliminary hypothesis. Only our highest conviction ideas continue.



Deep Dive

We conduct extensive, bespoke research to understand innovation, addressable markets, and competitive advantages that will enable businesses to grow shareholder value for many years to the future.



Portfolio Construction

Businesses are conviction weighted with the goal of maintaining a concentrated, unconstrained portfolio of our best ideas.

Risk Management

The primary risk we seek to manage is the risk of a permanent loss of capital resulting from a negative business or investment outcome. Risk management is integrated throughout our entire research and portfolio construction process.

KEY SOURCE OF RISK	PRINCIPLE-BASED RISK MANAGEMENT PROCESS
Business Risk	<ul style="list-style-type: none">• Six investment criteria• Deep proprietary research• Portfolio construction - strategic weights• Environmental, social, and governance factors
Market Risk	<ul style="list-style-type: none">• Expected return ranges• Portfolio construction - tactical weights
Macro Risk	<ul style="list-style-type: none">• "Headwinds/Tailwinds" framework• Focus on long-term secular forces not short-term economic forecasts
Portfolio-Level Risk	<ul style="list-style-type: none">• Diversification by geography, industry, etc.• Monitor overlapping growth drivers• Awareness of implied macro "bets"• Liquidity

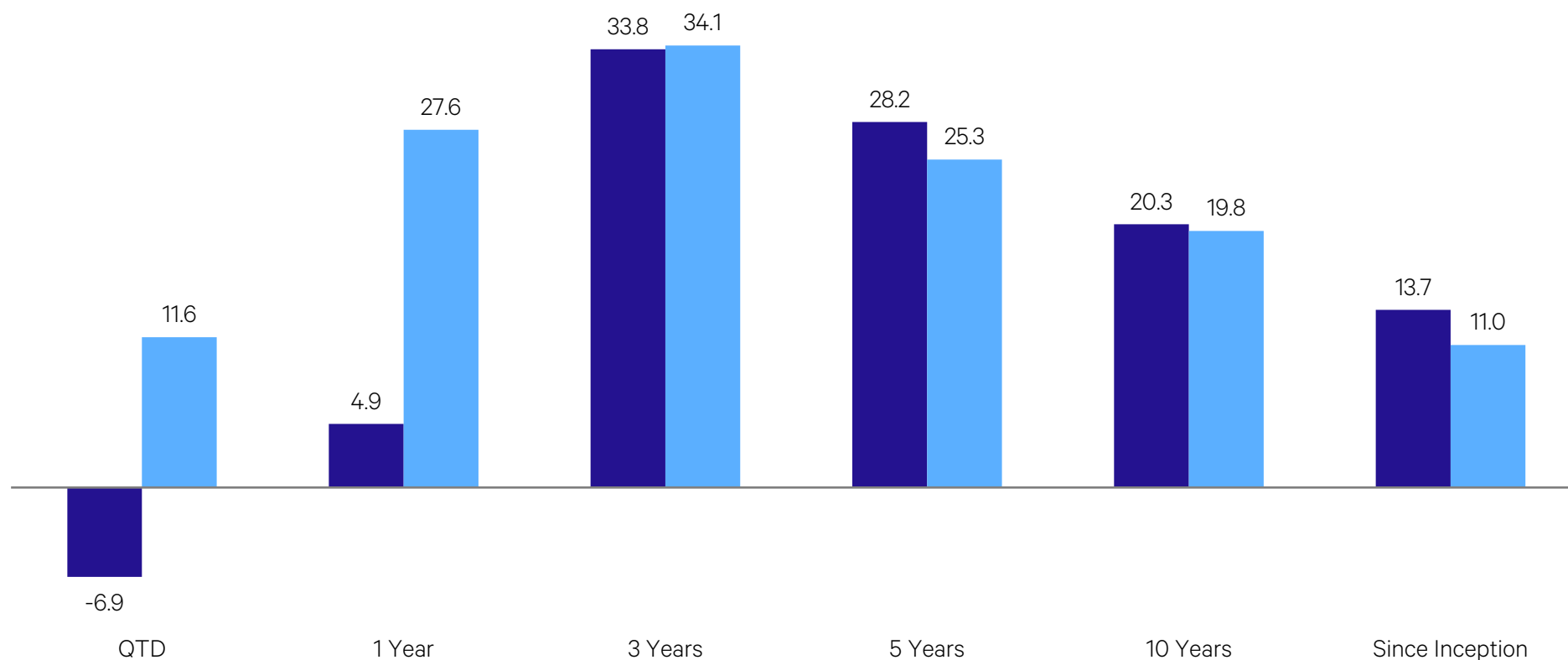
These are general risk management principles the implementation of which is subject to the discretion of the Sands Capital Management and clients' specific portfolio mandates. No assurance can be given that the investment objective of the portfolio will be achieved.

Annualized Investment Results

Select Growth vs. Russell 1000 Growth Index

Net Results (%) as of December 31, 2021

■ Portfolio ■ Benchmark



Inception date is 2/29/1992. Periods greater than one year are annualized. The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. The investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell.

Yearly & Cumulative Investment Results

Select Growth vs. Russell 1000 Growth Index

Net Results (%) as of December 31, 2021

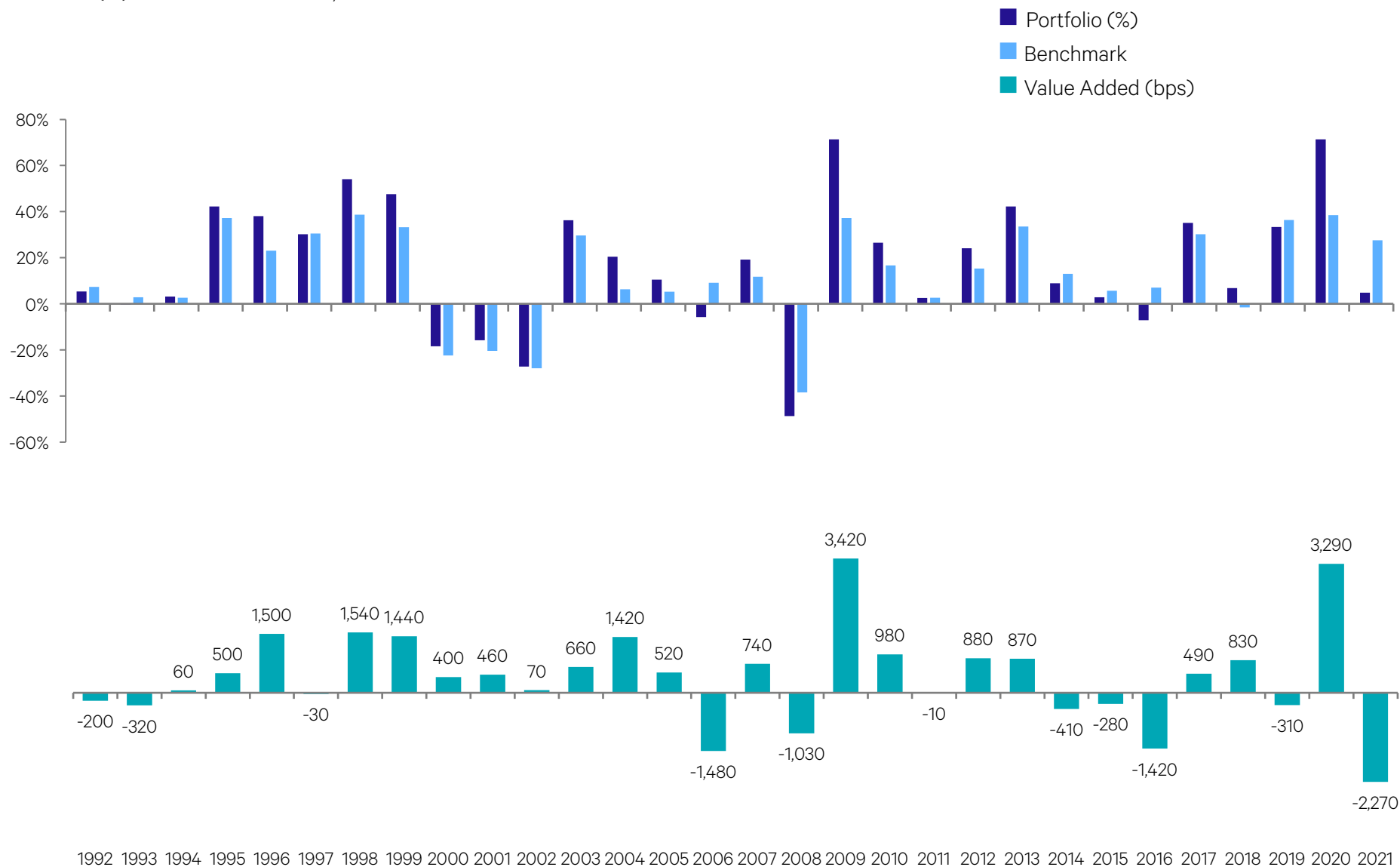
	PORTFOLIO	BENCHMARK	RELATIVE VALUE ADDED (BPS)	CUMULATIVE VALUE ADDED (BPS)
2012	24.1	15.3	880	880
2013	42.2	33.5	870	2,250
2014	8.9	13.0	-410	1,830
2015	2.9	5.7	-280	1,400
2016	-7.1	7.1	-1,420	-1,310
2017	35.1	30.2	490	-790
2018	6.8	-1.5	830	1,270
2019	33.3	36.4	-310	920
2020	71.4	38.5	3,290	12,920
2021	4.9	27.6	-2,270	2,720
	1Q	-2.4	0.9	10,990
	2Q	10.9	-100	11,710
	3Q	4.1	290	13,810
	4Q	-6.9	-1,850	2,720
Cumulative 10 Year (12/31/2011-12/31/2021)	535.5	508.3	2,720	
Annualized 10 Year	20.3	19.8	50	

Inception date is 2/29/1992. The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. The investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell.

Yearly Investment Results

Select Growth vs. Russell 1000 Growth Index

Net Results (%) as of December 31, 2021



Inception date is 2/29/1992. Periods greater than one year are annualized. The investment results shown are net of advisory fees and reflect the reinvestment of dividends and any other earnings. The investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell.

Significant Transactions

Select Growth

Period Started July 1, 2021 and Ended December 31, 2021

3Q21	PURCHASES		SALES	
		SCM SECTOR		SCM SECTOR
	Cloudflare	Technology	Coupa Software	Technology
			Grocery Outlet	Consumer
4Q21				
	10X Genomics	Life Sciences	Zillow	Technology

The securities identified represent new securities purchased and sold within the current and prior quarter but do not include weight changes. The list above does not include in progress purchase investment actions. Upon request, a complete list of securities purchased and sold in the Tax-Exempt Institutional Equity Composite will be provided. It should not be assumed that these holdings were or will be profitable. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation.

Select Growth

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

Going Where the Growth Is

Many of our businesses are driving and/or benefiting from secular change.

EMERGING INTERNET LEADERS

Digitization of the economy continues, and the next generation of internet businesses are disrupting the status quo by reducing transactional frictions, increasing transparency, and eliminating inefficiencies.

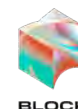
These companies are focusing on large verticals and building industry-specific solutions that result in a better customer experience while reinforcing their competitive moats.



FINANCIAL SERVICES DIGITAL REVOLUTION

The combination of modern technology and disruptive customer acquisition models are fundamentally rearchitecting how financial products are designed, manufactured, and distributed, with software displacing paper and bank branches in each stage of the process.

New technologies are enabling broader access to basic financial products and adding innovative layers of intelligence and automation. We see value accruing to both companies creating a new generation of digitally native financial infrastructure as well as companies leveraging that infrastructure to build differentiated experiences for end users.



LIFE SCIENCES INNOVATION

Over the next decade, we view genes and genomics, minimally invasive technologies, consumerization of health care, the humanization of pets, and globalization of innovation as the most important secular trends in life sciences.

We focus on investing in businesses that are changing the standard-of-care, providing best-in-class “picks and shovels” to biopharma and life science researchers, and meaningfully improving access and cost in healthcare delivery.



SHIFTING IT SPEND FROM MAINTENANCE TO AGILITY

Information technology spending continues to shift toward innovations that make enterprises more agile and efficient.

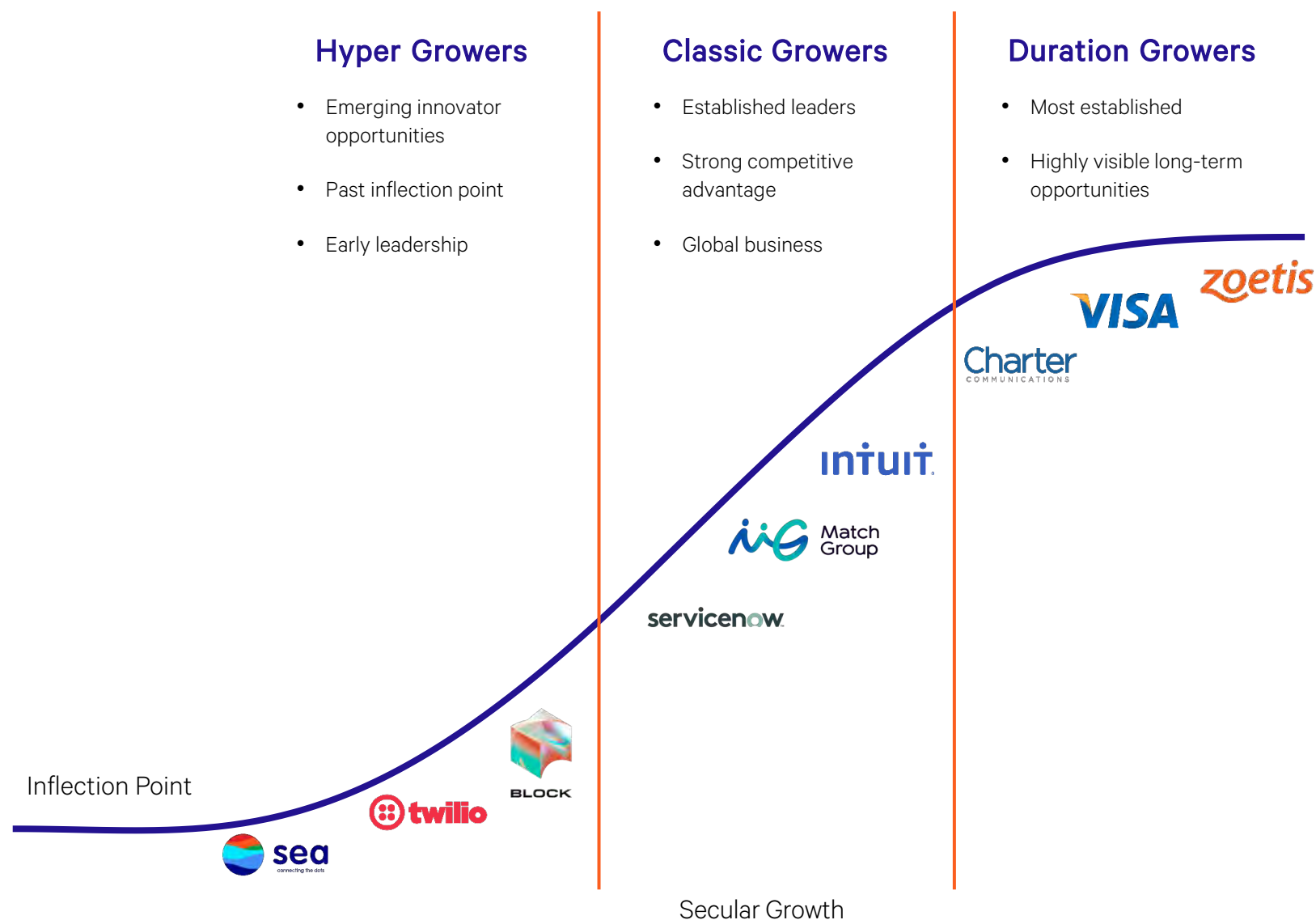
In the last decade, cloud-based software disrupted legacy, on-premise systems within well-defined market opportunities.

The next generation of SaaS leaders is enabling new businesses and processes, serving as the enablers of an increasingly digital-first economy. These businesses are often typified by user-driven adoption, consumption-based licensing, and competitive advantages driven by network effects and ecosystem partners.



All data is as of 12/31/2021. The companies illustrated represent a sub-set of the Tax-Exempt Institutional Equity Composite. They were chosen because they are the largest weights of the companies that reflect the secular growth trend listed.

Focus on Sustainable Growth Over Life Cycle



The companies illustrated represent a sub-set of the Select Growth, Global Growth, Global Leaders, and Emerging Markets Growth portfolios. These examples were selected based on their sectors and SCM's assessment of where each company is within the lifecycle. This assessment of each business is based on SCM's estimate of its long-term market opportunity, the degree to which that market opportunity has been penetrated, the company growth rate, and the market growth rate, among other factors.

Portfolio Holdings by Sector

Select Growth vs. Russell 1000 Growth Index

Net Results (%) as of December 31, 2021

SECTOR/COMPANY	BUSINESS SPACE	DOMICILE	PORTFOLIO (%)	BENCHMARK (%)	OWNED SINCE
Communication Services			26.5	11.6	
Charter Communications	Internet Service Provider	U.S.	2.5	0.3	2020
Match Group	Online Classifieds	U.S.	3.9	0.2	2018
Meta Platforms	Online Media	U.S.	4.2	3.4	2012
Netflix	Internet Video	U.S.	7.0	1.1	2015
Sea	Internet Software and Services	Singapore	6.8	–	2019
Warner Music	Media and Entertainment Service Provider	U.S.	2.1	–	2020
Consumer Discretionary			13.9	18.4	
Airbnb	Online Travel Services	U.S.	1.8	–	2020
Amazon	Internet Retail and Infrastructure-as-a-Service	U.S.	5.8	6.1	2015
Carvana	Internet Retail	U.S.	1.2	0.1	2021
DoorDash	Restaurants and Food Retail	U.S.	2.1	0.1	2020
Fiverr	Software-as-a-Service - Ecommerce Platforms	Israel	0.8	–	2020
Floor & Decor	Home Improvement Retail	U.S.	2.3	0.1	2018
Consumer Staples				4.0	
Energy				0.3	
Financials				2.4	
Health Care			14.2	8.7	
10X Genomics	Life Sciences Tools and Services	U.S.	1.1	0.1	2021
Align Technology	Medical Devices	U.S.	3.2	0.2	2018
Dexcom	Medical Devices	U.S.	2.7	0.2	2020
Edwards Lifesciences	Health Care Equipment and Supplies	U.S.	2.3	0.3	2015
Sarepta Therapeutics	Biotech Therapeutic Drugs	U.S.	2.0	0.0	2018
Zoetis	Animal Health Pharmaceuticals	U.S.	2.8	0.5	2019
Industrials			6.6	5.8	
CoStar Group	Real Estate Information Services	U.S.	2.8	0.1	2017
Uber Technologies	Personal Mobility, Food Delivery, and Freight	U.S.	3.8	0.2	2020
Information Technology			36.3	46.1	
Atlassian	Enterprise Software	Australia	3.4	0.2	2018
Block	Payment Processing	U.S.	5.0	0.3	2020
Cloudflare	Software-as-a-Service - IT Service Management	U.S.	1.1	0.1	2021
Intuit	Accounting and Tax Software	U.S.	4.5	0.7	2019
ServiceNow	Software-as-a-Service - IT Service Management	U.S.	6.5	0.5	2016
Shopify	Software-as-a-Service - Ecommerce Platforms	Canada	3.1	–	2021
Snowflake	Enterprise Software	U.S.	2.3	0.3	2020
Twilio	Computer Communications	U.S.	3.9	0.1	2019
Visa	Payment Processing	U.S.	6.4	1.5	2008
Materials				1.0	
Real Estate				1.8	
Utilities				0.0	
[Cash]			2.6		

Data presented is that of the Tax-Exempt Institutional Equity Composite. The index represented will differ in characteristics, holdings, and sector weightings from that of the composite. Rounding may cause figures to vary from 100.0%. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Source: Factset, SCM, MSCI.

Business Results of Portfolio Companies

Period Ended December 31, 2021

	SECTOR WEIGHTS (%) ¹	SANDS CAPITAL ESTIMATE LONG-TERM EPS GROWTH FORECAST (%) ²	LAST QUARTER Y/Y		LAST FISCAL Y/Y	
			REVENUE GROWTH (%)	EPS GROWTH (%)	REVENUE GROWTH (%)	EPS GROWTH (%)
Consumer	14	28	31	-26	34	67
Financial Services	19	26	32	34	40	13
Life Sciences	15	27	29	11	16	15
Technology	52	40	50	23	32	49
Total Portfolio	100	33	41	18	31	35

¹ Sector weights are ex-cash. ² Long-Term EPS Growth Forecasts are SCM estimates at the given slide content as of date. These figures are subject to change during a reporting period. Data is based on the Tax-Exempt Institutional Equity Composite. All growth rates are weighted averages. Revenue and EPS growth figures are reported figures. Forward earnings projections are not predictors of stock price or investment performance and do not represent past performance. There is no guarantee that the forward earnings projections will accurately predict the actual earnings experience of any of the companies involved, and no guarantee that owning securities of companies with relatively high price to earnings ratios will cause the portfolio to outperform its benchmark or index. Outliers that fall outside three standard deviations from the mean are excluded for all figures except Sands Capital's Long-Term EPS Growth Forecasts. Rounding may cause figures to vary from 100.0%. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: FactSet, SCM calculations.

Business Results of Portfolio Companies

Period Ended December 31, 2021

	REPORT DATE	SANDS CAPITAL ESTIMATE LONG-TERM EPS GROWTH FORECAST (%) ¹	LAST QUARTER Y/Y		LAST FISCAL Y/Y	
			REVENUE GROWTH (%)	EPS GROWTH (%)	REVENUE GROWTH (%)	EPS GROWTH (%)
Consumer						
Airbnb	11/05/2021	n/a	n.m.	n.m.	n.m.	n.m.
Amazon	10/29/2021	n/a	15	-51	38	82
Carvana	11/05/2021	n/a	125	n.m.	42	n.m.
Fiverr	11/10/2021	n/a	42	58	77	n.m.
Floor & Decor	11/05/2021	29	28	7	19	30
Warner Music	11/15/2021	26	22	n.m.	19	n.m.
Financial Services						
Block	11/05/2021	39	27	9	101	5
CoStar Group	10/27/2021	29	17	11	19	-3
Intuit	11/19/2021	24	52	63	25	24
Visa	10/27/2021	16	29	45	10	17
Life Sciences						
10X Genomics	11/04/2021	n/a	74	n.m.	22	n.m.
Align Technology	10/28/2021	26	38	28	3	-11
Dexcom	10/29/2021	49	30	-5	31	68
Edwards Lifesciences	10/28/2021	17	15	6	1	0
Sarepta Therapeutics	11/04/2021	n/a	32	n.m.	42	n.m.
Zoetis	11/04/2021	15	11	14	7	6
Technology						
Atlassian	10/29/2021	44	34	53	29	22
Charter Communications	10/29/2021	18	9	67	5	107
Cloudflare	11/05/2021	n/a	51	n.m.	50	n.m.
DoorDash	11/10/2021	161	n.m.	n.m.	n.m.	n.m.
Match Group	11/03/2021	30	25	-4	n.m.	n.m.
Meta Platforms	10/26/2021	19	35	19	22	57
Netflix	10/20/2021	37	16	83	24	47
Sea	11/16/2021	n/a	122	n.m.	50	n.m.
ServiceNow	10/28/2021	30	31	28	31	39
Shopify	10/28/2021	40	46	-28	86	n.m.
Snowflake	12/02/2021	n/a	110	n.m.	n.m.	n.m.
Twilio	10/28/2021	n/a	65	-75	55	44
Uber Technologies	11/05/2021	n/a	55	n.m.	-21	n.m.

¹ Long-Term EPS Growth Forecasts are SCM estimates at the given slide content as of date. These figures are subject to change during a reporting period. Data is based on the Tax-Exempt Institutional Equity Composite. All growth rates are weighted averages. Revenue and EPS growth figures are reported figures. Forward earnings projections are not predictors of stock price or investment performance and do not represent past performance. There is no guarantee that the forward earnings projections will accurately predict the actual earnings experience of any of the companies involved, and no guarantee that owning securities of companies with relatively high price to earnings ratios will cause the portfolio to outperform its benchmark or index. Outliers that fall outside three standard deviations from the mean are excluded for all figures except Sands Capital's Long-Term EPS Growth Forecasts. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: FactSet, SCM calculations.

Portfolio Guidelines and Construction

A concentrated and conviction-weighted portfolio based on fit with our six investment criteria is the primary source of value added.

GUIDELINES

Number of Holdings: 25-30

Percentage of Top Ten: >50%

Turnover: Low

Sector Exposure¹: Approximately 0-2x benchmark

Cash Position: Residual; Typically <5%

Benchmark: Russell 1000 Growth Index

CONSTRUCTION

Large Weights

>5%
Typically 5-7 Holdings

35-45%
% of Assets (approximate)

Medium Weights

2.5-5%
Typically 10-15 Holdings

35-45%
% of Assets (approximate)

Small Weights

<2.5%
Typically 7-12 Holdings

10-25%
% of Assets (approximate)

STRONGEST

Conviction

STRONG

¹ As defined by GICS. Information presented is a high-level summary, which has been condensed and aggregated and is inherently limited.

Philosophy & Approach

As **active stewards of client capital**, we are responsible for evaluating the full range of opportunities and risks that can potentially influence investment outcomes. ESG factors can be materially relevant to return and risk. Therefore, we seek to own businesses that recognize and address these factors.

BUSINESS-FOCUSED RESEARCH

Our aim is to identify high-quality, leading growth franchises with **sustainable business models**, operating in attractive areas of growth and innovation. Effective governance and responsible social and environment practices are key determinants of sustainability. Therefore, ESG analysis is ingrained in our approach and owned by each lead analyst, who is the critical source of insight to each portfolio business.

MATERIALITY

ESG factors vary in importance and are highly dependent on the region, country, industry, and company. We believe deep domain and company-specific knowledge enables our professionals to **contextualize ESG factors** and make appropriate judgments about which factors could have the greatest impact on the long-term company trajectory.

ACTIVE OWNERSHIP

We regularly engage with our portfolio companies to better understand management's strategic vision and intentionality and share our perspective as a long-term business owner. When merited, we seek commitments to address ESG practices where we believe **positive change** can be achieved and **long-term shareowner value** can be maximized.

TRANSPARENCY

We are committed to open and transparent reporting on our stewardship initiatives, both to the benefit of our clients and the businesses that we invest in. Our aim is to **ensure our stakeholders are well informed** about our capital allocation decisions, the rationale behind them, and the role ESG factors play in these decisions.

Research Implementation

ESG research responsibility is horizontally integrated across our analyst team. Each analyst prepares a formal ESG report on the relevant factors affecting businesses under their coverage and updates it regularly. Analysts may leverage the expertise of our internal ESG consulting group in this process.



PROPRIETARY ANALYST ESG REPORTS FOR PORTFOLIO BUSINESSES
Analyst Summary
Company and Board Data
SCM Key Things That Matter
Engagement Opportunities
MSCI Key Risk Responses
Proxy Voting History

The company depicted in the report represents one holding in the Sands Capital Tax Exempt Institutional Equity Composite (Select Growth) and Global Growth Equity Composite portfolios and was selected to solely provide an example of the type of research illustrated on this page. The views expressed in the report represent the opinions of SCM and are not intended as a forecast, a guarantee of future results, investment recommendations or an offer to buy or sell any securities. 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. Past performance is no guarantee of future results.

Active Ownership: Engagement

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

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

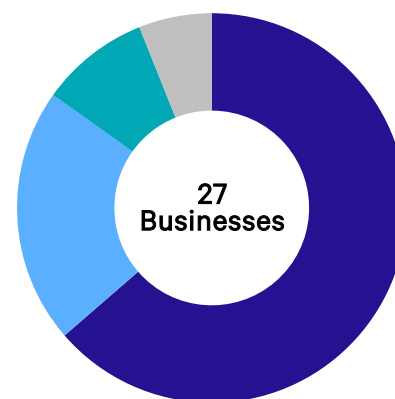
We proactively express our views regarding business strategy, governance, financial reporting, executive compensation, and other stakeholder considerations when merited.

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.

Select Growth Engagement Activity

TTM Ending December 31, 2021



- Business Strategy: 63%
- Governance: 21%
- Social: 9%
- Environmental: 6%

ESG Topics Addressed

Governance

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

Social

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

Environmental

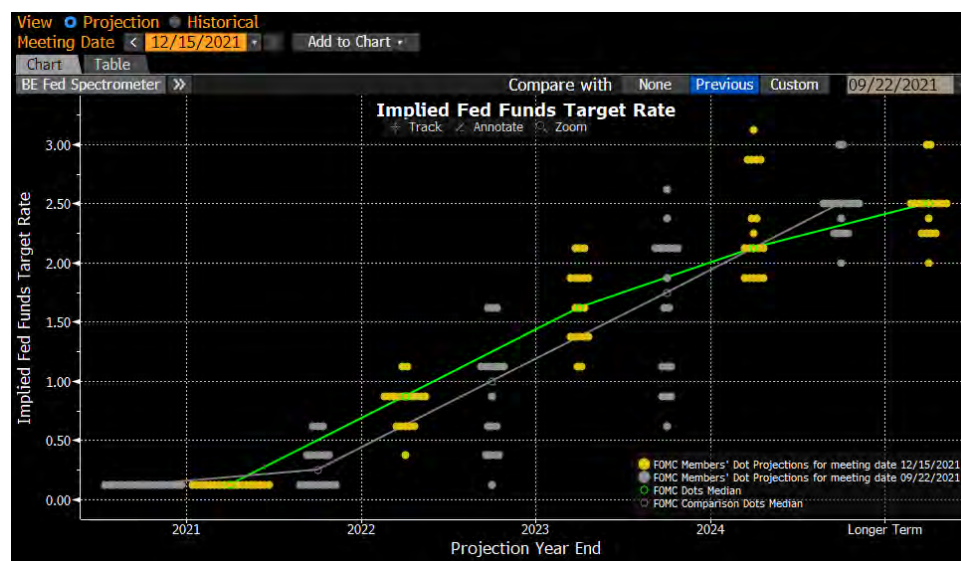
Environmental policy and strategy
Energy use and efficiency
GHG emissions or climate change strategy
Pollution and waste management
Materials use and sourcing
Water use and efficiency
Regulation

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

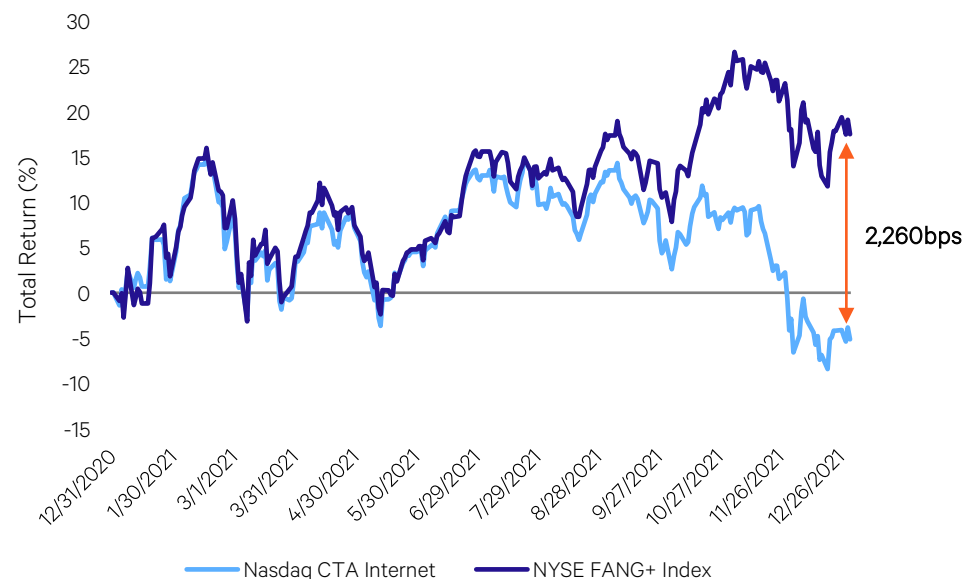
Interest Rate Expectations Impact Long-Duration Assets

Rate hike projections rose considerably in the fourth quarter, triggering a sell-off in higher-growth, higher-valuation stocks.

FOMC Members' Dot Projections
9/22/21 vs. 12/15/21



Mega-Cap Tech vs. High Growth
2021 Returns

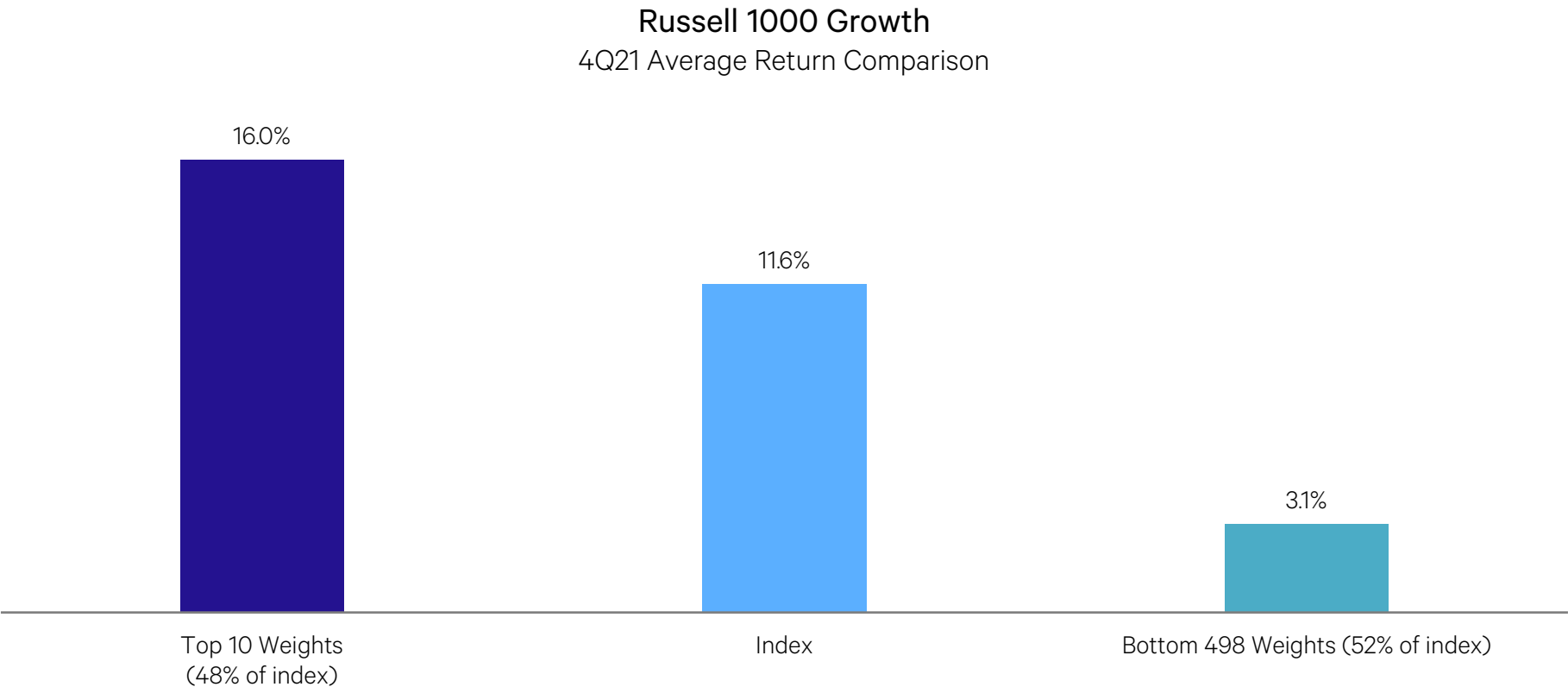


Left: Bloomberg, charts show the implied Fed Funds Target Rate from the 9/22/21 and 12/15/21 FOMC meetings.

Right: Factset. For illustrative purposes only. The NASDAQ CTA Internet Index is a modified market capitalization-weighted index designed to track the performance of the largest and most liquid U.S.-listed companies engaged in internet-related businesses and that are listed on the NASDAQ Stock Market, the New York Stock Exchange (NYSE) or NYSE Amex. The Index includes companies engaged in a broad range of internet-related services including, but not limited to internet software, internet access providers, internet search engines, web hosting, website design, and internet retail commerce. The NYSE FANG+ Index is an equal-dollar weighted index designed to track the performance of highly-traded growth stocks of technology and tech-enabled companies in the technology, media & communications and consumer discretionary sectors.

Mega-Cap Concentration

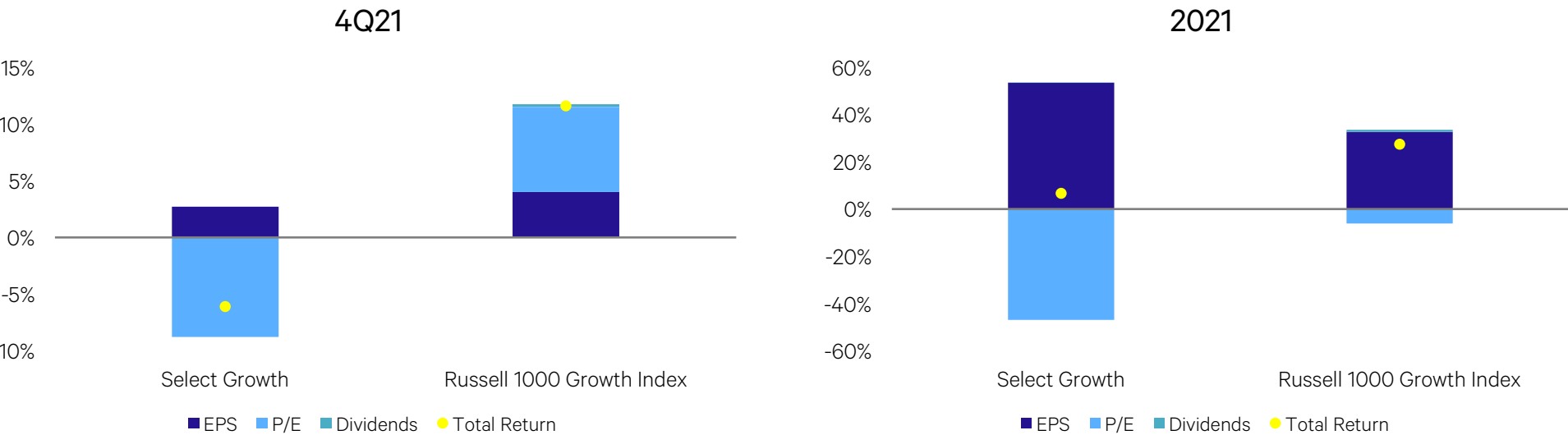
The largest companies dominate the index and outperformed the broader market, amid the flight to perceived near-term certainty.



Source: Factset. The “Top 10 Weights” include Apple (not owned by SG), Microsoft (not owned by SG), Amazon, Alphabet (not owned by SG), Tesla (not owned by SG), Meta Platforms, NVIDIA (not owned by SG), Home Depot (not owned by SG), Visa, and Mastercard (not owned by SG). Ownership information as of December 31, 2021.

Select Growth Attribution: Return Deconstruction

Multiple compression was a significant headwind in the fourth quarter and in 2021.



Source: Factset. For illustrative purposes only. The investment results shown are gross of advisory fees, exclude cash, and reflect the reinvestment of dividends and any other earnings. Investment results are that of the Tax-Exempt Institutional Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: SCM, FTSE Russell

Business Results Remain Strong...

Period Ended December 31, 2021

	SANDS CAPITAL ESTIMATE		LATEST QUARTER Y/Y		LATEST FISCAL YEAR Y/Y	
	SECTOR WEIGHTS (%) ¹	LONG-TERM EPS GROWTH FORECAST (%) ²	REVENUE GROWTH (%)	EPS GROWTH (%)	REVENUE GROWTH (%)	EPS GROWTH (%)
Consumer	14	28	31	-26	34	67
Financial Services	19	26	32	34	40	13
Life Sciences	15	27	29	11	16	15
Technology	52	40	50	23	32	49
Total Portfolio	100	33	41	18	31	35

¹ Sector weights are ex-cash. ² Long-Term EPS Growth Forecasts are SCM estimates at the given slide content as of date. These figures are subject to change during a reporting period. Data is based on the Tax-Exempt Institutional Equity Composite. All growth rates are weighted averages. Revenue and EPS growth figures are reported figures. Forward earnings projections are not predictors of stock price or investment performance and do not represent past performance. There is no guarantee that the forward earnings projections will accurately predict the actual earnings experience of any of the companies involved, and no guarantee that owning securities of companies with relatively high price to earnings ratios will cause the portfolio to outperform its benchmark or index. Outliers that fall outside three standard deviations from the mean are excluded for all figures except Sands Capital's Long-Term EPS Growth Forecasts. Rounding may cause figures to vary from 100.0%. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation. Past performance is not indicative of future results. Source: FactSet, SCM calculations.

...Underpinned by Powerful Secular Trends...

EMERGING INTERNET LEADERS

Digitization of the economy continues, and the next generation of internet businesses are disrupting the status quo by reducing transactional frictions, increasing transparency, and eliminating inefficiencies.

These companies are focusing on large verticals and building industry-specific solutions that result in a better customer experience while reinforcing their competitive moats.



LIFE SCIENCES INNOVATION

Over the next decade, we view genes and genomics, minimally invasive technologies, consumerization of health care, the humanization of pets, and globalization of innovation as the most important secular trends in life sciences.

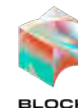
We focus on investing in businesses that are changing the standard-of-care, providing best-in-class “picks and shovels” to biopharma and life science researchers, and meaningfully improving access and cost in healthcare delivery.



FINANCIAL SERVICES DIGITAL REVOLUTION

The combination of modern technology and disruptive customer acquisition models are fundamentally rearchitecting how financial products are designed, manufactured, and distributed, with software displacing paper and bank branches in each stage of the process.

New technologies are enabling broader access to basic financial products and adding innovative layers of intelligence and automation. We see value accruing to both companies creating a new generation of digitally native financial infrastructure as well as companies leveraging that infrastructure to build differentiated experiences for end users.



SHIFTING IT SPEND FROM MAINTENANCE TO AGILITY

Information technology spending continues to shift toward innovations that make enterprises more agile and efficient.

In the last decade, cloud-based software disrupted legacy, on-premise systems within well-defined market opportunities.

The next generation of SaaS leaders is enabling new businesses and processes, serving as the enablers of an increasingly digital-first economy. These businesses are often typified by user-driven adoption, consumption-based licensing, and competitive advantages driven by network effects and ecosystem partners.

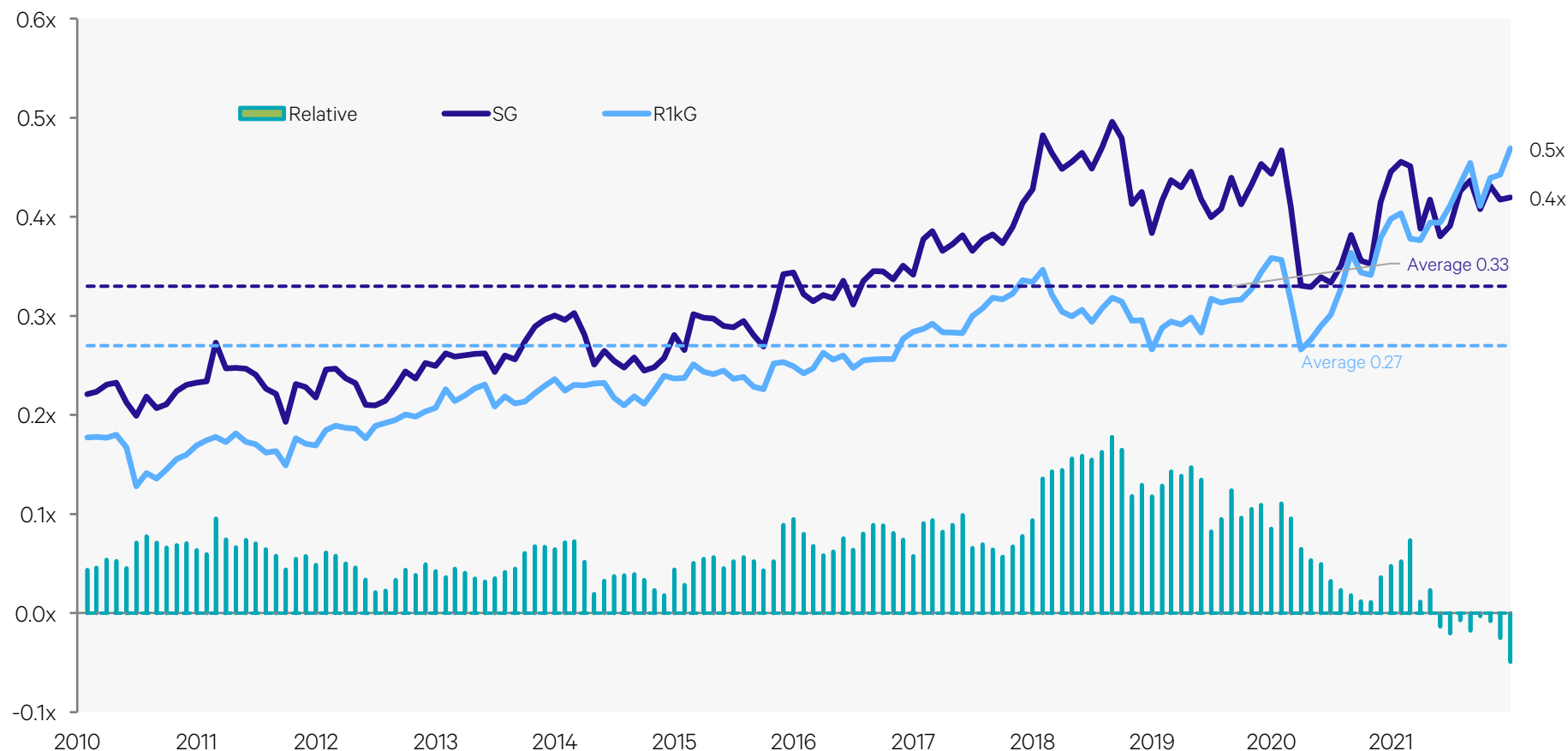


All data is as of 12/31/21. The companies illustrated represent a sub-set of the Tax-Exempt Institutional Equity Composite. They were chosen because they are the largest weights of the companies that reflect the secular growth trend listed.

...And Select Growth's Relative Valuation is Compelling

Select Growth trades at a rare discount to the Russell 1000 Growth Index.

PSG Ratio (LTM P/S vs. STM Est. Sales Growth)
Select Growth vs. Russell 1000 Growth, 12/31/10 - 12/31/21



Source: Factset. For illustrative purposes only. "PSG Ratio" is the price/sales ratio divided by sales growth estimate. "LTM" is last twelve months. "STM" is "second twelve months," a weighted average of FY2 and FY3 estimates. This enables the comparison of companies with different fiscal year ends and smooths the effect of near-term distortion caused by macro events such as the pandemic. Past performance is not indicative of future results.

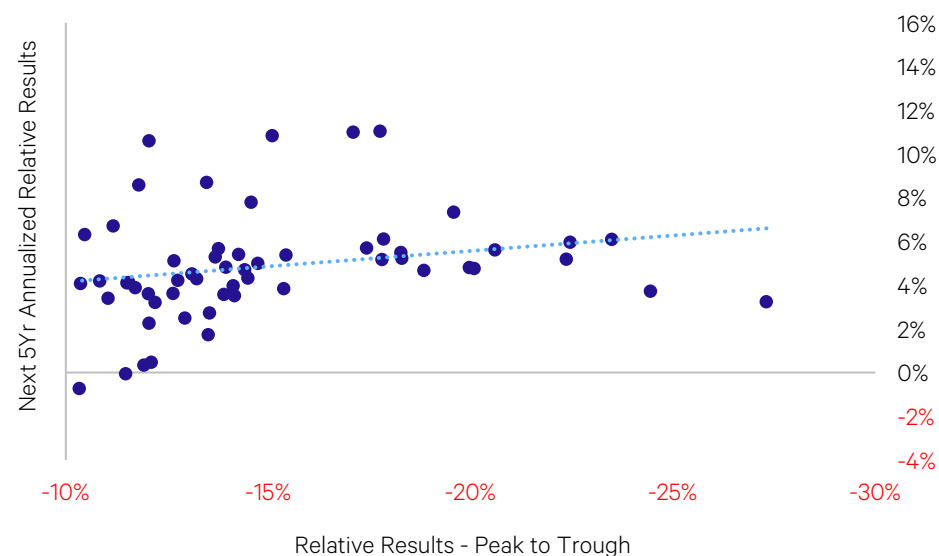
Historical Relative Results Following Periods of Underperformance

Net Results (%) as of December 31, 2021

10 Worst Quarters of Relative Results

QUARTER END-DATE	QUARTER RELATIVE RESULTS	3Y FORWARD ANNUALIZED RELATIVE RESULTS	5Y FORWARD ANNUALIZED RELATIVE RESULTS	10Y FORWARD ANNUALIZED RELATIVE RESULTS
12/31/2021	-1,850	-	-	-
3/31/2016	-1,030	540	600	-
12/31/2016	-830	390	290	-
12/31/2008	-790	1250	1100	410
9/30/2019	-670	-	-	-
9/30/2000	-550	540	580	350
3/31/2005	-540	-110	110	240
3/31/2008	-490	590	500	250
3/31/2006	-460	-370	150	50
9/30/2008	-450	770	780	300

Periods with >10% Drawdowns: Peak-to-Trough Decline vs. 5Y Forward Annualized Relative Results



Investment results shown of the Tax-Exempt Institutional Equity Composite beginning 2/29/1992 (composite inception date) through 12/31/2021. They are net of advisory fees and reflect the reinvestment of dividends and any other earnings. Returns are shown in basis points. Relative investment results shown against the Russell 1000 Growth Index. Past performance are those is not indicative of future results. Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report>.

Appendix



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MIX Paper
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On the Cover

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

Investment Case Summary: 10x Genomics

10x Genomics is a next-generation genomics tools provider.



10x's tools identify granular genomic data on single cells with spatial context. The business has minimal competition in single-cell sequencing due to its proprietary, patent-protected barcoding technology. We believe it will emerge as a leader in spatial sequencing as well. A common use case for this technology is for discovery of rare cell types that drive disease and would otherwise go undetected by traditional sequencing. Many investors believe that more genomics research will be conducted over the next decade, but there's little consensus about the methods and adoption speed. Our research has led us to the following conclusions, which serve as the basis for our conviction in 10x: 1) single-cell analysis will become the sequencing standard for research, 2) the market for spatial analysis will grow faster than most expect, and 3) 10x's upcoming product launches will enable the business to strengthen its leadership position, despite heightened competition. 10x operates a razor-razorblade business model with high gross margins, and we expect growth to be driven by the virtuous cycle of awareness, adoption, product innovation, and declining sequencing costs.

Source: Company filings and documents; SCM analysis. The company illustrated represents one holding in the Select Growth strategy. The business profiled was selected using objective criteria based on its addition to the portfolio in the most recent quarter. The views expressed are the opinion of Sands Capital Management and are not intended as a forecast, a guarantee of future results, investment recommendations, or an offer to buy or sell any securities. The views expressed were current as of the date indicated and are subject to change. This material may contain forward-looking statements, which are subject to uncertainty and contingencies outside of Sands Capital's control. Readers should not place undue reliance upon these forward-looking statements. There is no guarantee that Sands Capital will meet its stated goals. Past performance is not indicative of future results. A company's fundamentals or earnings growth is no guarantee that its share price will increase. Forward earnings projections are not predictors of stock price or investment performance, and do not represent past performance. There is no guarantee that the forward earnings projections will accurately predict the actual earnings experience of any of the companies involved, and no guarantee that owning securities of companies with relatively high price to earnings ratios will cause the portfolio to outperform its benchmark or index. 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. Company logos and website images are used for illustrative purposes only and were obtained directly from the company websites. Company logos and website images are trademarks or registered trademarks of their respective owners and use of a logo does not imply any connection between Sands Capital and the company. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/uploads/2021/07/026fca90f5cc629d107f30144145bab1/sands-capital-annual-disclosure-report-06302021-1.pdf> or at the end of this presentation.

10x Genomics: A Fit with Our Six Investment Criteria

1 SUSTAINABLE ABOVE-AVERAGE EARNINGS GROWTH

We expect 32 percent annual revenue growth over the next five years, with 10x's current product suite essentially driving that growth entirely.

We believe there is meaningful additional upside from 10x's new In Situ clinical product launch. However, that growth relies primarily on the continued market shift towards next-gen omics rather than competitive success, given a lack of competition for single cell analysis.

2 LEADERSHIP IN A PROMISING BUSINESS SPACE

10x sells the only solution capable of processing tens of thousands of cells in a single run, with up to a million cells on its latest system. This technological advantage has created an effective monopoly over single cell research for the business. 10x's Visium is the only technology available for untargeted spatial analysis of tissue.

The market for genomics tools is large and growing with \$60 billion spent globally on life science tools. 10x's product suite is even more appealing for this market as it solves hard to answer questions for research applications. This market is free from reimbursement and regulatory impediments and allows 10x to essentially "make its own weather."

3 SIGNIFICANT COMPETITIVE ADVANTAGE

10x's differentiated technology and culture enables what we view as four major competitive advantages:

- 1) Proprietary technology with IP protection
- 2) First mover advantage with brand recognition
- 3) Academic flywheels enabling "lock-in" due to broad academic adoption - 10x has over 2500 papers written using its technology leaving little reason to deviate
- 4) A feedback driven R&D culture which allows 10x to ensure product fit by interfacing with end customers

4 CLEAR MISSION AND VALUE-ADDED FOCUS

10x has a clear mission to master biology to advance human health by offering the resolution at scale.

The company is led by several reputable technologists and scientists, and we believe that the societal benefits of 10x's technology are immense.

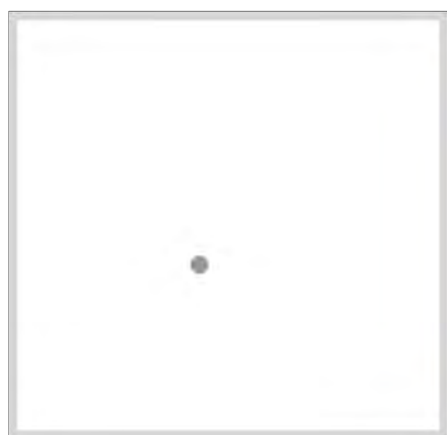
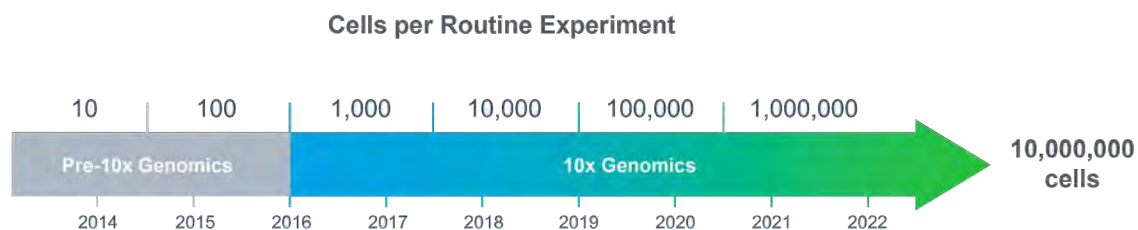
5 FINANCIAL STRENGTH

10x operates a razor-razorblade business model offering a product and the required consumables for operation. This has allowed the business to achieve high gross margins and to build a large cash balance. Despite continued spending to develop and market its next-generation products, we model 10x naturally reaching operating profitability in 2023 with the potential to structurally reach 40 percent operating margins at scale.

6 RATIONAL VALUATION

We view 10x's valuation as rational relative to its long-term growth potential, and in-line with other high growth, large total addressable market, genomics healthcare companies.

Beyond Bulk Sequencing - 10x Unlocks the Future of Genomics



Bulk Genomics

- Measures the **average** gene profile across hundreds and thousands of cells in a selected sample. Doesn't take into account intra-sample heterogeneity across cells
- Easier to deploy for large-scale studies and clinical applications given the higher throughput. Current approaches to disease diagnosis and treatment are still based on bulk analyses.



Single Cell Genomics

- Measures gene expression on a **cell by cell** basis by preserving information about the cell or origin for each genomic molecule measured
- Can uncover insights otherwise masked by bulk analysis, such as discovery of novel cell types and the investigation of cell state transitions during normal development and disease progression.



Spatial Genomics

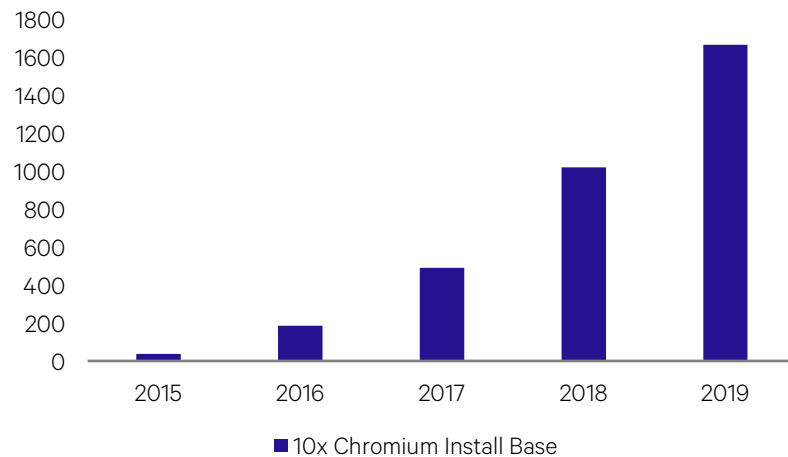
- Measures gene expression while maintaining **spatial context** within a selected tissue sample to allow visualization of disease pathology and association of gene profile and histologic patterns.
- Provides additional detail for discovery and translational research, including intra-tumor heterogeneity and tumor microenvironment interactions.

Source: JP Morgan, the views expressed were current as of 6/30/20 and are subject to change.

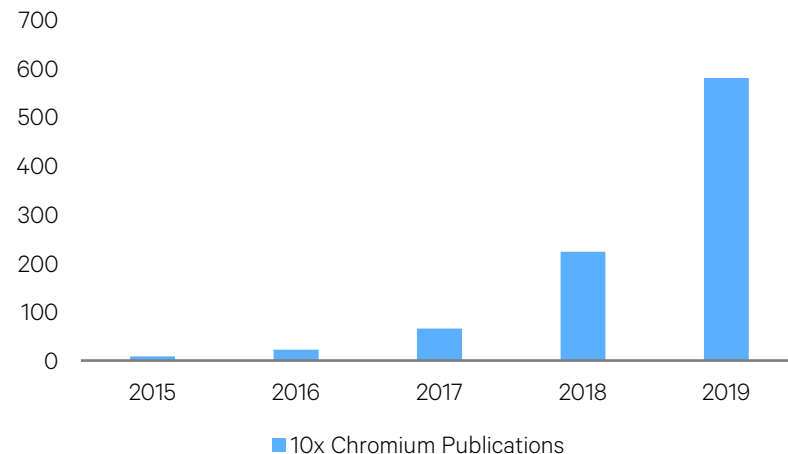
The Academic Flywheel Drives Further Adoption

Genomics studies have increasingly used 10x's products to add single-cell resolution, which has driven additional interest in single cell and created a powerful brand for 10x.

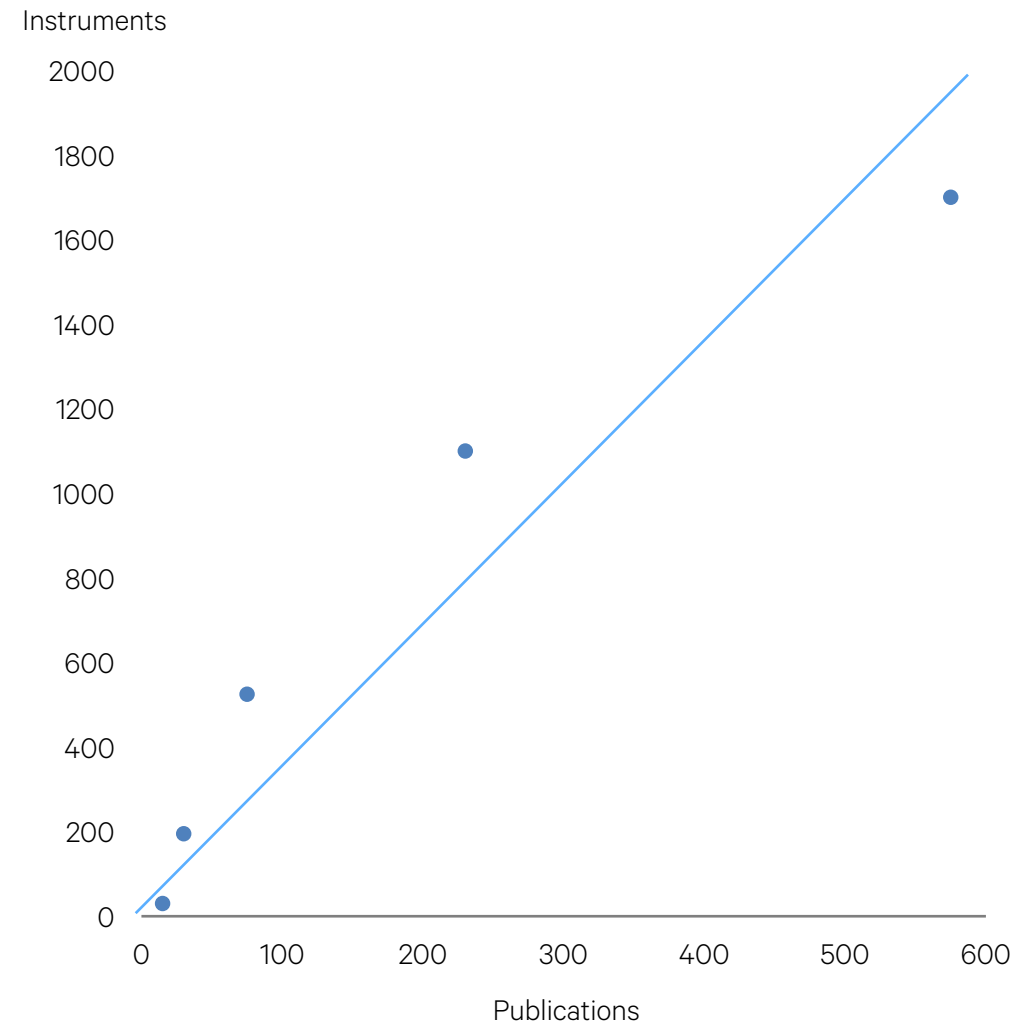
10x Chromium Install Base



10x Chromium Publications



Correlation Between Install Base and Publications



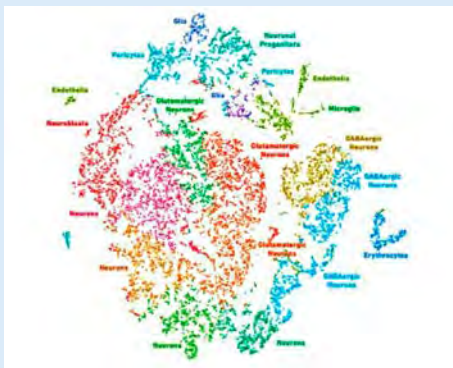
Source: JP Morgan, the views expressed were current as of 6/30/20 and are subject to change.

10x Product Pipeline Could Transform Both Academia & the Clinic

Use 10x barcode technology

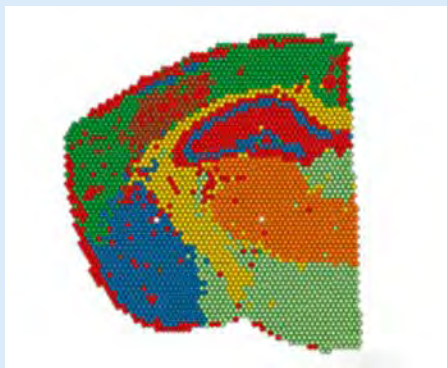
Chromium (Single Cell Platform)

- Untargeted approach
- For research market
- ~95% of revenues today
- Flagship 10x Product



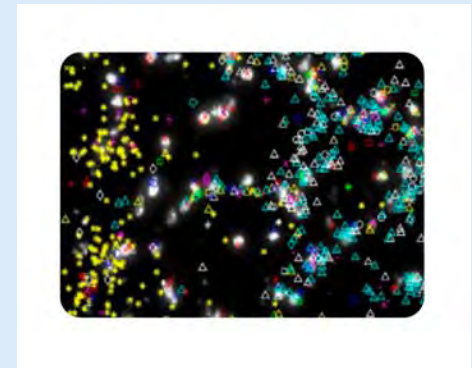
Visium (Spatial Platform)

- Untargeted approach
- For research market
- ~5% of revenues today



“In Situ” (name TBD)

- Targeted approach
- For clinical market
- Not commercially available



Source: Company filings and documents; SCM analysis. The views expressed were current as of 12/31/21 and are subject to change.

Active Ownership: Recent Engagement Summary

Warner Music Group

November 2021



Business: U.S.-based Warner Music Group is one of the world's largest music publishing businesses.

Key issues: Environmental policy and strategy; greenhouse gas emissions or climate change strategy

Warner Music Group is relatively new to the public market, having held its initial public offering in June 2020. We have been regularly engaging with the company since the IPO in an effort to help guide the evolution of its ESG practices. Our prior engagements have been mostly about board independence and executive compensation, and we addressed these issues during the first annual meeting's proxy votes. Since that meeting, we have been pleased to see momentum behind the hire of the company's first vice president of ESG come to fruition, as we believe that demonstrates the company is prioritizing these efforts.

As we have been conducting more thorough analysis on the climate risks associated with our portfolio companies, we identified Warner as one of the top carbon emitters in the Select Growth portfolio. This seemed unusual for a music label—which does not have a significant physical footprint—so we reached out to the company to validate the ratings.

We learned that the scores were mostly attributable to a lack of disclosures on the company's Scope 1 and Scope 2 emissions. When ratings agencies do not have access to the available company information, they may include their own estimates as a proxy. These estimates are not company-specific, which often makes them very misleading. For this reason, we believe that it is best practice for companies to provide sufficiently robust disclosures that include tracked key metrics and progress toward ongoing goals for ESG initiatives.

We appreciate that companies like Warner—that are this early in their growth trajectory—often take time to evolve and develop their ESG protocols. The company seems to appreciate the adverse effect that omitted disclosures can have on its company ratings and has committed to releasing its first sustainability report in the first quarter of 2022. We believe that increased disclosure is not only best practice for the company but will also promote greater alignment over the long term with the young, morals-centered music community that it serves.

After our meeting, it was announced that Warner became a founding signatory of the "Music Climate Pact," which brings together the music industry's leading publishers in a collaborative effort to decarbonize their business operations. As part of its work aligned with the pact, Warner has informed us of its commitment to setting science-based targets for greenhouse gas (GHG) emissions at the company level. The company intends to work with industry peers to identify and implement the best tools to measure and collect GHG data to address climate change in the music sector.

We plan to follow up with the company after the release of its sustainability report in 2022.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. Sands Capital regularly engages with the management teams and, if appropriate, board members of portfolio businesses to better understand each business's long-term strategic vision and management of risks and opportunities, including those pertaining to environmental, social, and governance (ESG) matters. More information is available in the Sands Capital Engagement Policy at <https://sandscapital.com/media/Sands-Capital-Engagement-Policy-Statement.pdf>. The companies illustrated represent a sub-set of current holdings in the Select Growth portfolio and were selected by the author on an objective basis to illustrate the views expressed in the Commentary. These examples were 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.

Impact Profile



CoStar Group

CoStar Group is a leading provider of commercial real estate information and analytics.

CoStar Group's core business can help create sustainable cities and communities. The firm offers a database and research that provide tenants, property developers, urban planners, and lenders easy access to—and transparent information about—commercial real estate properties. Empowering all parties with that access and information helps make safe, resilient, and sustainable cities possible.

With many of its portals, like Apartments.com, available to the public as free search tools, the company also supports the goal of inclusiveness. The company aims to provide real estate industry professionals and consumers with critical knowledge to explore and complete transactions. It does so by supplying comprehensive, timely, and standardized information on real estate, along with tools to support effective use of that information.

CoStar Group provides a comprehensive commercial real estate database that draws on the insights of a large research department in the industry. The firm also owns the leading online marketplaces for commercial real estate and apartment listings (based on unique site visits per month).

Standardized Information

The company has standardized much of the real estate information people previously had to search through multiple sources to find. That standardization has made it easier for industry professionals and consumers of real estate to interact and conduct transactions. The company serves all commercial property types—office, industrial, multifamily, commercial land, mixed-use, and hospitality.

The information available to commercial property owners and investors includes details on spaces available for lease, comparable sales, properties for sale, and tenant

information. Through CoStar's LoopNet online marketplace, commercial property owners, landlords, and brokers can advertise properties for sale or lease and submit details about property listings. Commercial real estate agents, buyers, investors, and tenants use LoopNet to search for available property listings that meet their criteria.

The firm's researchers collect and analyze information through phone calls, emails and internet updates, public records review, news monitoring and third-party data feeds, and in-field inspections of properties. Clients of the services include sales and leasing brokers, property owners and managers, real estate developers, building services vendors, and managers of real estate investment trusts (REITs).

Much of the information CoStar now supplies had been previously fragmented across multiple sources, making it difficult and time-consuming to compile. Now, all that information is more thorough and easier to access from a single source.

A Leading Apartment-Finding Network

CoStar Group's Apartments.com is the flagship for a series of brands focused on finding residential units. These include ApartmentFinder.com, ForRent.com, ApartmentHomeLiving.com, AFTER55.com, CorporateHousing.com, Apartamentos.com (for Spanish speakers), and OffCampusPartners.com.

These sites offer renters a free searchable database of apartment listings. Renters who use the sites get in-depth information on neighborhoods, including restaurants, nightlife, history, and schools. They can also view tenant reviews of properties and see possible commute times to work and the best public transportation options for a commute.

Impact Profile (continued)

For a subscription fee, these sites provide owners, professional property management companies, and landlords with an advertising destination. The sites enable landlords to receive applications, screen tenants, and process rental payments and renewals.

Committed to Being Environmentally Friendly

CoStar Group was committed to environmental friendliness in the development of its own office space. It chose LEED-certified (Leadership in Energy and Environmental Design) buildings and interiors whenever possible so that its buildings deploy natural resources wisely and use less energy overall.

The firm's partnerships with the U.S. Green Building Council and the U.S. Environmental Protection Agency make it easy for its customers to find LEED-certified and Energy Star-labeled buildings.

Sustainable Development Goals

The Sands Capital six investment criteria tend to lead us to businesses that are innovators or vital facilitators of change in industries undergoing significant transformation. CoStar Group is one of many portfolio businesses that create impact by addressing at least one major social or environmental challenge identified by the United Nations Sustainable Development Goals (SDGs). With the initiatives described here, the CoStar Group is helping to address SDG 10, Reduced Inequalities, and SDG 11, Sustainable Cities and Communities.

The business profiled was selected based on its reported alignment with one or more U.N. Sustainable Development Goals. The views expressed are the opinion of Sands Capital Management and are not intended as a forecast, a guarantee of future results, investment recommendations, or an offer to buy or sell any securities. The views expressed were current as of the date indicated and are subject to change. This material may contain forward-looking statements, which are subject to uncertainty and contingencies outside 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. A company's fundamentals or earnings growth is no guarantee that its share price will increase. 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 security will continue to be owned by Sands Capital Management. You should not assume that any investment is or will be profitable. GIPS® Reports and additional disclosures for the related composites may be found at <https://www.sandscapital.com/GIPS-Report> or at the end of this presentation.. PT# 20210357

Carbon Exposure

Select Growth vs. Russell 1000 Growth
Reported December 31, 2021

	Carbon Footprint			WEIGHTED AVERAGE CARBON INTENSITY	CARBON EMISSIONS DATA AVAILABILITY
	CARBON EMISSIONS	TOTAL CARBON EMISSIONS	CARBON INTENSITY		
Select Growth	1.5	1,454	18.6	13.6	96%
Russell 1000 Growth	7.0	7,022	49.6	30.1	96%
	tCO2e/\$M Invested	tCO2e	tCO2e/\$M Sales		Market Value

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

*Based on Portfolio investment of \$1,000,000,000 and benchmark investment of \$1,000,000,000. © 2021 MSCI ESG Research LLC. Reproduced by permission; no further redistribution. Although Sands Capital Management, LLC's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Stewardship Communications



ESG PRINCIPLES

This document sets forth our framework for evaluating material ESG factors for portfolio businesses.
Channel: Website



QUARTERLY REPORTS

Our comprehensive investment strategy reports offer updates on our engagement activity, voting activity, and profile a high-impact portfolio business.
Channel: Email Subscription



STEWARDSHIP POLICIES

Our ESG, engagement, and proxy voting policy statements detail the why/what/how of our responsible investment program.
Channel: Website



THOUGHT LEADERSHIP

Our articles capture salient and timely perspectives from our research professionals.
Channel: Website, Newsletter Subscription, LinkedIn



VOTING RECORDS

Our monthly reports detail activity for each of our flagship strategies, and aggregate activity across all strategies, for the trailing twelve-month period.
Channel: Website



2021 STEWARDSHIP REPORT

Our new, forthcoming report will detail our 2021 stewardship activities, reflect on the progress in our program implementation, and address what's ahead.
Channel: Website and Email Subscription

Affiliations & Collaborations



The **Carbon Disclosure Project (CDP)** is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. As an investor signatory, Sands Capital joins nearly 600 institutional investors globally to require environmental information from companies, in line with the TCFD recommendations, to create the most consistent, comprehensive, and measurable global environmental dataset for investors.



CII is a nonprofit, nonpartisan association of U.S. public, corporate, employee benefit plans, and state and local entities charged with investing public assets, and foundations and endowments with combined assets under management of approximately \$4 trillion. CII is a leading voice for effective corporate governance, strong shareowner rights, and sensible financial regulations that foster fair, vibrant capital markets. Sands Capital has contributed domain knowledge to CII's conference programming on topics, including corporate governance in emerging markets and executive compensation.



The mission of **ICGN** is to promote effective standards of corporate governance and investor stewardship to advance efficient markets and sustainable economies worldwide. Its policy positions are guided by the ICGN Global Governance Principles and Global Stewardship Principles. Sands Capital served as a primary sponsor of the *Governance of Big Tech* virtual summit hosted by ICGN and NASDAQ.

Signatory of:



The **PRI**, a UN-sponsored network of investors, promotes sustainable investment through the incorporation of ESG into investment decision-making and ownership practices. In implementing six aspirational principles, signatories contribute to the development of a more sustainable global financial system. Sands Capital became a signatory in 2017.



Sustainability Accounting Standards Board standards guide the disclosure of financially material sustainability information by companies to their investors. Available for 77 industries, the standards identify the subset of environmental, social, and governance (ESG) issues most relevant to financial performance in each industry. As an Alliance member since 2017, Sands Capital has supported the standards setting process and contributed expertise to a sector advisory group.



The Financial Stability Board established the **TCFD** to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks. Sands Capital became a public supporter of the TCFD in 2019.

Portfolio Management Team



Frank M. Sands, CFA

Chief Investment Officer, Chief Executive Officer
Re-Joined Sands Capital in 2000
President, Director of Research 2004-2008
Managing Director, Director of Research, Sr. Portfolio Manager
2000-2004

Fayez Sarofim & Co. (1994-2000)
Houston, TX • Research Analyst, Portfolio Manager, Principal

Walker & Dunlop (1989-1991)
Washington, DC • Commercial Real Estate Leasing and Sales

University of Virginia
MBA, Darden School (1994)

Johns Hopkins University
MS, Real Estate Finance & Development (1993)

Washington & Lee University
BA, Economics (1989)



Thomas H. Trentman, CFA

Sr. Portfolio Manager, Research Analyst
Joined Sands Capital in 2005
Portfolio Manager, Sr. Research Analyst 2017-2020
Portfolio Manager, Research Analyst 2011-2016
Research Analyst 2008-2010
Research Associate 2005-2008

Washington & Lee University
BS, Physics-Engineering & BA, Chemistry (2005)



A. Michael Sramek, CFA

Sr. Portfolio Manager, Research Analyst, Managing Director
Joined Sands Capital in 2001
Research Analyst, Portfolio Manager 2001-2007

Mastrapasqua & Associates (2000)
Nashville, TN • Research Analyst

BARRA/RogersCasey (1995-1998)
Darien, CT • Associate, Plan Sponsor Services

Vanderbilt University
MBA, Owen Graduate School of Management (2000)

Princeton University
AB, History (1995)



Wesley A. Johnston, CFA

Sr. Portfolio Manager, Research Analyst
Joined Sands Capital in 2004
Portfolio Manager, Sr. Research Analyst 2016-2020
Sr. Research Analyst 2009-2015
Research Analyst 2006-2008
Research Associate 2004-2006

University of Pennsylvania
BS, Economics (2002)

Tax-Exempt Institutional Equity Composite (TEIEC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	TEIEC			Russell 1000 Growth Index		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	R1000G	Annualized 3 Yr. X-Post Standard Deviation			
2020	82	\$12,888.65	71.42	72.15	22.42	38.49	19.64	0.00	0.71	\$68,621.83
2019	84	\$10,063.97	33.34	33.91	17.22	36.39	13.07	0.00	0.15	\$44,636.85
2018	90	\$9,140.97	6.77	7.27	17.03	-1.51	12.13	0.00	0.19	\$35,387.67
2017	102	\$11,646.37	35.15	35.74	15.07	30.21	10.54	0.00	0.48	\$41,331.26
2016	115	\$10,192.82	-7.13	-6.70	15.58	7.08	11.15	0.00	0.18	\$34,914.29
2015	146	\$14,686.78	2.92	3.40	14.56	5.67	10.70	0.00	0.50	\$44,192.42
2014	155	\$17,737.17	8.95	9.63	14.51	13.05	9.59	0.00	0.18	\$47,659.83
2013	155	\$16,244.61	42.19	42.95	15.55	33.48	12.18	0.00	0.17	\$42,067.92
2012	141	\$11,421.39	24.08	24.69	18.39	15.26	15.66	0.00	0.22	\$27,001.96
2011	122	\$8,572.50	2.47	3.02	19.92	2.64	17.76	0.00	0.15	\$18,759.70

Sands Capital Management (“Sands Capital” and “SCM”) is an independent registered investment advisor. 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, 2020. 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 Tax-Exempt Institutional Equity Composite (“TEIEC”) has had a performance examination for the periods February 29, 1992 through December 31, 2020. The verification and performance examination reports are available upon request. The TEIEC contains all fee-paying, tax-exempt institutional equity accounts managed according to the Select Growth Equity Strategy on a fully discretionary basis and for comparison purposes is measured against the Russell 1000 Growth Index (“R1000G”). The Select Growth Equity Strategy (formerly “Large Cap Growth”) is a concentrated portfolio that typically includes 25 to 30 companies. Portfolio investments are typically U.S. domiciled large-capitalization leaders in their respective business spaces and usually operate on a global basis. The portfolio may invest in mid-capitalization companies. While primarily constructed of domestic companies, the portfolio may contain foreign securities that trade on a U.S. exchange. The R1000G measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The TEIEC holds securities that are not included in the R1000G, and Sands Capital Management, LLC may invest in securities not covered by the index. Performance results in presentations prior to January 1, 2002 were measured against the S&P 500 Index. The benchmark was changed to be more representative of the composite strategy, however, information regarding the comparison to the S&P 500 is available upon request. Effective April 1, 1997, the minimum account size for this composite is \$3 million. The minimum account size was \$1 million from February 7, 1992 through March 31, 1997. 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. Returns are presented gross and net of management fees and include the reinvestment of all income. For periods prior to 2013, gross returns are shown as supplemental information and are stated gross of all fees and transaction costs for bundled fee accounts; net returns are reduced by all fees and transaction costs incurred. Net returns presented are calculated using actual fees and performance fees if applicable. Bundled fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions this fee may have included portfolio monitoring, consulting services, and in some cases, custodial services. As of January 1, 2013, bundled fee accounts are no longer included in the TEIEC. The U.S. Dollar is the currency used to express performance. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A list of composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. Past performance is not indicative of future results. The investment management fee schedule for separate accounts is 0.75% on the first \$50 million of assets under management and 0.50% on assets under management greater than \$50 million. In addition to the management fee, some accounts may also pay an incentive fee. Additional information regarding the incentive fee is available upon request. Actual investment advisory fees incurred by clients may vary. The Select Growth Equity Strategy of the portfolio manager was created and fully invested February 7, 1992. The TEIEC was created on February 29, 1992 and the inception date for performance is February 29, 1992. Russell 1000® Growth Index is a trademark of the Frank Russell Company. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Global Growth Equity Composite (GGEC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	GGEC			MSCI All Country World Index		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	MSCI ACWI	Annualized 3 Yr. X-Post Standard Deviation			
2020	18	\$18,329.54	49.57	50.81	19.87	16.26	18.13	0.00	0.43	\$68,621.83
2019	18	\$12,690.57	30.65	31.72	14.24	26.60	11.22	0.00	0.41	\$44,636.85
2018	15	\$9,713.59	-2.85	-2.03	14.93	-9.42	10.48	0.00	0.14	\$35,387.67
2017	14	\$10,812.64	38.88	40.01	13.85	23.97	10.36	0.00	0.20	\$41,331.26
2016	21	\$9,019.25	0.54	1.41	14.56	7.86	11.06	0.00	0.12	\$34,914.29
2015	18	\$9,129.68	0.40	1.27	13.92	-2.36	10.79	0.00	0.18	\$44,192.42
2014	19	\$9,285.34	5.37	6.26	13.72	4.16	10.50	0.00	0.25	\$47,659.83
2013	18	\$7,531.91	27.89	28.97	16.28	22.80	13.94	0.00	0.25	\$42,067.92
2012	11	\$3,746.92	20.38	21.37	18.55	16.13	17.13	0.00	0.21	\$27,001.96
2011	<5	\$1,544.95	-1.98	-1.14	22.67	-7.35	20.59	0.00	n.m. ¹	\$18,759.70

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to the composite having less than 36 months of returns. Sands Capital Management (“Sands Capital” and “SCM”) is an independent registered investment advisor. 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, 2020. 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, 2020. 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 Equity Strategy on a fully discretionary basis. The Global Growth Equity Strategy is a concentrated global portfolio that typically includes 30 to 50 companies that are domiciled around the world. Portfolio investments are typically large-capitalization leaders in their respective business spaces. The portfolio may invest in mid-capitalization companies. The portfolio may invest a significant percentage of its assets in U.S. companies, ADRs, and foreign securities traded on foreign exchanges, and may include the use of derivative access products to gain exposure to certain foreign markets where direct investment is not always practical or cost efficient. There is no account minimum. 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 Management, LLC 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. Returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance is presented net of 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 withholding taxes from a Luxembourg tax perspective. Net of fee performance was calculated by deducting the highest applicable fee of 0.85% from the monthly gross composite return. Sands Capital may use access products as needed to gain exposure to securities of companies in markets that restrict foreign ownership of local companies. (1) A Low Exercise Price Warrant (“LEPW”) is a warrant in which the value and performance of its intrinsic value is effectively identical to that of the underlying security. LEPPs are used to allow participation in the performance of a foreign equity security where there are legal or financial obstacles to purchasing the underlying directly. (2) Participation Notes (“P-Notes”) are unsecured, bearer securities typically issued by financial institutions, the performance of which is generally linked to the performance of the underlying listed shares of a company in an emerging market (for example, the shares in a company incorporated in India). Investors in P-Notes do not have or receive any rights relating to the underlying shares, and the issuers of the notes may not be obligated to hold any shares in the underlying companies. LEPPs and P-Notes bear counterparty risk and may bear additional liquidity risk. 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. Actual investment advisory fees incurred by clients may vary. The Global Growth Equity Strategy of the portfolio manager was created and fully invested December 31, 2008. 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. 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Emerging Markets Growth Composite (EMGC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	EMGC			MSCI Emerging Markets Index		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	MSCI EM	Annualized 3 Yr. X-Post Standard Deviation			
2020	10	\$6,521.97	54.79	56.05	22.43	18.31	19.60	0.04	0.17	\$68,621.83
2019	8	\$3,551.45	28.20	29.39	14.85	18.42	14.17	0.05	0.21	\$44,636.85
2018	10	\$2,432.63	-13.97	-12.86	15.97	-14.57	14.60	0.06	0.30	\$35,387.67
2017	9	\$2,010.72	39.12	40.82	14.51	37.28	15.35	0.08	0.28	\$41,331.26
2016	9	\$1,114.66	2.51	3.81	16.03	11.19	16.07	0.10	0.24	\$34,914.29
2015	8	\$776.57	-8.90	-7.76	15.43	-14.92	14.06	0.14	0.30	\$44,192.42
2014	<5	\$444.88	5.71	7.04	— ²	-2.19	— ²	0.34	n.m. ¹	\$47,659.83
2013	<5	\$1.17	12.64	14.02	— ²	-2.60	— ²	100.00	n.m. ¹	\$42,067.92

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to having less than 36 months of returns. Sands Capital Management (“Sands Capital” and “SCM”) is an independent registered investment advisor. 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, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Emerging Markets Growth Composite (“EMGC”) has had a performance examination for the periods December 31, 2012 through December 31, 2020. The verification and performance examination reports are available upon request. The EMGC reflects information from all fee-paying and non-fee paying accounts managed in the Emerging Markets Growth Strategy on a fully discretionary basis. The Emerging Markets Growth Strategy is a concentrated portfolio that typically includes 30 to 50 companies that are domiciled, listed, or that derive over half their revenues or profits from countries classified as MSCI Emerging and Frontier Market countries. Portfolio companies can be small, mid, or large capitalization companies that have attractive growth opportunities ahead of them and are leaders in their respective business spaces. The portfolio may invest in developed market businesses that derive a substantial portion of their revenues from emerging markets. The portfolio may invest in ADRs, foreign securities traded on foreign exchanges, and may include the use of derivative access products to gain exposure to certain foreign markets where direct investment is not always practical or cost efficient. There is no account minimum. The benchmark for the EMGC is the MSCI Emerging Markets Index (“MSCI EM”). The MSCI EM is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of emerging markets. The EMGC may hold securities not included in the MSCI EM and Sands Capital Management, LLC 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. Returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance is presented net of 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 withholding taxes from a Luxembourg tax perspective. Net of fee performance was calculated by deducting the model annual fee of 1.25% from the monthly gross composite return for the period from January 1, 2013 to March 31, 2019. Beginning on April 1, 2019, the model annual fee was lowered to 0.85% and net of fee returns were calculated by deducting this model fee from the monthly gross composite return. Sands Capital may use access products as needed to gain exposure to securities of companies in markets that restrict foreign ownership of local companies. (1) A Low Exercise Price Warrant (“LEPW”) is a warrant in which the value and performance of its intrinsic value is effectively identical to that of the underlying security. LEPPs are used to allow participation in the performance of a foreign equity security where there are legal or financial obstacles to purchasing the underlying directly. (2) Participation Notes (“P-Notes”) are unsecured, bearer securities typically issued by financial institutions, the performance of which is generally linked to the performance of the underlying listed shares of a company in an emerging market (for example, the shares in a company incorporated in India). Investors in P-Notes do not have or receive any rights relating to the underlying shares, and the issuers of the notes may not be obligated to hold any shares in the underlying companies. LEPPs and P-Notes bear counterparty risk and may bear additional liquidity risk. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A list of composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. Past performance is not indicative of future results. The investment management fee schedule for separate accounts is 0.85% on the first \$50 million, 0.65% on the next \$200 million and 0.55% on all assets above \$250 million. The Sands Capital Emerging Markets Growth Master Fund LP, which is included in the composite, has an investment management fee schedule of 0.85% on all assets and the total expense ratio is 1.00%. Actual investment advisory fees incurred by clients may vary. The Emerging Markets Growth Strategy of the portfolio manager was created and fully invested December 31, 2012. The EMGC was created on May 28, 2013 and the inception date for performance is December 31, 2012. MSCI is the source of all MSCI data presented. 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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Global Leaders Equity Composite (GLEC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	GLEC			MSCI All Country World Index		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	MSCI ACWI	Annualized 3 Yr. X-Post Standard Deviation			
2020	7	\$2,719.58	26.75	27.80	17.66	16.26	18.13	0.10	0.15	\$68,621.83
2019	5	\$1,361.96	35.76	36.89	— ²	26.60	— ²	0.16	n.m. ¹	\$44,636.85
2018	<5	\$351.83	2.04	2.90	— ²	-9.42	— ²	0.45	n.m. ¹	\$35,387.67
2017 ³	<5	\$49.95	21.30	22.04	— ²	15.96	— ²	3.10	n.m. ¹	\$41,331.26

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to the composite having less than 36 months of returns. ³ Annual performance results for 2017 reflect partial period performance. Returns are calculated from 3/31/17 to 12/31/17 for both the composite and the index. Sands Capital Management (“Sands Capital” and “SCM”) is an independent registered investment advisor. 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, 2020. 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 Leaders Equity Composite (“GLEC”) has had a performance examination for the periods March 31, 2017 through December 31, 2020. The verification and performance examination reports are available upon request. The GLEC reflects information from all fee paying and non-fee paying accounts managed in the Global Leaders Equity Strategy on a fully discretionary basis. The Global Leaders Equity Strategy is a concentrated portfolio of primarily large- and mid-capitalization growth businesses that the manager considers to be leaders in their country, industry, or globally in terms of products, services or execution. The portfolio normally consists of the equity securities of 30 to 50 issuers that the manager believes are capable of generating sustainable, above-average, and relatively stable rates of earnings per share growth and strong free cash flow. Portfolio investments are domiciled in both developed and emerging markets. Eligible securities include equity and equity-related securities, such as American depositary receipts; exchange-traded funds; global depositary receipts; low exercise price warrants; and participatory notes, quoted or traded on global regulated exchanges. There is no account minimum. The benchmark for the GLEC 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 GLEC holds securities not included in the MSCI ACWI and Sands Capital Management, LLC 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. Returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance is presented net of 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 withholding taxes from a Luxembourg tax perspective. Net of fee performance was calculated by deducting the highest applicable fee of 0.85% from the monthly gross composite return. Sands Capital may use access products as needed to gain exposure to securities of companies in markets that restrict foreign ownership of local companies. (1) A Low Exercise Price Warrant (“LEPW”) is a warrant in which the value and performance of its intrinsic value is effectively identical to that of the underlying security. LEPPs are used to allow participation in the performance of a foreign equity security where there are legal or financial obstacles to purchasing the underlying directly. (2) Participation Notes (“P- Notes”) are unsecured, bearer securities typically issued by financial institutions, the performance of which is generally linked to the performance of the underlying listed shares of a company in an emerging market (for example, the shares in a company incorporated in India). Investors in P-Notes do not have or receive any rights relating to the underlying shares, and the issuers of the notes may not be obligated to hold any shares in the underlying companies. LEPPs and P- Notes bear counterparty risk and may bear additional liquidity risk. 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 assets on all assets above \$250 million. Actual investment advisory fees incurred by clients may vary. The Global Leaders Equity Strategy of the portfolio manager was created and fully invested March 1, 2017. The GLEC was created on March 8, 2017 and the inception date for performance is March 31, 2017. 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. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. 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International Growth Equity Composite (IGEC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	International Growth Equity Composite			MSCI All Country World Index ex USA		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	MSCI ACWI ex USA	Annualized 3 Yr. X-Post Standard Deviation			
2020	<5	\$2.25	60.19	61.53	— ²	10.65	— ²	100.00	n.m. ¹	\$68,621.83
2019	<5	\$1.40	46.28	47.49	— ²	21.51	— ²	100.00	n.m. ¹	\$44,636.85
2018 ³	<5	\$0.95	-7.14	-6.54	— ²	-13.17	— ²	100.00	n.m. ¹	\$35,387.67

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to the composite having less than 36 months of returns. ³ Annual performance results reflect partial period performance. The returns are calculated from 03/31/18 to 12/31/18 for both the composite and the index. Sands Capital Management (“Sands Capital”) is an independent registered investment advisor. 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, 2020. The verification report is available upon request. 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. Verification does not provide assurance on the accuracy of any specific performance report. The IGEC reflects information from all fee paying and non-fee paying accounts managed in the International Growth Equity Strategy on a fully discretionary basis. The International Growth Equity strategy is a concentrated portfolio that typically includes 25 to 40 companies that are domiciled outside the United States. Portfolio investments are typically large and mid-capitalization companies that the manager believes are capable of generating sustainable, above-average, rates of earnings per share growth and strong free cash flows. Portfolio investments are domiciled in both developed and emerging markets. Eligible securities include equity and equity-related securities, such as American depositary receipts; exchange-traded funds; global depositary receipts; low exercise price warrants; and participatory notes, quoted or traded on global regulated exchanges. There is no account minimum. The benchmark for the IGEC is the MSCI ACWI ex USA, a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed (excluding the US) and emerging markets. The IGEC holds securities not included in the MSCI ACWI ex USA and Sands Capital Management, LLC may invest in securities not covered by the index. Results are based on fully discretionary accounts under management. 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. Returns are presented gross and net of management fees and include the reinvestment of all income. Composite performance is presented net of 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 withholding taxes from a Luxembourg tax perspective. Net of fee performance was calculated by deducting the highest applicable fee of 0.85% from the monthly gross composite return. Sands Capital may use access products as needed to gain exposure to securities of companies in markets that restrict foreign ownership of local companies. (1) A Low Exercise Price Warrant (“LEPW”) is a warrant in which the value and performance of its intrinsic value is effectively identical to that of the underlying security. LEPPWs are used to allow participation in the performance of a foreign equity security where there are legal or financial obstacles to purchasing the underlying directly. (2) Participation Notes (“P-Notes”) are unsecured, bearer securities typically issued by financial institutions, the performance of which is generally linked to the performance of the underlying listed shares of a company in an emerging market (for example, the shares in a company incorporated in India). Investors in P-Notes do not have or receive any rights relating to the underlying shares, and the issuers of the notes may not be obligated to hold any shares in the underlying companies. LEPPWs and P-Notes bear counterparty risk and may bear additional liquidity risk. 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 assets on all assets above \$250 million. Actual investment advisory fees incurred by clients may vary. The International Growth Equity strategy of the portfolio manager was created and fully invested March 31, 2018. The IGEC was created on March 21, 2018 and the inception date for performance is March 31, 2018. 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. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the “MSCI Parties”) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com) GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Technology Innovators Composite (TIC)

GIPS Report

Year End	Number of Accounts	Assets at End of Period (USD Millions)	TIC			MSCI ACWI Info Tech and Communication Services Index		Non-Fee Paying Assets as Percentage of Composite	Asset Weighted Standard Deviation of Gross Returns	Firms Total Assets (USD Millions)
			Net Returns	Gross Returns	Annualized 3 Yr. X-Post Standard Deviation of Net Return	MSCI ACWI IT COMM	Annualized 3 Yr. X-Post Standard Deviation			
2020	<5	\$173.98	76.31	77.46	21.20	38.25	19.32	4.25	n.m. ¹	\$68,621.83
2019	<5	\$141.10	41.60	42.58	16.70	38.53	14.17	3.01	n.m. ¹	\$44,636.85
2018	<5	\$118.18	12.94	13.73	17.15	-4.59	14.28	2.55	n.m. ¹	\$35,387.67
2017	<5	\$117.97	46.70	47.73	16.55	41.77	13.68	2.31	n.m. ¹	\$41,331.26
2016	<5	\$122.94	-2.19	-1.48	18.55	12.20	13.32	1.52	n.m. ¹	\$34,914.29
2015	<5	\$138.46	5.64	6.38	18.19	3.20	11.19	1.38	n.m. ¹	\$44,192.42
2014	<5	\$149.69	4.49	5.24	17.99	15.20	11.32	1.21	n.m. ¹	\$47,659.83
2013	<5	\$224.68	48.39	49.39	17.51	26.51	13.91	0.78	n.m. ¹	\$42,067.92
2012	<5	\$114.78	32.16	33.08	— ²	15.32	— ²	1.03	n.m. ¹	\$27,001.96
2011	<5	\$367.26	-7.30	-6.83	— ²	-4.43	— ²	0.25	n.m. ¹	\$18,759.70

¹ n.m. – Not statistically meaningful, five or less accounts in the composite for the entire year. ² The 3-year annualized standard deviation is not shown due to having less than 36 months of returns. Sands Capital Management (“Sands Capital” and “SCM”) is an independent registered investment advisor. 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, 2020. 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, 2020. 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 on a fully discretionary basis. The Technology Innovators Strategy is a concentrated portfolio of leading growth businesses across the technology sector, typically including 20 to 35 companies. Additionally, it is an all- capitalization portfolio that may invest a significant percentage of its assets in foreign securities, whether traded on a U.S. or foreign exchange. There is no account minimum. 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 Management 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. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees and performance fees if applicable. Composite performance is presented net of 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 withholding taxes from a Luxembourg tax perspective. 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 a performance based fee that consists of a 0.50% base fee plus 20% of the annualized excess return versus the benchmark. Actual investment advisory fees incurred by clients may vary. The Technology Innovators Strategy of the portfolio manager was created and fully invested December 31, 2010. 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. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the “MSCI Parties”) makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. (www.msci.com) GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Large Cap Growth Strategy

Investment Philosophy

The Large Cap Growth strategy employs a disciplined, research-intensive approach to analyzing investment opportunities. We seek to invest in structurally advantaged companies when long term growth is underappreciated. A structurally advantaged company is defined as a large-cap, quality growth company where we have deep conviction in the following:

- The company operates in an industry with profit growth greater than or equal to that of the overall economy
- The company's profit growth is greater than or equal to that of its industry, enabled by strong management, sustainable business models and solid financials

We believe there are two main market inefficiencies that cause long term growth to be underappreciated:

1. Traditional Quality Growth
2. Fallen Quality Growth

In each case, we believe the valuation of a stock does not properly discount our expectation of long-term fundamental earnings growth for the company. Traditional Quality Growth consists of structurally advantaged growth companies whose stock prices under-appreciate the level and/or duration of growth primarily due to most investors' focus on short-term earnings. The inefficiency is therefore exploited by focusing our company and valuation analysis on a long-term time horizon and building deep conviction in the sustainability of growth. Fallen Quality Growth consists of structurally advantaged companies whose stocks are currently out of favor with investors. Often this is because the company has a short term issue where visibility is reduced and the market overacts. By possessing deep company knowledge, we are able to determine whether this is a short-term or long-term trend at the company, and buy such stocks at a substantial discount to their true value where we believe the long-term growth opportunity remains attractive. As noted above, we believe having a disciplined, research-intensive approach allows us to exploit these inefficiencies over time.

Investment Process

Our large cap growth universe contains over approximately 800 stocks, primarily comprised of all U.S. stocks with market capitalizations generally greater than \$5 billion, including over 250 stocks with market capitalizations of above \$30 billion. The primary purchase range of the strategy falls within the market cap range of the Russell 1000® Index at time of purchase.

By leveraging our investment team members' networks and experience and using quantitative screens, we narrow this broad universe into a smaller list of companies called our Eligibility List. The list consists of approximately 150-200 companies which we believe have the potential to be structurally advantaged.

Research Process

In addition to leveraging external networks and attending industry conferences, the portfolio managers and research analysts monitor ongoing corporate developments, market trends, and various quantitative and relative strength trends to regularly review companies on the Eligibility List in order to identify those that may warrant further research. If both an analyst and a portfolio manager agree on a high-priority research idea, the stock is placed on the Research Agenda. This is a live, working document which serves as the roadmap for research over approximately the next 1-8 weeks. It instills a discipline into this point of the process, ensuring that we are performing coordinated research on the highest priority opportunities. Key to the Research Agenda process is the development and refinement of an investment thesis for each stock. The investment thesis articulates the

inefficiencies we aim to exploit through our differentiated view on valuation and long-term company fundamentals. As a group, the investment team meets weekly to provide updates on the processing of new investment ideas and to re-prioritize where necessary.

Companies on the Research Agenda undergo intensive due diligence, including focused discussions with management around issues critical to the investment thesis, building financial forecasts, company visits and conversations with independent sources of relevant insight (e.g. competitors, customers, etc.) to test our investment thesis. This due diligence phase is primarily the responsibility of the research analyst although our analytically-oriented portfolio managers are actively engaged in this iterative and collaborative process from the beginning, including management meetings and/or stress testing our financial model assumptions.

Once the idea has been thoroughly vetted, the analyst concludes his or her analysis of the company. This includes a written report with a qualitative assessment of the company's business model and competitive positioning as well as an intermediate-term and long-term financial forecast, a valuation assessment, and an ESG assessment. The analyst assigns a stock recommendation rating – Outperform, Neutral or Underperform – and ratings across E, S and G pillars.

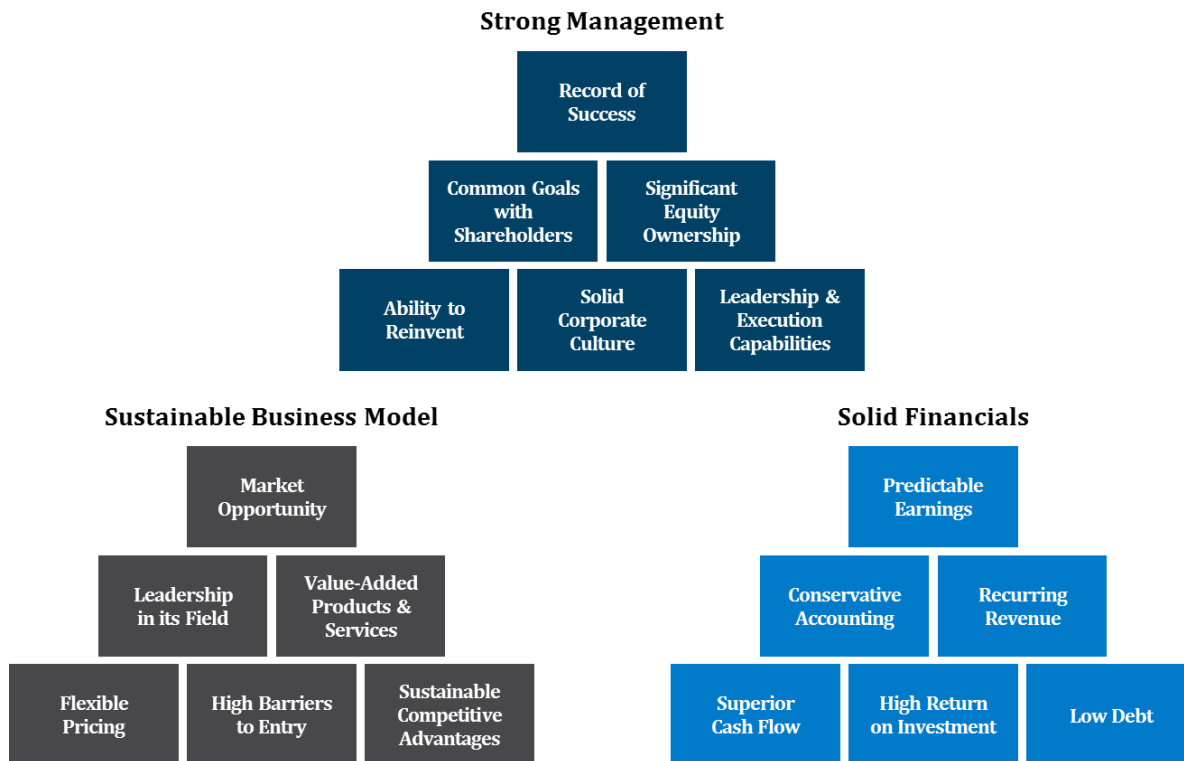


The Company Assessment – Identifying Durable Business Franchises

As mentioned above, our goal is to find companies whose stocks are mispriced due to one of two main market inefficiencies. To make this determination, we must assess both the prospective structurally advantaged nature of the company and the valuation of the stock. The company assessment is made by our research analysts and portfolio managers utilizing our proprietary Durable Business Franchise framework. This framework is the lens by which we determine if a company is a quality company with strong prospects for growth. The three main cornerstones include:

- The strength of management
- The sustainability of the business model; and
- The attractiveness of a company's financials

This framework consists of an internally developed list of elements used to analyze these three areas. The analysis of these elements is crucial to our process and our delivery of strong and consistent investment results. These quality characteristics of a company are important over the course of a business cycle as they tend to help sustain a company's fundamentals even in challenging economic environments. This analytical framework serves as the foundation for our assessment of every company in the Large Cap Growth Portfolio.



The Valuation Assessment

Our view is that a great company does not always offer a good investment opportunity if we deem it to be fully valued. We must find structurally advantaged companies whose stock prices have yet to discount our expectation for long-term fundamentals including growth of earnings and cash flow as well as returns on invested capital. While we may sometimes pay an above-market multiple on short-term consensus expectations (e.g., the next twelve months), we only do so if we believe the long-term opportunity, on a risk-adjusted basis, is being undervalued. For certain higher-growth companies trading at higher multiples, we forecast fundamentals out to maturity and determine a justified valuation at that point in time. This helps us determine the risk-adjusted upside potential for the stock while factoring in the likely multiple compression as the company matures. In addition, we recognize that some structurally advantaged companies can be valued at a premium based on higher-than-sustainable current growth and hence avoid these potential risks.

We seek to build a valuation mosaic by analyzing a variety of traditional and non-traditional valuation metrics. We review traditional valuation multiples on earnings, free cash flow, EBITDA, sales and book value where appropriate and compare these to the stock's history, the market and peers. We also compare the valuation of stocks within and across sectors that possess similar corporate characteristics such as growth rates, size of market opportunity, gross margins, operating margins, balance sheet strength, economic sensitivity and quality of management. We believe this keeps us rooted in a valuation discipline across sectors as we build our bottom-up portfolio. Where relevant, we also review industry acquisition activity and a company's strategic value to potential buyers.

ESG Integration

William Blair has long recognized the importance of a quality-focused approach to the fundamental analysis of companies. We believe that strong corporate performance is the foundation of superior long-term investment returns. The essence of corporate success lies in building intrinsic strengths in the management of human capital, financial resources and stakeholder relationships, and delivering quality, innovation, service, and value to customers. Companies that lead in these critical areas have tended to produce better returns on capital over time with greater consistency and less risk.

We believe that our quality growth philosophy is aligned with the goals espoused by ESG. We evaluate the governance of a company, its culture towards employees, clients and suppliers, its management team, and shareholder friendliness. In order to assist us in this evaluation, we have formally integrated ESG research into our process in a systematic fashion. The team complements its proprietary analysis with data from third party research providers including MSCI Ratings, which is integrated into our Summit research platform and our formal company recommendation reports.

By incorporating sustainability and corporate governance factors into every aspect of our fundamental analysis, we are working to create a more complete picture of the risks and opportunities facing companies today and in the future.

Investment Process – ESG Assessment

William Blair Materiality Framework Topic Structure

Environmental Categories



Climate Change – carbon/greenhouse gas emissions, exposure to potential climate regulation (e.g., stranded assets), exposure to physical climate changes (e.g., weather, natural disasters), exposure to market opportunities, innovation or subsidies in renewable energy

Natural Resources Stewardship – responsible depletion of natural resources including water, commodities and land, impact on biodiversity, exposure to market opportunities, innovation or government subsidies in the areas of energy efficiency, sustainable water, green building

Pollution and Waste – toxic emissions and waste, packaging, electronic waste, exposure to market opportunities, innovation or government subsidies in pollution/waste prevention and control

Social Categories



Human Capital – employee recruitment and development/retention (e.g. pay, benefits, diversity and inclusion); workplace health and safety; exposure to operational risks from labor unrest

Customer Well-being – product quality and safety, responsible marketing, data privacy and security; exposure to market opportunities/reputation benefits through access to finance, health care, nutrition, or communications

Supply Chain Management – managing opportunities and risks beyond direct operations

Community Relations – consideration of other stakeholders, community engagement and development

Governance Categories



Corporate Governance – Board experience and structure (independence, entrenchment, diversity), ownership and control (minority shareholder rights), executive compensation

Corporate Culture – the extent to which corporate values influence value creation, management track record, compliance with the spirit of laws/regulations, bribery and corruption risk exposure

Materiality Framework

In 2018, we undertook an extensive industry level ESG materiality review leveraging our analyst team insights with input from the provisional SASB industry standards and additional resources. Within each category, our sector analysts determined what specific issues are likely to be material for companies in each GICS industry. Additionally, they developed a set of sample questions that address material issues on an industry-specific basis to use in discussions with management teams. Analysts are prompted with these topics and questions when issuing ESG ratings and recommendation reports for stocks.

Our materiality framework has proved to be a valuable tool for informing our analysts' and portfolio managers' conversations and decision-making about companies and industries. We have developed a proprietary qualitative ratings system that is fully aligned with our views on the ESG factors that affect company performance by industry.

These issues are assessed by our analysts and portfolio managers at multiple points of our investment process. At the research agenda phase, when a company is nominated as a candidate for deeper research, it will be noted if ESG factors are prominent within our preliminary thesis. Our primary consideration of ESG factors occurs while a stock is on our research agenda when analysts, in collaboration with our portfolio managers, are conducting in-depth research on the company. At the end of this due diligence phase, analysts assign a stock rating and an ESG rating.

Portfolio Construction

Portfolio construction decisions are made on an ongoing basis by the portfolio management team. Allocations are made following in-depth discussions regarding relative merits of current portfolio holdings versus each other and potential candidates that may have a more attractive risk/return profile. This process ensures our best thinking is incorporated in the portfolio. Decisions are made on a collaborative basis, with all team members participating, and each member having full accountability for each investment.

The portfolio construction process incorporates a fundamental, bottom-up process for building investment portfolios. The size of the position will be determined according to the portfolio team's conviction in the ability of the company's stock to meet or exceed our expectations, the stock's risk-adjusted upside potential, relative attractiveness compared to other holdings in the portfolio, basic liquidity parameters and overall portfolio diversification issues. Sector weights are secondary to our stock selection process. That said, our sector weights are generally no more than twice and no less than half the major economic sectors of the Russell 1000® Growth benchmark, as defined by Global Industry Classification Standards (the two consumer sectors will be measured in aggregate). With respect to individual holdings, our position size limit is the greater of 7% or 150% of the Russell 1000 Growth benchmark weight. Typical initial position sizes are between 1-2.5%. Cash is a residual of portfolio transactions, is limited to 5% of the portfolio's market value and is not used for strategic or market timing purposes. There are generally between 30-40 stocks in the portfolio.

Sell Discipline

We look to sell securities when our investment thesis is no longer valid. This is typically due to an erosion of company fundamentals relative to our expectations or when valuation is no longer attractive. We will commonly trim positions as valuation appears incrementally less attractive either on an absolute basis or relative to other opportunities. From a portfolio construction perspective, our sell discipline is also informed by position size limits and market capitalization parameters.

Value-Add

We believe there are two main market inefficiencies, which allow us to create alpha for our clients. We categorize these inefficiencies as Traditional Quality Growth and Fallen Quality Growth. Traditional Quality Growth consists of structurally advantaged growth companies whose stock prices under-appreciate the level and/or duration of growth primarily due to most investors' focus on short-term earnings. Fallen Quality Growth consists of structurally advantaged companies whose stocks are currently out of favor with investors, but where we believe the long-term growth opportunity remains attractive.

In addition to the strategy-specific drivers of alpha over time, the history and culture of our firm is another strong source of alpha creation. The firm has been closely involved with quality growth companies since it was founded in 1935. The consistency of our products over time has been achieved primarily through the following key elements:

- Our intellectually demanding yet collegial culture
- Our company's independent and merit-driven structure
- A strict adherence to our methodically applied philosophy
- Our depth and experience analyzing management teams and business models

Our experienced Research Team, having attained substantial industry experience, provides well-honed investment insights that allow us to discover and rigorously evaluate companies to ensure they meet our standards for quality growth. The well-tenured portfolio team that manages our Large Cap Growth strategy has extensive experience through varying market environments, giving them the vital expertise to select the appropriate stocks from the analysts' recommendations to build quality growth portfolios. We remain independent, with broad ownership across disciplines. These competitive advantages help ensure we deliver our philosophy in a consistent manner that enhances our clients' portfolios. Our commitment to clients is reflected in the credo of our founder, William McCormick Blair, who stated "when our clients succeed, the firm's success will follow."

William Blair

January 26, 2022

Leanne Malison
Tulare County Employees' Retirement Association
136 N. Akers Street
Visalia, CA 93291

Dear Leanne:

We want to thank you, the board and Verus for inviting us to present our Large Cap Growth strategy this Wednesday, January 26th at 8:30 a.m. Joining me for the presentation is Jim Golan, CFA, Partner and Portfolio Manager, and James Dominguez, CAIA, Client Relationship Manager.

As the group considers managers, I thought it would be helpful to summarize what we believe to be a few of our distinguishing characteristics as they relate to the Large Cap Growth mandate for Tulare CERA:

- **100% active employee owned with stability for our clients** – William McCormick Blair founded our firm in 1935 with a belief that, "When our clients succeed, the firm's success will follow." Such values are intact today, and the firm remains 100% employee-owned by the 199 active Partners. This means stability and continuity for our clients in the years to come.
- **Experienced and deep team** – The LCG portfolio managers average 31 years of investment experience and 25 years at William Blair. They work closely with a seasoned group of fundamental research analysts that average 20 years of industry experience and 12 years at William Blair. They are also supported by 10 research associates, experienced traders, significant technology resources and infrastructure.
- **Structurally advantaged quality growth** – The team focuses on structurally advantaged quality growth companies (1) in an industry with profits growing at least as fast as the overall economy and (2) growing or maintaining its share of industry profits. It is of significant importance to get the industry right as large cap companies typically represent a significant share of the industry and growth will be scarce in a mature-to-declining industry. Identifying steady secular growth industries with a 3-5 year view allows us to invest when attractive. These companies perform well in strong market environments and protect in down markets (down market capture 0.86 over past 10 years ended 12/31/2021).
- **Strong, consistent results** – The LCG strategy is concentrated across 30-40 stocks yet diversified across sectors, maximizing the impact of stock selection. For the ten-year period ended 12/31/2021, the LCG strategy has outperformed its benchmark by 187 basis points annualized with a risk level at or below the benchmark. Added value has come from security selection across nearly all major economic sectors. The strategy's information ratio of 0.50 and Sharpe ratio of 1.51 ranks in the 3rd and 2nd percentile of the eVestment peer group, respectively. This consistency provides for a smoother ride, allowing plan sponsors to realize the benefits of active management through various market cycles.
- **Nice complement to TCERA's existing structure** – The LCG strategy consistently invests in high quality growth companies. The strategy's excess returns have demonstrated a low or negative correlation to Tulare's existing large cap core and value managers (e.g. correlation with Boston Partners LCV is -0.5 over past 10 years).
- **Commitment to our clients** – We work hard to understand and serve the needs of the plans that we are proud to call our clients. We have been entrusted to manage approximately \$22 billion in assets on behalf of sophisticated public funds. This includes several '37 Act counties like Alameda County, Contra Costa County, Orange County, Sacramento County, and of course, our relationship with Tulare County dating back to 2006.

Again, we are very excited about the opportunity and would be thrilled to expand our relationship with Tulare CERA. If there are any questions, or if you require additional information, please feel free to contact me at 312.758.1668 or wfikri@williamblair.com.

Thanks again,



Wally Fikri, CFA, Partner

cc: Mike Kamell, CFA, CAIA, Verus Investments
Scott Whalen, CFA, CAIA, Verus Investments

January 26, 2022

Tulare County Employees' Retirement Association Large Cap Growth

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Portfolio Composition and Performance

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Firm Overview

William Blair Investment Management at a Glance

Sophisticated Global Investor Base

Investment Management

100% active-employee owned

Entrepreneurial investment-led, client focused culture

Long-term expertise across asset classes globally

Holistic, investment-led ESG integration

349 employees (58 partners)

115 investment professionals

\$79.6 billion under management

Core Investment Tenets

Active Management

Alpha-Seeking

Long-Term Focus

Fundamental Orientation

Disciplined Process

Research Intensive



Tenured and Experienced Teams

	Average years in the industry	Average years at William Blair
Portfolio Managers	24	10
Analysts	17	10

¹Wo Bai Business Consulting (Shanghai) Co., Ltd. is an affiliated company solely providing research to other William Blair affiliates on a consultative basis.

²In Singapore, this material is provided for your use only by William Blair International (Singapore) Pte. Ltd. (Registration Number 201943312R). William Blair International (Singapore) Pte. Ltd. is regulated by the Monetary Authority of Singapore under a Capital Markets Services License to conduct fund management activities. By accepting this material you represent that you are a non-retail investor and that you will not copy, distribute or otherwise make this material available to any person.

Data As of December 31, 2021. As used on this page, "William Blair" refers to William Blair Investment Management, LLC and affiliates unless otherwise noted. For more information about William Blair, please see <http://www.williamblair.com/About-William-Blair.aspx>. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy, or investment product. Strategy availability may be limited to certain investment vehicles; not all investment vehicles may be available to all investors.

The William Blair Mission: Empower. Deliver. Engage.

Empower Colleagues

- Entrepreneurial investment-led culture encourages diverse viewpoints
- Cross-sectional teams answer key questions and drive strategic imperatives
- Mentorship, professional development, generous educational assistance program reinforce intellectual curiosity
- BrightScope® has ranked the William Blair 401(k) and Profit Sharing Plan in the top 10-15% of its peer group over the last two years

Engage in Our Communities

- Our colleagues are actively engaged in the industry through leadership and volunteer roles
 - Firm has a culture of global giving & volunteerism
- In 2020:
- Giving ranked in top quartile of financial institutions¹
 - 51% of employees used matching gift v. 24% in industry
 - Contributed over 2,000 virtual and in person volunteer hours to support nonprofits around the world

¹Measured by % of net income.

Deliver Client Success

- Private partnership structure aligns interests with clients over the long term
- Demonstrated track record of value-added performance
- Clients engage directly with decision makers, developing customized solutions to meet their unique objectives



Organizations Supported by Charity Location: 2020



Holistic, Investment-led Integration of ESG

Commitment

- PRI signatory since 2011; A+ rated for Equity Incorporation; A rated for Active Ownership¹
- Member of the U.S. Investor Stewardship Group and International Corporate Governance Network; signatory of stewardship codes in Japan and Korea
- ESG Leadership Team consists solely of investment professionals
- Natural alignment with our quality-focused investment philosophies
- \$12.9 billion in ESG assets²

Integration

- Investment opportunities and risks holistically incorporate material ESG considerations
- Proprietary framework focuses analysis on most relevant industry- or country-specific factors
- Proprietary Summit research platform facilitates seamless integration and analysis

William Blair ESG Materiality Framework Topic Structure

Environmental

Climate Change
Natural Resources Stewardship
Pollution and Waste

Social

Human Capital
Customer Well-Being
Supply Chain Management
Community Relations

Governance

Corporate Governance
Corporate Culture

Country ESG Factors

Political stability and institutional strength
Regulatory effectiveness, level of corruption, and rule of law
Demographic changes, living standards, and income inequality
Natural resource availability and climate change resilience



¹Per 2020 PRI Assessment Report. The median Equity Incorporation rating for all PRI signatories was A. The median Active Ownership rating for all PRI signatories was B.

²As of December 31, 2021. Includes separate accounts with client-specific screening criteria and WB sustainability strategies.

The inclusion of Environmental, Social and Governance (ESG) factors beyond traditional financial information in the selection of securities could result in a strategy's performance deviating from other strategies or benchmarks, depending on whether such factors are in or out of favor. ESG analysis may rely on certain values-based criteria to eliminate exposures found in similar strategies or benchmarks, which could result in performance deviating.

Diverse Thought Drives Strong Outcomes

Recruiting Strategy

- Diverse candidate and interviewer slates are the norm
- Gender-neutral job descriptions
- Always Be Recruiting networking casts a wide net

Industry Outreach

- Purposefully partner with Diverse Professional Organizations for networking, recruiting and to raise awareness
- Collaborate with other industry participants to promote D&I
- CFAI Experimental Partners Program

Internal Initiatives

- Global Inclusion Council sets the firm's strategy
- Business Resource Groups lead initiatives and support colleagues
- Courageous Conversations engage teams in new ways
- Unconscious bias training addresses blind spots
- Mentoring program provides 1x1 networking and feedback

Results

- Diverse leadership teams: IM led by a woman for over 20 years
- From 12/31/17 to 12/31/21:*

 - 32.5% of new hires are racially/ethnically diverse (R/ED) and 44.4% are women
 - Women represent 38.8% of IM
 - R/ED talent increased from 15.7% to 20.5%

- Of 8 mutual fund board members, 4 are women and 1 is R/ED
- Received 100% score on the Human Rights Campaign's 2021 Corporate Equality Index¹



*As of December 31, 2021. Excludes non-US employees. 117 hires. Mutual fund board members as of November 2021.

¹Human Rights Campaign's Corporate Equality Index is the national benchmarking survey and report measuring company policies and practices related to LGBTQ workplace equality.

Investment Strategies

Global reach and wide array of strategies and vehicles

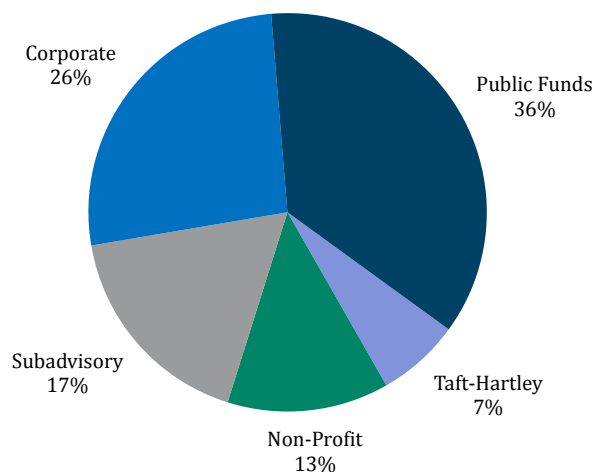
Teams	Strategies	Investment Professionals	AUM
Global Equity	<ul style="list-style-type: none"> Global Leaders Global Leaders Concentrated Global Leaders Sustainability International Growth International Leaders International Leaders Concentrated International Leaders ADR 	<ul style="list-style-type: none"> International Small Cap Growth Emerging Markets Growth Emerging Markets Leaders Emerging Markets Leaders Concentrated Emerging Markets Small Cap Growth Emerging Markets Ex China Growth China A-Shares Growth China Growth 	10 PMs, 16 analysts \$47.0b
U.S. Equity	U.S. Growth <ul style="list-style-type: none"> All Cap Growth Large Cap Growth Mid Cap Growth SMID Growth Small Cap Growth 	U.S. Core <ul style="list-style-type: none"> U.S. Equity Sustainability SMID Core U.S. Value <ul style="list-style-type: none"> Mid Cap Value SMID Value Small Cap Value 	10 PMs, 22 analysts \$29.9b
U.S. Fixed Income	<ul style="list-style-type: none"> Core Short Duration Bond Ultra-Short Duration Bond Sustainable Fixed Income 		4 PMs/analysts \$1.1b
Emerging Markets Debt	<ul style="list-style-type: none"> Hard Currency Local Currency Corporate Debt 	<ul style="list-style-type: none"> Frontier Blended 	10 PMs, 2 analysts \$153m
Global Multi-Asset & Currency	<ul style="list-style-type: none"> Macro Allocation Dynamic Diversified Allocation Global Diversified Return Absolute Return Currency 		2 PMs, 10 analysts \$1.6b

Assets as of December 31, 2021.

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Sophisticated Investor Base

Balanced mix of institutional clients representing \$79.6 billion in assets



Corporate

- Air Products & Chemical, Inc.
- AT&T
- Bank of America
- Boeing Company
- Caterpillar Inc.
- Fortune Brands
- Liberty Mutual Insurance
- Major League Baseball Office of the Commissioner
- PGA TOUR, Inc.

Endowment/Foundation

- The College of William and Mary Foundation
- Indiana University Foundation
- McGill University
- Toledo Museum of Art
- Truth Initiative
- University of California, Irvine Foundation

Healthcare & Not-For-Profit

- Advocate/Aurora Healthcare
- The Carle Foundation
- CommonSpirit Health
- Children's Hospital of New Orleans
- Clerics of St. Viator
- OhioHealth
- Rush University Medical Center
- SKL Investment Group, LLC

Subadvisory

- Charles Schwab
- Columbia Threadneedle Investments
- Fidelity
- Lombard Odier Darier Hentsch
- Northern Trust
- Prudential
- SEB Group
- UBS

Public Plans and Taft-Hartley

- **Alameda County Employees Retirement System**
- City of Lansing ERS & PFRS
- City of Orlando Pension Plans
- Colorado Public Employees Retirement Association
- **Contra Costa County Employees' Retirement Association**
- County Employees' Annuity and Benefit Fund of Cook County
- El Paso Firemen and Policemen's Pension Fund
- Employees' Retirement System of the City of Milwaukee
- Firemen's Annuity & Benefit Fund of Chicago
- Florida State Board of Administration
- Illinois State Board of Investment
- Illinois Municipal Retirement Fund
- Iowa Judiciary
- Laborers' Annuity and Benefit Fund of Chicago
- Municipal Employees' Annuity & Benefit Fund of Chicago
- Municipal Police Employees' Retirement System of Louisiana
- North Dakota State Retirement Board
- Nova Scotia Health Employees' Pension Fund
- **Orange County ERS**
- Oregon State Treasury
- Pensionskasse SBB (Swiss Federal Railway)
- Policemen's Annuity and Benefit Fund of Chicago
- Richmond Retirement System
- **Sacramento County ERS**
- San Diego City Employees' Retirement System
- Teachers' Retirement System of Louisiana
- **Tulare County Employees' Retirement Association**
- Washington State Investment Board

Clients shown in **bold** are SACRS counties created as part of the County Employees Retirement Law of 1937.

As of December 31, 2021.

This list is comprised of representative clients that have either given William Blair express permission to use their names or for whose services we provide have been made part of the public domain. Inclusion indicates the scope of clients served, but is not to be construed as an approval or disapproval of William Blair or its advisory services.

Strategy Overview

Assets Under Management

U.S. Growth & Core Equity Strategies

\$25.4 billion in assets under management

As of December 31, 2021

U.S. Equity Sustainability	\$73 million	David Fording, CFA
All Cap Growth	\$640 million	David Fording, CFA
	AUA ¹ \$99 million	
Large Cap Growth	\$5.0 billion	James Golan, CFA
	AUA¹ \$822 million	David Ricci, CFA
Mid Cap Growth	\$654 million	Dan Crowe, CFA Jim Jones, CFA
Small-Mid Cap Growth (Closed 3/18)	\$14.7 billion	Dan Crowe, CFA Jim Jones, CFA
Small-Mid Cap Core	\$1.9 billion	Dan Crowe, CFA Ward Sexton, CFA
Small Cap Growth	\$2.4 billion	Ward Sexton, CFA Mark Thompson, CFA

¹Assets under advisement (AUA) are in addition to assets under management and consist of assets managed by third parties in accordance with model portfolios provided by William Blair. William Blair does not have investment discretion or trading authority over these assets.

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Large Cap Growth Portfolio Team

Portfolio Management		Portfolio Specialists				
James Golan, CFA, Partner 34 years in industry 22 years at William Blair MBA, Northwestern University BA, DePauw University	David Ricci, CFA, Partner 28 years in industry 28 years at William Blair MBA, Harvard University ScB, Brown University	Robert Lanphier, Partner 34 years in industry 34 years at William Blair MBA, Northwestern University BS, Purdue University	Tara Patock, CFA, Partner 17 years in industry 8 years at William Blair MBA, University of Chicago BBA, Loyola University	Patrick Quinn, CFA, Partner¹ 21 years in industry 17 years at William Blair MBA, University of Chicago BS, Indiana University		
Research Analysts						
	Consumer	Financials	Healthcare	Industrials	Information Technology	Resources
<i>U.S. Large Cap</i>	Nancy Aversa, CFA 26 years in industry 6 years at William Blair	Mark Lane, Partner 30 years in industry 24 years at William Blair	Yan Krasov, CFA, Partner 19 years in industry 15 years at William Blair	Yan Krasov, CFA, Partner	James Golan, CFA, Partner 34 years in industry 22 years at William Blair	Chris Sweeney, CFA 8 years in industry 8 years at William Blair
<i>U.S. Mid Cap</i>	Catriona Duncan, CFA 14 years in industry 2 years at William Blair	Steve Livingston, CFA, Partner 18 years in industry 16 years at William Blair	Travis Cope, Partner 14 years in industry 14 years at William Blair	Paul Galat 22 years in industry 3 years at William Blair	Nabil Elsheshai, CFA 16 years in industry 1 year at William Blair Katelyn Young, CPA 11 years in industry 7 years at William Blair	Nick Zimmerman, CFA, Partner 18 years in industry 4 years at William Blair
U.S. All Cap Sustainability Analyst						
Shivani Patel² 5 years in industry 1 year at William Blair						
Research Associates (10)						

¹Patrick Quinn serves as Head of the U.S. Growth & Core Equity Team.

²Shivani Patel works directly with all research analysts on ESG integration.

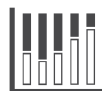
Large cap focused analysts have 20 years average experience in the industry and 12 years average experience at William Blair. As of January 2022.

William Blair Investment Management Equity Investment Teams



U.S. Growth & Core Equity

7 Portfolio Managers (18/25)
18 Research Analysts (10/18)
10 Research Associates (2/6)
3 Portfolio Specialists (20/24)



U.S. Value Equity

3 Portfolio Managers (<1/26)
4 Research Analysts (<1/19)
1 Portfolio Specialist (<1/16)



Global Equity

10 Portfolio Managers (15/27)
16 Research Analysts (11/14)
12 Research Associates (3/6)
4 Portfolio Specialists (14/22)



Trading

5 U.S. Equity (17/28)
7 Global Equity (10/19)



Other Resources

4 Systematic Research (11/19)
4 Strategy Research (17/29)

(Average years with firm/years in industry)
As of January 2022.

Investment Philosophy

We seek to invest in structurally advantaged companies when long term growth is underappreciated.

Structurally Advantaged Companies

Large-cap, quality growth companies where we have deep conviction in the following:

- **Industries** with profit growth \geq that of the overall economy
- **Companies** with profit growth \geq that of their overall industry, enabled by strong management, sustainable business models and solid financials



Inefficiently Priced Stocks *of Structurally Advantaged Companies*

Traditional Quality Growth

A better company than the market expects

- Faster growing
- More durable growth rates

Fallen Quality Growth

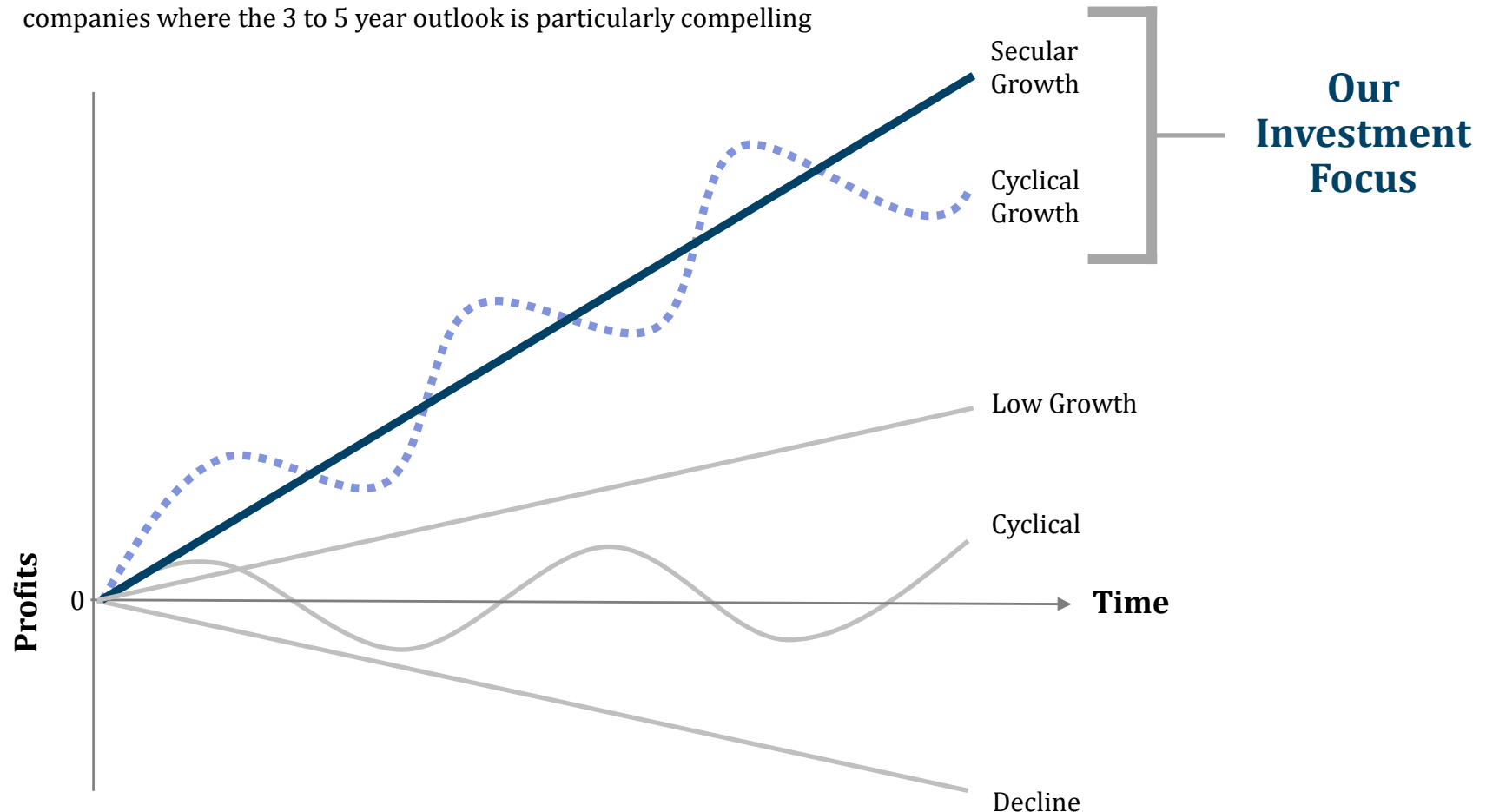
Short term issue

- Visibility reduced
- Market overreacts

Investment Process – Industry Assessment

Identifying Industries with Attractive Profit Growth

- Secularly, our in-depth research is focused on companies that compete in industries that we believe can grow faster than the overall economy
- Cyclically, and underpinned by attractive secular growth, we also evaluate companies where the 3 to 5 year outlook is particularly compelling



For illustrative purposes only.

Investment Process – Company Assessment

Identifying Durable Business Franchises

Strong Management



Sustainable Business Model



Solid Financials



Large Cap Growth Investment Process



Investment Process

Large Cap Growth Portfolio Construction and Risk Control

Portfolio Construction

Position Size Parameters

Typical Initial Position	1.0–2.5%
Position Limit at Market	7% ¹
Portfolio Holdings	30-40

Market Cap Range

Primarily above \$5 billion market capitalization at time of purchase

Sector Weight Parameters

Sector weights are generally .5x to 2x the benchmark weights of the major economic sectors

Risk Control

Absolute

- Best possible understanding of company
- Valuation discipline
- Position size management

Benchmark Relative

- Sector, industry and market cap weights
- Barra multi-factor risk analysis
- Internally-developed quantitative and multi-factor risk models

¹The greater of 7% or 150% of the Russell 1000 Growth benchmark weight.

Sector weights may vary over time as benchmark index weights shift. The data shown above is taken from a representative account. Calculated in FactSet based on Global Industry Classification Sectors (GICS).

Investment Process – Valuation Assessment

**We apply a valuation discipline to our buy and sell decisions.
Some of the metrics include:**

- Stock relative to its historical valuation
 - Stock relative to its peer group
 - Stock relative to the market
 - Stock relative to other companies with similar financial characteristics
-
- *Does the market price reflect our view of the company's long-term fundamentals?*
 - *Is the risk/reward favorable?*

Investment Process – Sell Discipline

Is it still structurally advantaged?

- Change in industry
- Change in company competitive position

Is valuation reasonable?

- Absolute and relative multiples
- Relative to other companies with similar financial characteristics

Are new candidates more attractive?

- New idea list creates constant buying pressure on portfolio

Are portfolio construction parameters met?

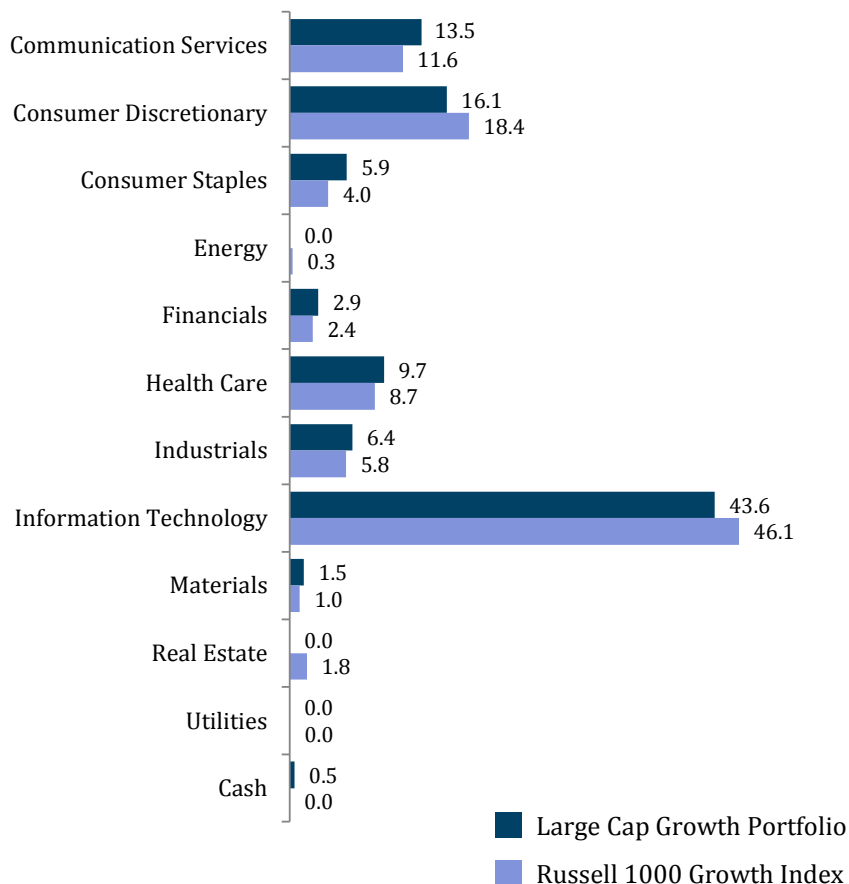
- Positions outside of parameters

Portfolio Composition and Performance

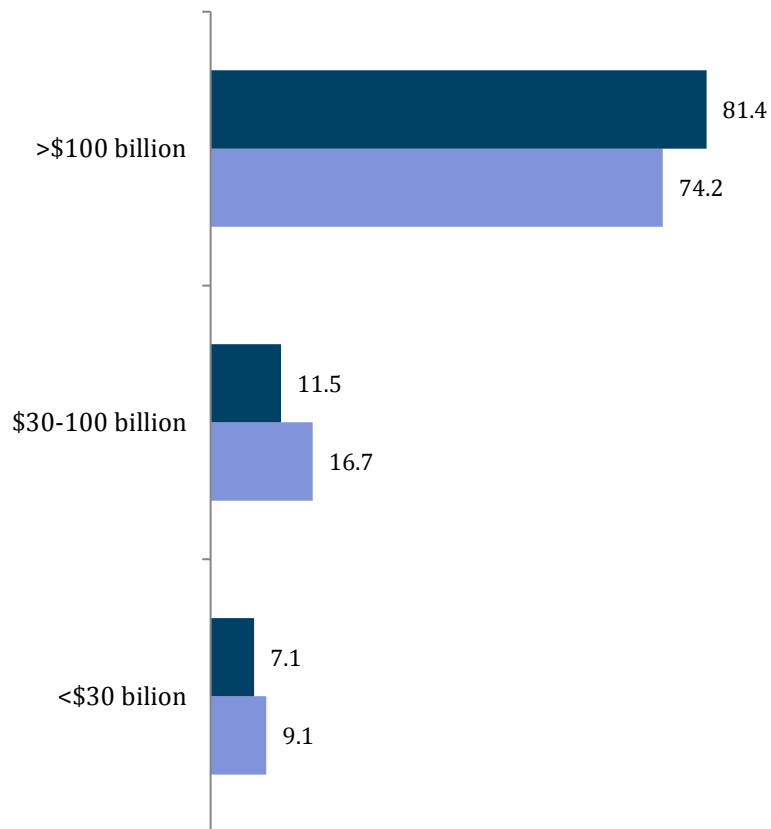
Large Cap Growth Portfolio Composition

December 31, 2021

Sector Diversification



Market Cap Breakdown¹



¹Portfolio allocations exclude cash.

Calculated in Eagle based on Global Industry Classification Sectors (GICS). The data shown above is based on the strategy's representative portfolio. Weights shown are percentages of total net assets. Sector weights may vary over time as benchmark index weights shift.

Top 15 Holdings – Large Cap Growth Portfolio

December 31, 2021

Top 15 Holdings – Large Cap Growth Portfolio

	Large Cap Growth Portfolio % In Portfolio	Russell 1000 Growth Index % In Index
Microsoft Corp	12.29	10.68
Alphabet Inc	8.34	6.11
Amazon.com Inc	8.04	6.10
Mastercard Inc	3.73	1.33
Accenture PLC	3.58	0.89
Costco Wholesale Corp	3.47	0.99
UnitedHealth Group Inc	3.26	0.14
Advanced Micro Devices Inc	3.19	0.73
PayPal Holdings Inc	3.17	0.93
NIKE Inc	3.08	0.87
NVIDIA Corp	2.99	2.97
Apollo Asset Management Inc	2.94	0.07
Intuit Inc	2.71	0.72
Netflix Inc	2.71	1.10
salesforce.com Inc	2.68	0.19
Total	66.19	33.82

Top 15 Holdings – Russell 1000 Growth Index

	Russell 1000 Growth Index % In Index	Large Cap Growth Portfolio % In Portfolio
Apple Inc	11.55	--
Microsoft Corp	10.68	12.29
Alphabet Inc	6.11	8.34
Amazon.com Inc	6.10	8.04
Tesla Inc	3.60	--
Meta Platforms Inc	3.35	--
NVIDIA Corp	2.97	2.99
Home Depot Inc/The	1.86	--
Visa Inc	1.55	--
Mastercard Inc	1.33	3.73
Adobe Inc	1.14	2.39
Broadcom Inc	1.12	--
Netflix Inc	1.10	2.71
AbbVie Inc	1.01	--
Costco Wholesale Corp	0.99	3.47
Total	54.45	43.97

	Large Cap Growth Portfolio	Russell 1000 Growth Index
Number of Securities	33	503

Calculated by William Blair. Specific securities identified and described do not represent all of the securities purchased, sold, or recommended and you should not assume that investments in the securities identified were or will be profitable. The data shown above is based on the strategy's representative portfolio. Holdings include cash. Individual securities listed in this report are for informational purposes only. Holdings are subject to change at any time. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities listed.

Large Cap Growth Portfolio Characteristics

December 31, 2021

The strategy's defining characteristics are:

- Higher Growth
- Higher Quality

As a result, the strategy typically exhibits:

- Higher Valuation
- Lower Dividend Yield

	Large Cap Growth Portfolio	Russell 1000 Growth Index
Growth		
EPS Growth Rate (LT forecast)	22.5%	22.1%
Quality		
Return on Assets (5-year average)	12.3%	12.1%
Free Cash Flow Margin	15.3%	17.4%
Debt to Total Capital	39.9%	47.4%
Valuation		
P/E (1-year forecast)	35.8x	30.9x
Dividend Yield	0.5%	0.7%
Capitalization (\$M)		
Weighted Average Market Cap	\$751,622	\$999,403
Weighted Median Market Cap	\$263,808	\$274,730
Portfolio Positions		
Number of Securities	33	503
Cash		
% Cash in Portfolio	0.5%	--
Active Share		
% Active Share	61.9%	--

Calculated by William Blair.

Large Cap Growth Strategy

Performance for periods ending December 31, 2021

	Annualized Returns						Annualized Risk ³ (Standard Deviation)	
					Since Jan 1 12 ¹	Strategy Inception (Jul 1 98)	5 Yr	10 Yr
Composite Performance (%)	1 Yr	3 Yr	5 Yr	10 Yr				
Large Cap Growth (Gross of fees)	29.09	34.54	27.87	21.66	21.66	9.93	15.48	13.91
Russell 1000 Growth Index	27.60	34.08	25.32	19.79	19.79	8.92	16.43	13.98
Relative Performance (Gross of fees)	1.49	0.47	2.56	1.87	1.87	1.01		

Annual Composite Performance (%)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Large Cap Growth (Gross of fees)	29.09	37.20	37.51	6.08	32.34	2.88	8.23	15.62	34.85	19.62	-2.33	17.14
Russell 1000 Growth Index	27.60	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	33.48	15.26	2.64	16.71
Relative Performance (Gross of fees)	1.49	-1.29	1.12	7.60	2.12	-4.19	2.56	2.57	1.36	4.36	-4.97	0.43

Annual Composite Performance (%)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998¹
Large Cap Growth (Gross of fees)	33.21	-37.18	10.30	7.84	5.20	6.42	26.19	-25.80	-17.03	-12.53	35.12	11.33
Russell 1000 Growth Index	37.21	-38.44	11.81	9.07	5.26	6.30	29.75	-27.88	-20.42	-22.42	33.16	15.22
Relative Performance (Gross of fees)	-4.00	1.26	-1.52	-1.24	-0.06	0.12	-3.56	2.09	3.40	9.90	1.96	-3.89

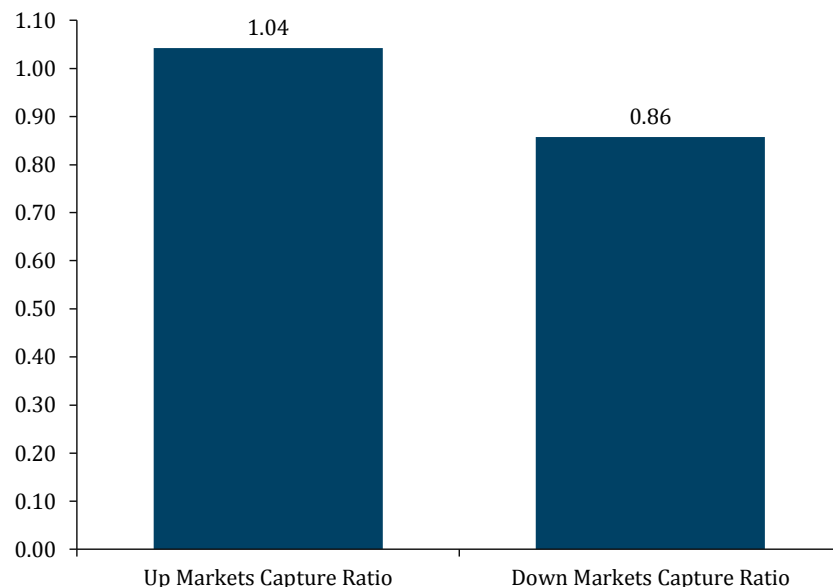
December 2021 performance is preliminary.

¹Reflects the inception of the strategy's current portfolio management team. Actual composite inception precedes the team's inception date. This information is supplemental to the William Blair Composite Disclosure slides located in the appendix. ²Partial year performance from July 1 to December 31, 1998. ³Annualized standard deviation of monthly returns.

Past performance is not indicative of future returns. Performance is shown in U.S. dollar unless otherwise noted. Returns for periods greater than one year are annualized. Gross performance results shown do not reflect the deduction of investment management fees, assume the reinvestment of dividends and capital gains, and are net of transaction costs. Performance results will be reduced by the fees incurred in the management of the account. For example, assuming an annual gross return of 8% and an annual management/advisory fee of .40%, the net annualized total return of the portfolio would be 7.58% over a 5-year period. Net investment performance represents the deduction of the highest possible fee. Investment management fees are described in William Blair's Form ADV Part 2A. The Russell 1000 Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. Please see GIPS Composite Report in appendix for a complete description of the composite.

Large Cap Growth Strategy Performance

January 1, 2012 - December 31, 2021¹
(% Gross of Fees)



Annualized Total Returns (%)	
Large Cap Growth Composite	21.66
Russell 1000 Growth Index	19.79

Based on:
35 up market quarters and 5 down market quarters

December 2021 performance is preliminary.

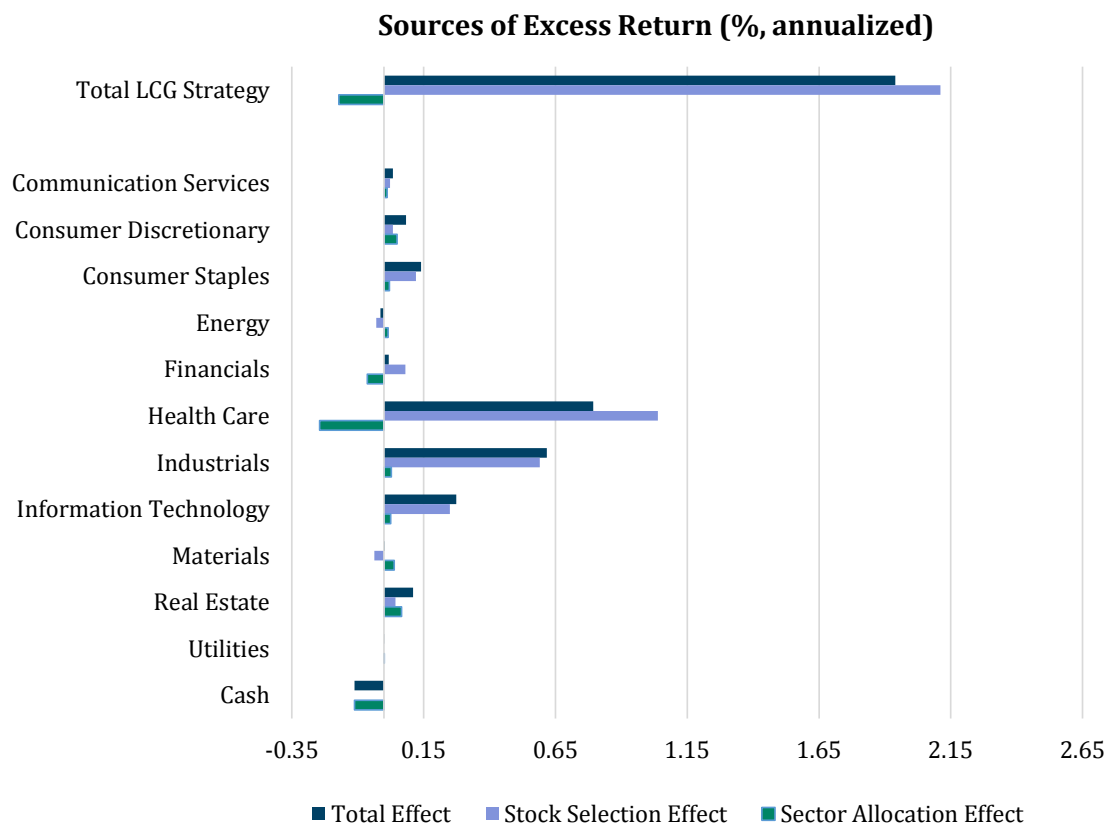
¹Reflects the inception of the strategy's current portfolio management team. Actual composite inception precedes the team's inception date. This information is supplemental to the William Blair Composite Disclosure slides located in the appendix.

Annualized up market returns: Large Cap Growth Composite 30.39%, Russell 1000 Growth Index 29.16%. Annualized down market returns: Large Cap Growth Composite -25.13%, Russell 1000 Growth Index -29.32%. The annualized up/down market returns reflect average annualized returns during positive and negative market environments based on the composite's stated benchmark. Up market capture ratio reflects the composite's annualized return during up markets (positive quarters) divided by the benchmark's annualized returns during up markets. The down markets capture ratio reflects the composite's annualized return during down markets (negative quarters) divided by the benchmark's annualized return during down markets. Calculated in FactSet using quarterly, annualized data.

Past performance is not indicative of future returns. Performance is shown in U.S. dollar unless otherwise noted. Returns for periods greater than one year are annualized. Gross performance results shown do not reflect the deduction of investment management fees, assume the reinvestment of dividends and capital gains, and are net of transaction costs. Performance results will be reduced by the fees incurred in the management of the account. For example, assuming an annual gross return of 8% and an annual management/advisory fee of .40%, the net annualized total return of the portfolio would be 7.58% over a 5-year period. Net investment performance represents the deduction of the highest possible fee. Investment management fees are described in William Blair's Form ADV Part 2A. The Russell 1000 Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. Please see GIPS Composite Report in appendix for a complete description of the composite.

Large Cap Growth Performance Attribution

January 1, 2012 through December 31, 2021



From January 1, 2012 to December 31, 2021:

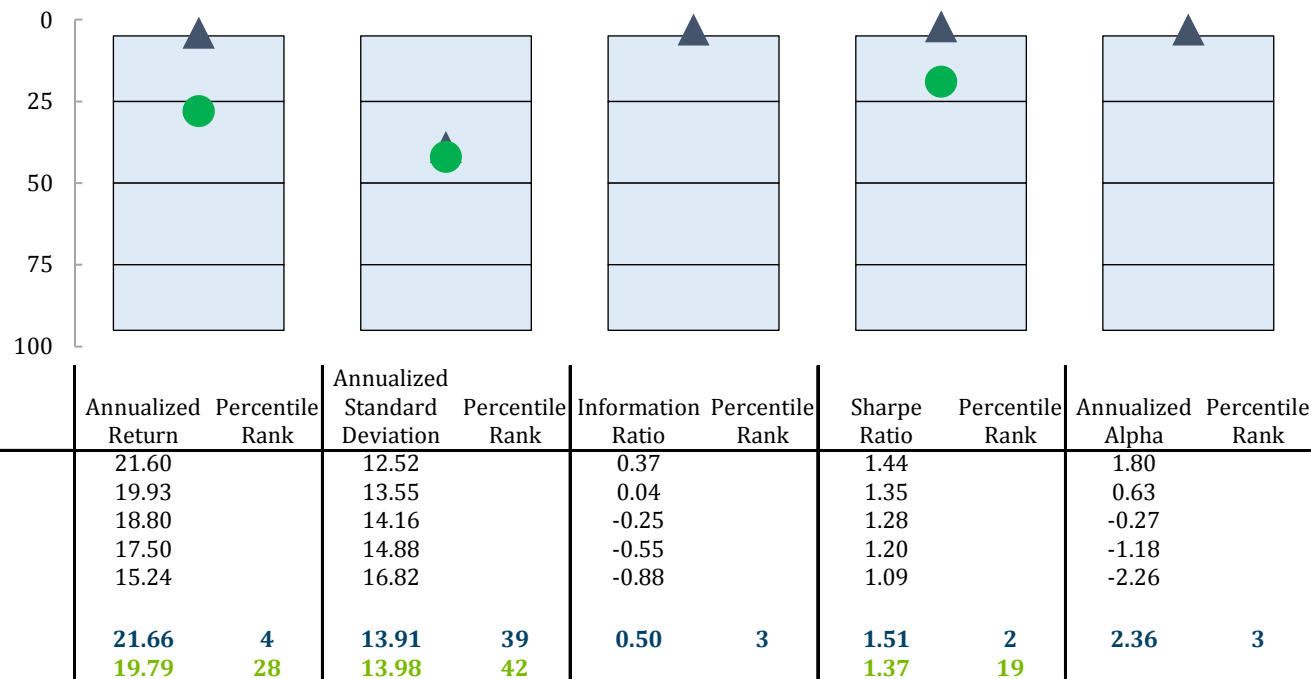
- The vast majority of excess return has been driven by stock selection, while the impact from sector allocations has been minimal
- Major growth sectors contributed positively to excess returns and no sectors were material detractors

Source: Eagle, William Blair, Proprietary attribution system.

Past performance is not indicative of future returns. The data shown above is based on the strategy's representative portfolio and is gross vs. the Russell 1000 Growth Index. Attribution by sector is based on estimated USD returns of equities held within the sectors listed. All stocks held during a measurement period, including purchases and sales, are included. Cash is not allocated among sectors. Calculations are for attribution analysis only and are not intended to represent simulated performance history. The actual returns may be higher or lower. The attribution analysis contained herein is intended to provide an estimate as to which elements of a strategy contributed (positively or negatively) to the strategy's representative portfolio's performance. Attribution analysis is not a precise measure and should not be relied upon for investment decisions.

Large Cap Growth Strategy

Performance Statistics Since January 1, 2012* Through December 31, 2021



Number of Managers

195

December 2021 performance is preliminary.

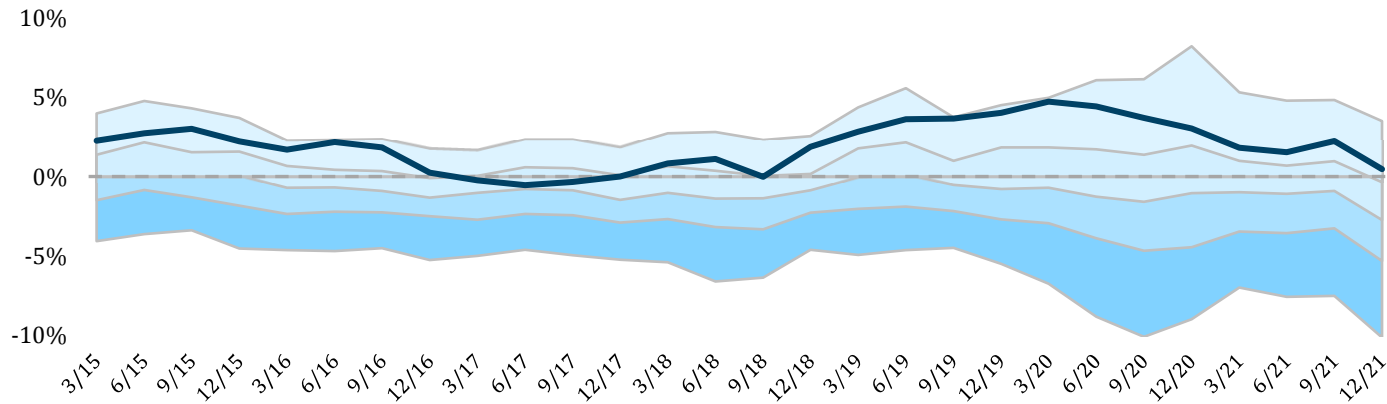
eVestment Alliance U.S. Large Cap Growth Universe data generated on January 17, 2022.

*Reflects the inception of the strategy's current management style. At this time, changes were made to the portfolio management team and the way the philosophy was implemented. Actual composite inception precedes this date. This information is supplemental to the composite disclosure slide located in the appendix. Performance shown is calculated in U.S. dollar, gross of fees, unless otherwise noted. eA Universe Construction Methodology Large Cap Growth - US Equity products that invest primarily in large capitalization stocks with fundamental characteristics showing high earnings growth expectations or in fast-growing economic sectors. The expected benchmarks for this universe would include the Russell 1000 Growth, S&P 500 or the S&P/BARRA Growth. Managers in this category will typically indicate a "Primary Capitalization Emphasis" equal to Large Cap and a "Primary Style Emphasis" equal to Growth. eVestment Alliance standard deviation reflects annualized calculation of quarterly returns. Percentile ranks are calculated across the eVestment universe using each manager's default reporting method and may include a mix of gross of fees and net of fees returns as reported by each manager.

Past performance is not indicative of future returns. Returns for periods greater than one year are annualized. Gross performance results shown do not reflect the deduction of investment management fees, assume the reinvestment of dividends and capital gains, and are net of transaction costs. Performance results will be reduced by the fees incurred in the management of the account. For example, assuming an annual gross return of 8% and an annual management/advisory fee of .40%, the net annualized total return of the portfolio would be 7.58% over a 5-year period. Net investment performance represents the deduction of the highest possible fee. Investment management fees are described in William Blair's Form ADV Part 2A. The Russell 1000 Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. Please see GIPS Composite Report in appendix for a complete description of the composite.

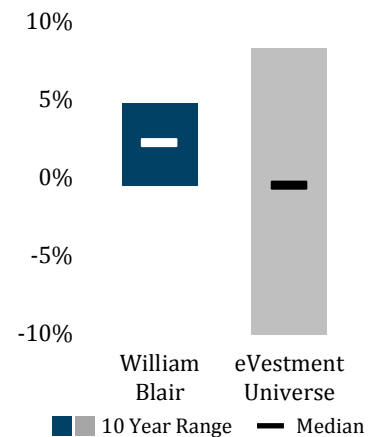
William Blair Large Cap Growth Consistency Over Time

Rolling 3-Year Excess Return vs. eVestment US Large Cap Growth Equity Universe

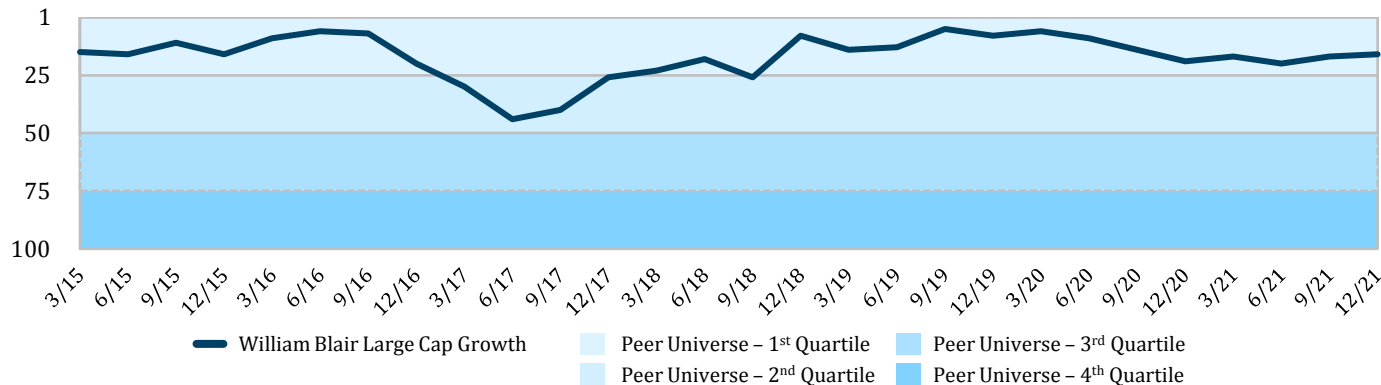


Overall batting average: 86%

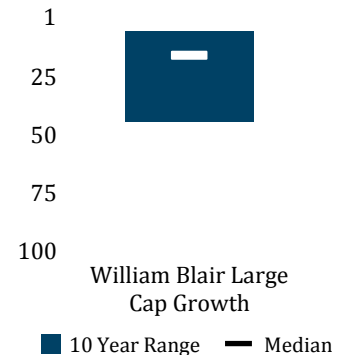
10 Year Historical Range



Rolling 3-Year Return Percentile Rank vs. eVestment US Large Cap Growth Equity Universe



10 Year Historical Range



Source: eVestment. All performance data calculated with monthly gross of fees returns. Excess returns vs. Russell 1000 Growth Index. Charts are shown with a quarterly roll back window for the 10-year period ended 12/31/2021. Peer universe consists of strategies in the eVestment US Large Cap Growth Equity Universe. Average number of managers in the peer universe for rolling time periods shown: 308. Batting average reflects rolling 3-year annualized returns vs. the Russell 1000 Growth Index, using a quarterly frequency, since team inception - 1/1/12.

Past performance is not indicative of future returns. Performance is shown in U.S. dollar unless otherwise noted. Returns for periods greater than one year are annualized. Gross performance results shown do not reflect the deduction of investment management fees, assume the reinvestment of dividends and capital gains, and are net of transaction costs. Performance results will be reduced by the fees incurred in the management of the account. For example, assuming an annual gross return of 8% and an annual management/advisory fee of .40%, the net annualized total return of the portfolio would be 7.58% over a 5-year period. Net investment performance represents the deduction of the highest possible fee. Investment management fees are described in William Blair's Form ADV Part 2A. The Russell 1000 Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. Please see GIPS Composite Report in appendix for a complete description of the composite.

Tulare County Employees' Retirement Association

Large Cap Growth Fee Schedule

Separate Account Annual Investment Management Fee

Account Size	Large Cap Growth
First \$50 million	0.50%
Next \$50 million	0.35%
Next \$150 million	0.30%
Over \$250 million	0.25%

We are pleased to offer a 10% discount based on our existing relationship with TCERA.

**The annual investment management fee for a separate account based on the above tiered fee schedule and applying the 10% discount would be:
0.43% at \$60mm, 0.40% at \$80mm, and 0.38% at \$100mm.**

Minimum separate account size: \$10mm.

For separate account mandates >\$400mm, investment management fees are 0.28% for the first \$400mm and 0.25% for amounts over \$400mm.

Please note that we also have pooled investment vehicles available, including Mutual Funds and Commingled Investment Trusts.

All separate account fees shown are annual, payable quarterly in arrears, based on the appraised total market value of the account(s) including accrued interest and dividends but excluding the current anticipated balance invested with any other William Blair strategy. Fee schedule effective February 2019.

Why William Blair Large Cap Growth?

A structured approach designed to provide focus and consistency to large cap investing through the three primary tenets:

- Highly **experienced and collaborative** investment team whose interests are aligned with clients
- **Structurally advantaged** philosophy narrows our focus to better understand long term growth and invest in inefficiently priced stocks
- Disciplined research and portfolio construction process **maximizes the impact of stock selection**

“When our clients succeed, the firm’s success will follow.”

Appendix

Holdings: Large Cap Growth

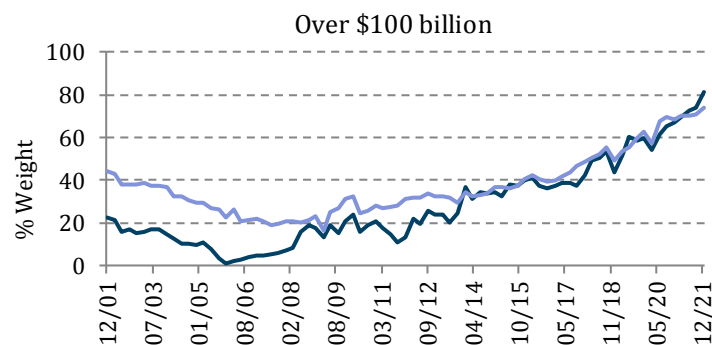
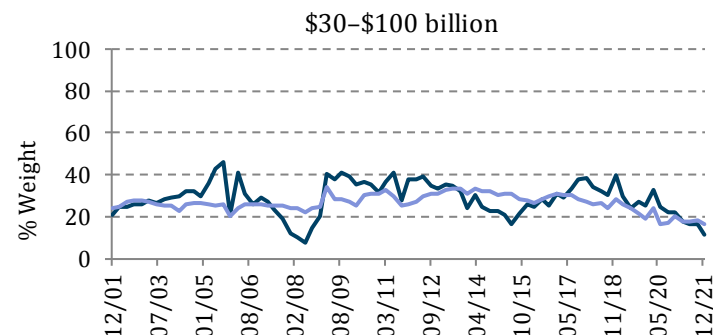
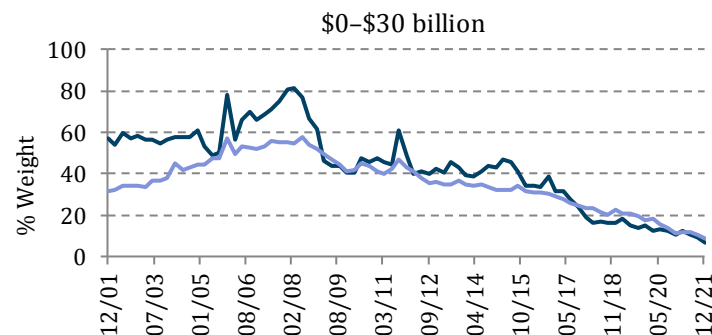
December 31, 2021

	Portfolio Weight	Benchmark Weight		Portfolio Weight	Benchmark Weight
COMMUNICATION SERVICES	13.54	11.59	INDUSTRIALS (continued)		
Alphabet Inc-Cl A	6.87	3.16	Fortive Corp	1.54	0.00
Netflix Inc	2.71	1.10	Costar Group Inc	0.48	0.10
Live Nation Entertainment In	2.49	0.03	INFORMATION TECHNOLOGY	43.56	46.06
Alphabet Inc-Cl C	1.48	2.95	Microsoft Corp	12.29	10.68
CONSUMER DISCRETIONARY	16.11	18.39	Mastercard Inc - A	3.73	1.33
Amazon.Com Inc	8.04	6.10	Accenture Plc-Cl A	3.58	0.89
Nike Inc -Cl B	3.08	0.87	Advanced Micro Devices	3.19	0.73
Starbucks Corp	2.59	0.58	Paypal Holdings Inc	3.17	0.93
Marriott International -Cl A	2.40	0.19	Nvidia Corp	2.99	2.97
CONSUMER STAPLES	5.85	3.96	Intuit Inc	2.71	0.72
Costco Wholesale Corp	3.47	0.99	Salesforce.Com Inc	2.68	0.19
Estee Lauder Companies-Cl A	2.38	0.36	Adobe Inc	2.39	1.14
ENERGY	0.00	0.31	Texas Instruments Inc	2.19	0.45
FINANCIALS	2.94	2.37	Lam Research Corp	2.09	0.43
Apollo Global Management Inc	2.94	0.07	Unity Software Inc	1.28	0.09
HEALTH CARE	9.66	8.73	Guidewire Software Inc	1.26	0.00
Unitedhealth Group Inc	3.26	0.14	MATERIALS	1.46	1.02
Zoetis Inc	2.40	0.46	Linde PLC	1.46	0.00
Stryker Corp	2.22	0.17	REAL ESTATE	0.00	1.77
Abiomed Inc	1.78	0.07	UTILITIES	0.00	0.03
INDUSTRIALS	6.42	5.79	Cash	0.48	0.00
Copart Inc	2.30	0.13	Total	100.00	100.00
Equifax Inc	2.08	0.06			

The data shown above is based on the strategy's representative portfolio. Holdings include cash. Individual securities listed in this report are for informational purposes only. Holdings are subject to change at any time. This information does not constitute, and should not be construed as, investment advice or recommendations with respect to the securities listed.

Large Cap Growth Portfolio Capitalization Structure

December 31, 2021



— Large Cap Growth Portfolio
— Russell 1000 Growth Index

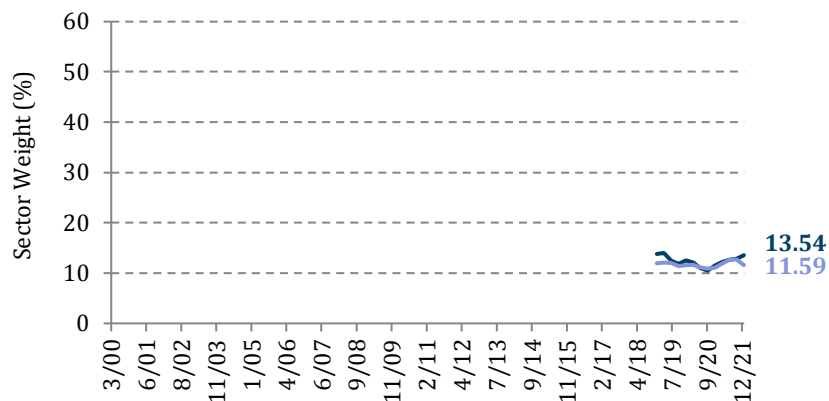
	Large Cap Growth	Russell 1000 Growth
Weighted Average Market Cap (\$B)	\$751.6	\$999.4
Weighted Median Market Cap (\$B)	\$263.8	\$274.7

Calculated in Eagle. The data shown above is based on the strategy's representative portfolio.

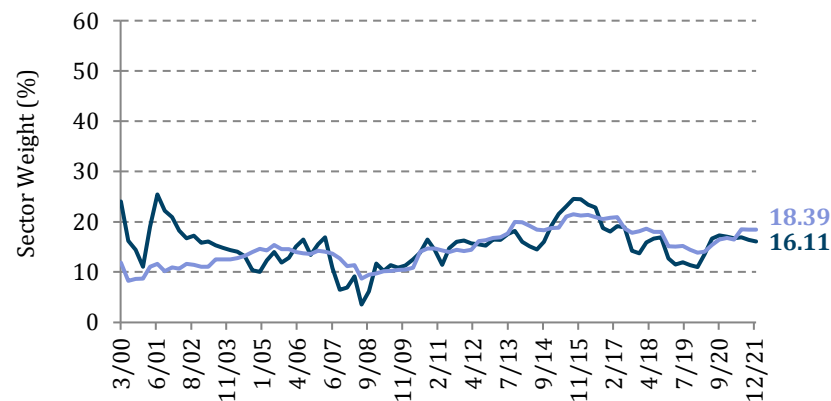
Large Cap Growth Portfolio Sector Weights and Performance

December 31, 2021

Communication Services

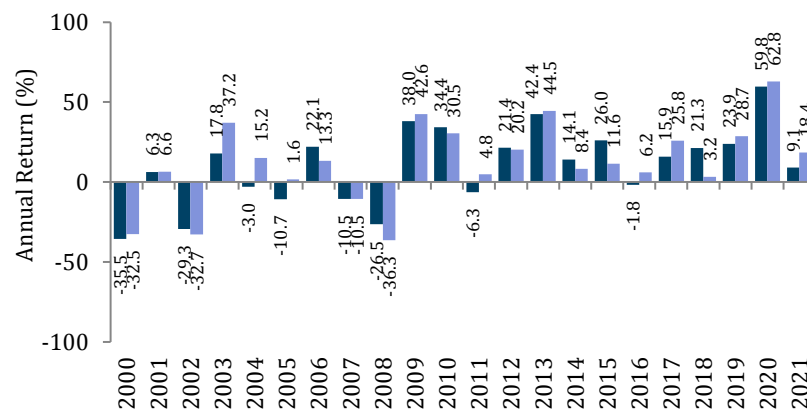
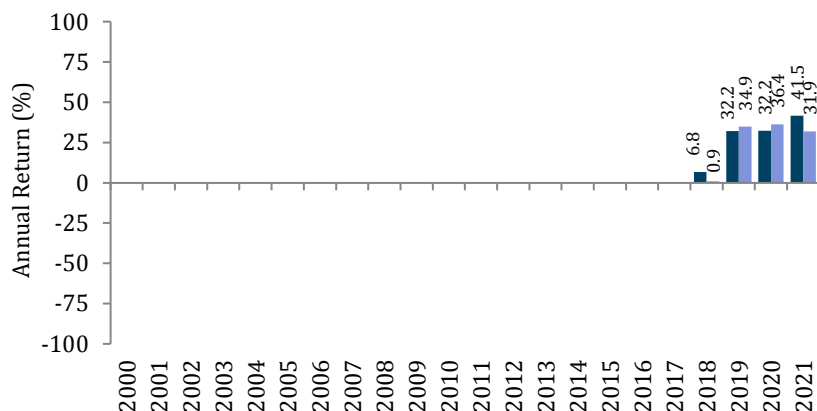


Consumer Discretionary



Large Cap Growth Representative Portfolio

Russell 1000 Growth Index



Large Cap Growth Representative Portfolio

Russell 1000 Growth Index

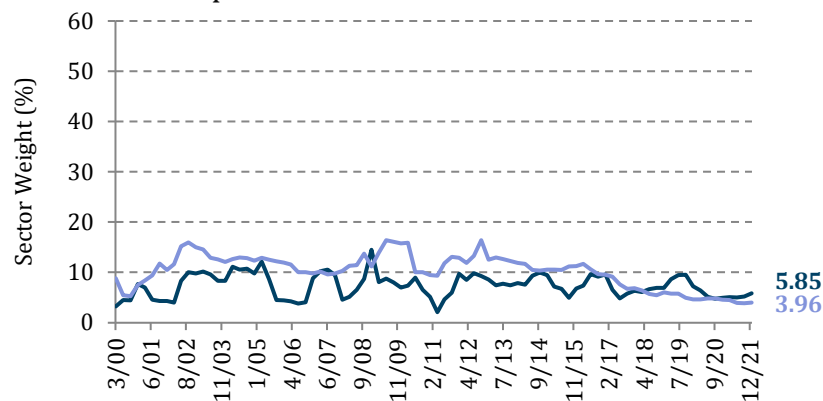
Sector weights calculated in Eagle based on Global Industry Classification Sectors (GICS). Attribution source: William Blair, Proprietary attribution system. Communication Services attribution for 2018 is from October 1, 2018-December 31, 2018.

Past performance is not indicative of future returns. The data shown above is based on the strategy's representative portfolio. Cash is a residual of the total sector allocation.

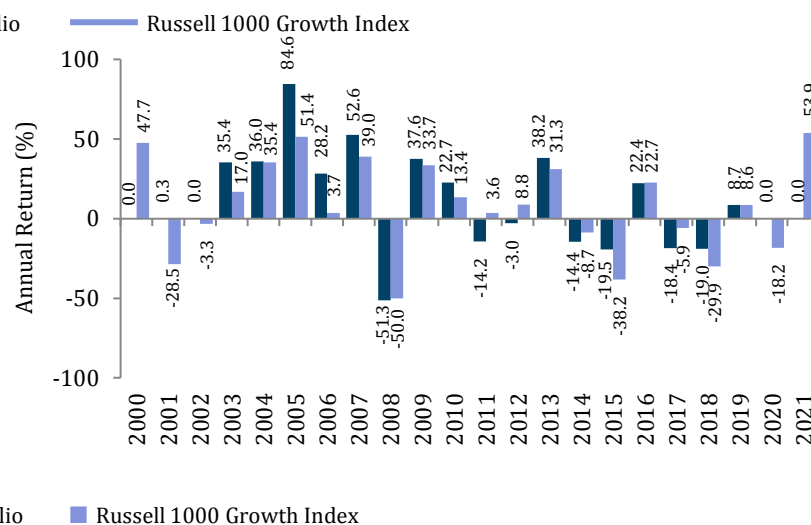
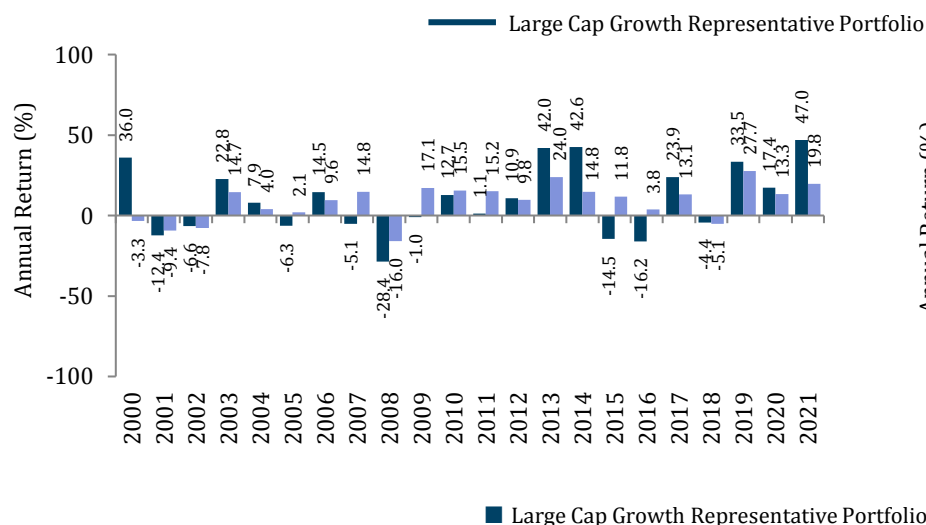
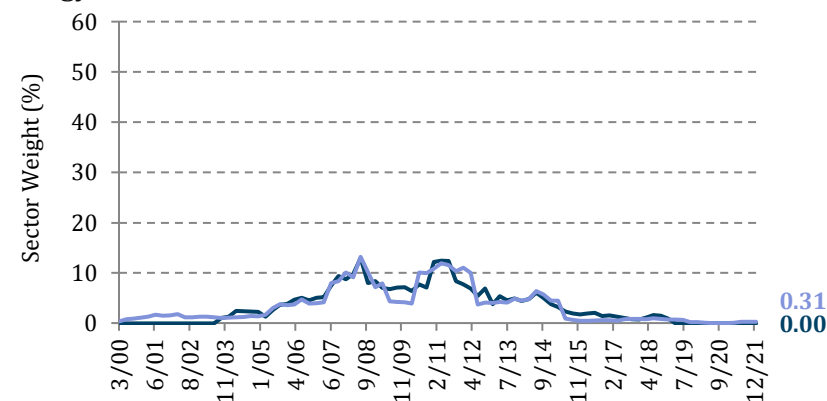
Large Cap Growth Portfolio Sector Weights and Performance

December 31, 2021

Consumer Staples



Energy



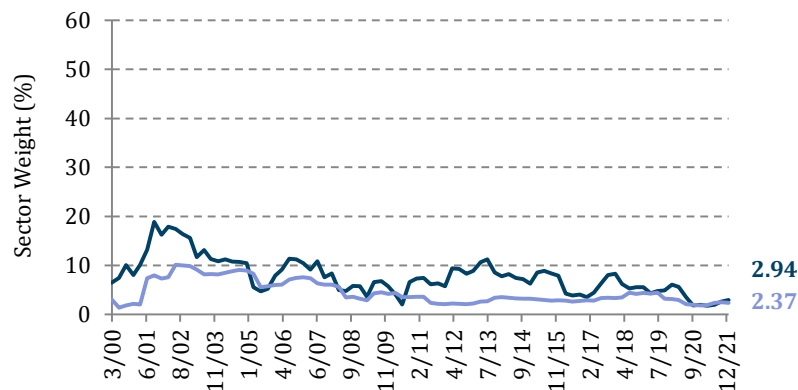
Sector weights calculated in Eagle based on Global Industry Classification Sectors (GICS). Attribution source: William Blair, Proprietary attribution system.

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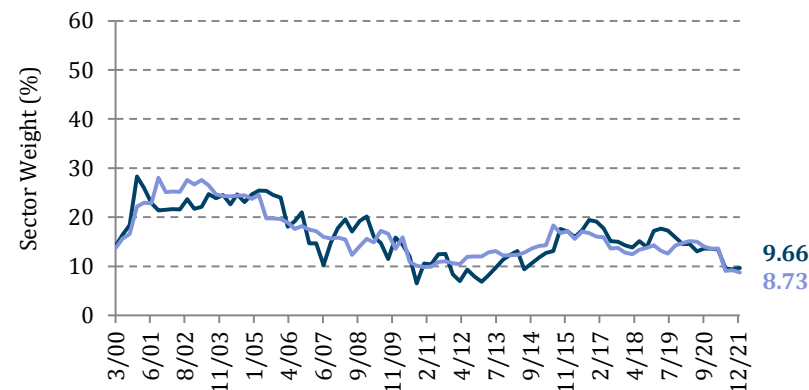
Large Cap Growth Portfolio Sector Weights and Performance

December 31, 2021

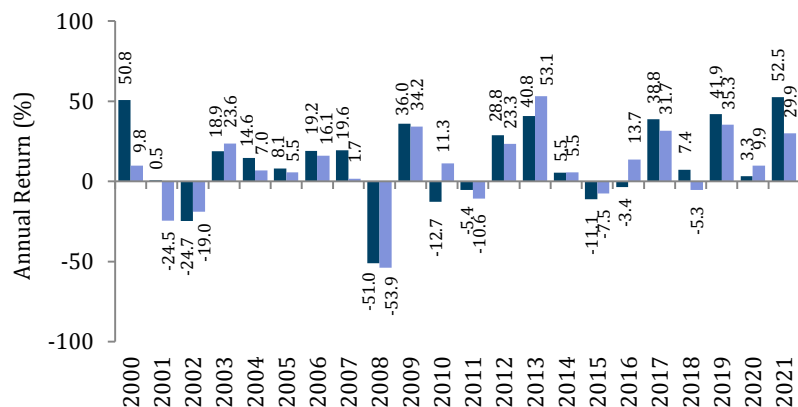
Financials



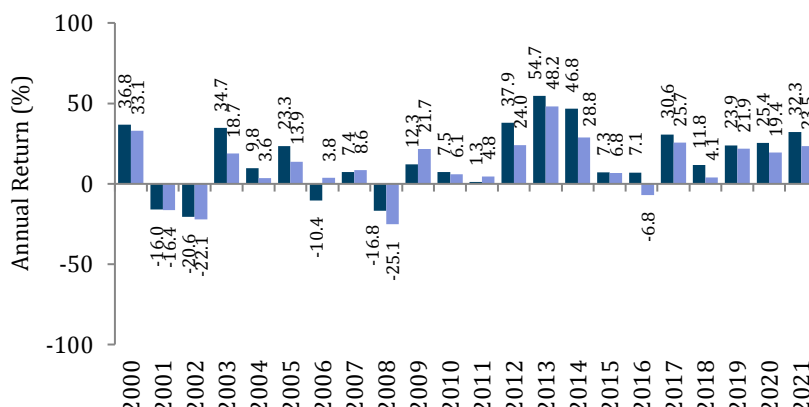
Healthcare



Annual Return (%)



Annual Return (%)



■ Large Cap Growth Representative Portfolio ■ Russell 1000 Growth Index

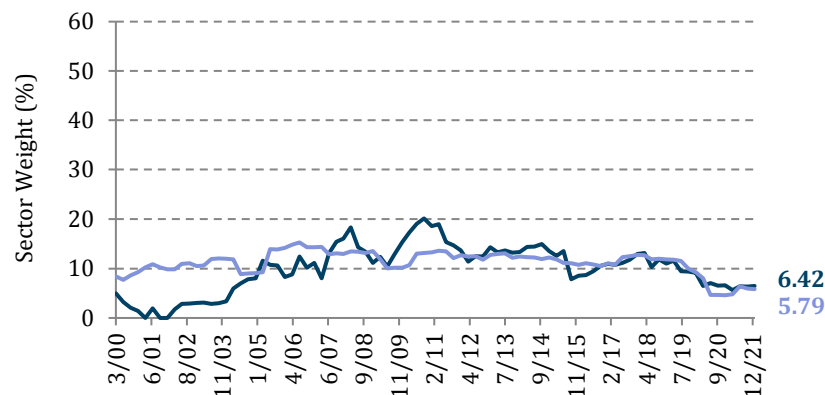
Sector weights calculated in Eagle based on Global Industry Classification Sectors (GICS). Attribution source: William Blair, Proprietary attribution system.

Past performance is not indicative of future returns. The data shown above is based on the strategy's representative portfolio. Cash is a residual of the total sector allocation.

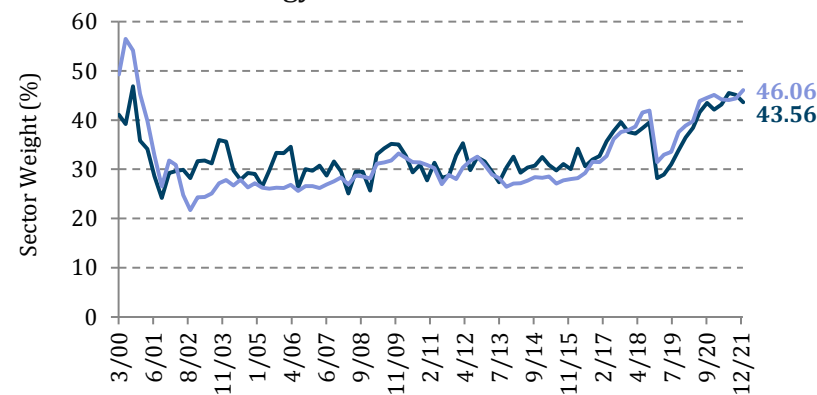
Large Cap Growth Portfolio Sector Weights and Performance

December 31, 2021

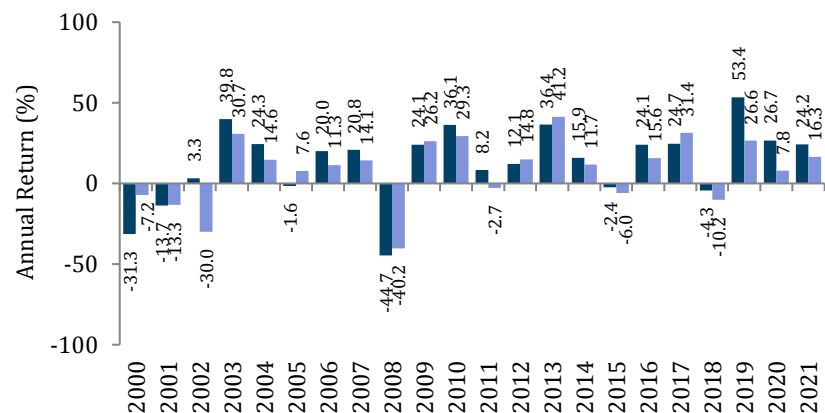
Industrials



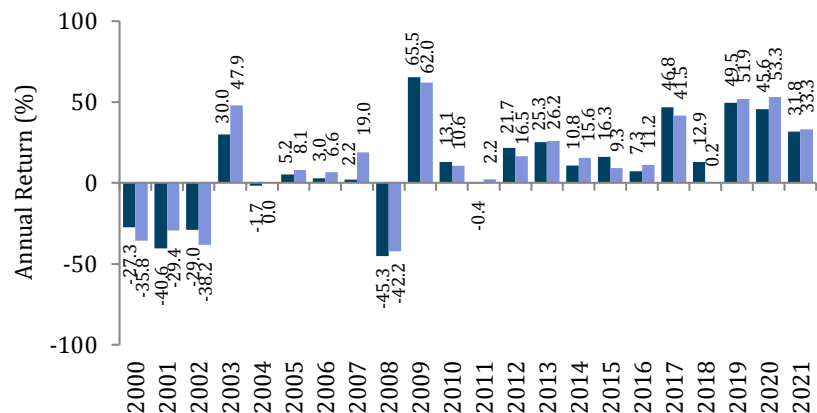
Information Technology



Annual Return (%)



Annual Return (%)



■ Large Cap Growth Representative Portfolio ■ Russell 1000 Growth Index

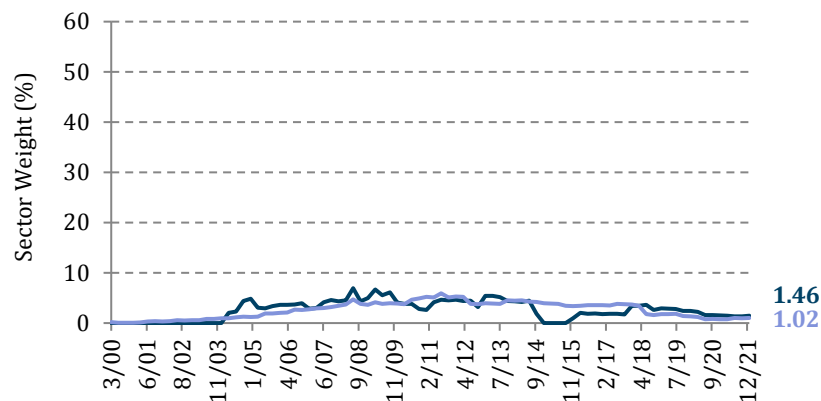
Sector weights calculated in Eagle based on Global Industry Classification Sectors (GICS). Attribution source: William Blair, Proprietary attribution system.

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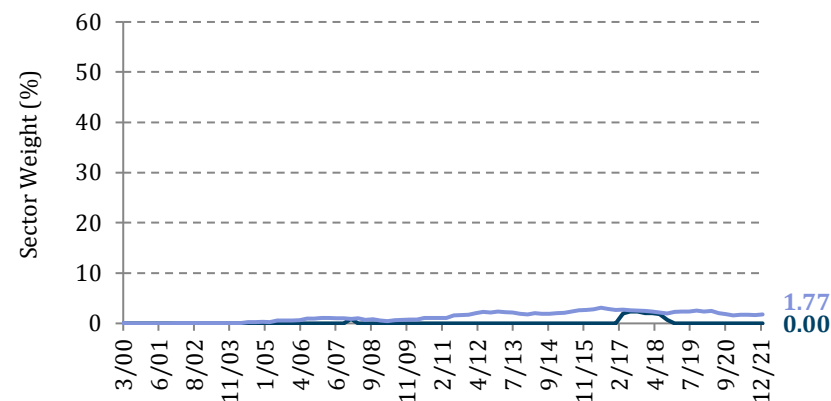
Large Cap Growth Portfolio Sector Weights and Performance

December 31, 2021

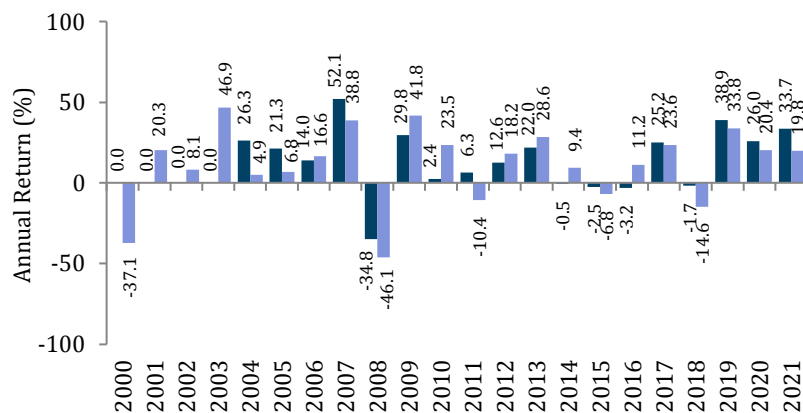
Materials



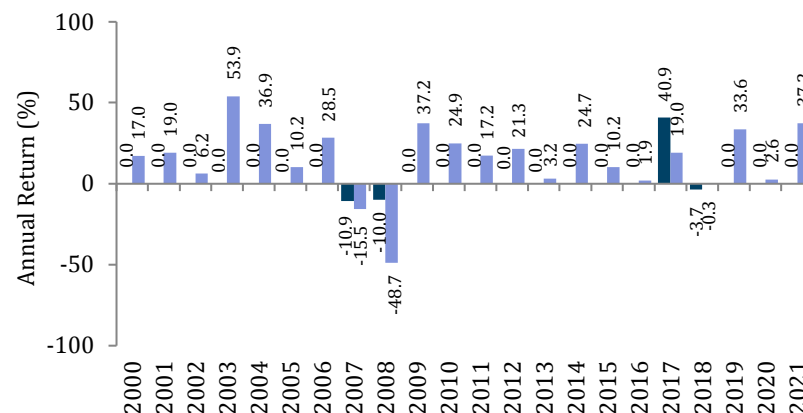
Real Estate



Large Cap Growth Representative Portfolio



Russell 1000 Growth Index



Large Cap Growth Representative Portfolio

Russell 1000 Growth Index

Sector weights calculated in Eagle based on Global Industry Classification Sectors (GICS). Attribution source: William Blair, Proprietary attribution system.

Past performance is not indicative of future returns. The data shown above is based on the strategy's representative portfolio. Cash is a residual of the total sector allocation.

Biographies – Large Cap Growth Team

James Golan, CFA, Partner

Jim Golan, CFA, partner, is a portfolio manager on William Blair's Large Cap Growth strategy and a research analyst covering U.S. large-cap technology stocks. From 2000 until 2005, when he assumed his current role, Jim was a research analyst focusing on financial, technology, industrial, and resource stocks. Before joining William Blair in 2000, he worked at Citigroup Global Asset Management, where he was a global research team leader for the telecommunications sector and a key member of the team that devised valuation metrics for standardizing the analysis of U.S. and international companies. Jim began his career at Kemper Financial as a research analyst covering telecommunications, technology, energy, industrial, food, and beverage companies. He is a member of the CFA Institute and the CFA Society Chicago. Jim received a B.A. in economics from DePauw University and an M.B.A. in finance from Northwestern University's Kellogg Graduate School of Management.

David Ricci, CFA, Partner

David Ricci, CFA, partner, is a portfolio manager on William Blair's Large Cap Growth strategy, which he joined in 2011. From 2005 to 2018, he was also a portfolio manager on the Mid Cap Growth strategy. Previously, he was the group head for the consumer sector, focusing on specialty retail and e-commerce companies, in William Blair's sell-side research group. Before joining William Blair in 1994, David gained extensive experience at Procter & Gamble, Melville, and Bain & Company. He is a member of the CFA Institute and the CFA Society Chicago. David received a Sc.B., magna cum laude, from Brown University and an M.B.A. from Harvard Business School.

Robert Lanphier, Partner

Rob Lanphier, partner, is a portfolio specialist for William Blair's U.S. growth and core equity strategies. Previously, he was a portfolio manager on William Blair's Mid Cap Growth, Small-Mid Cap Growth, and Small-Mid Cap Core strategies. He co-founded the Mid Cap Growth strategy in 1997 and the Small-Mid Cap Growth strategy in 1998. Before that, he was with William Blair's sell-side institutional sales group for eight years. He joined William Blair in 1987. Before joining the investment industry, Rob was with Emerson Electric Corporation for nearly six years. He received a B.S., with honors, from Purdue University and an M.B.A. from Northwestern University's Kellogg Graduate School of Management.

Tara Patock, CFA, Partner

Tara Patock, CFA, partner, is a portfolio specialist for William Blair's U.S. growth and core equity strategies. She is also a member of the ESG leadership team for William Blair Investment Management. Before joining the firm in 2013, she was a consultant with Pavilion Advisory Group. Before joining Pavilion, she was a registered sales associate with Oppenheimer & Co. Tara is a member of the CFA Institute and the CFA Society Chicago. In addition, she holds the SASB Fundamentals of Sustainability Accounting (FSA) credential. Tara received a B.B.A., summa cum laude, in economics and finance from Loyola University Chicago and an M.B.A., with honors, from the University of Chicago's Booth School of Business.

Patrick Quinn, CFA, Partner

Patrick Quinn, CFA, Partner, is the head of the U.S. growth and core equity team for William Blair Investment Management and a portfolio specialist for the firm's U.S. growth and core equity strategies. He is also a member of the leadership team for William Blair Investment Management and sits on the firm's extended leadership group. Before joining William Blair in 2004, Patrick was an institutional equity trader with Strong Capital Management. He is a member of the CFA Institute and the CFA Society Chicago. Patrick received a B.S. in accounting and finance from Indiana University and an M.B.A., with honors, from the University of Chicago's Booth School of Business.

Aden Gebeyehu

Aden Gebeyehu is an associate portfolio specialist for William Blair's U.S. growth and core equity strategies. She joined William Blair in 2017 as a research administrator before becoming an associate portfolio specialist in 2019. Before joining the firm, she was a research coordinator with Robert W. Baird. Aden received a B.S. in biology from the University of Illinois at Urbana-Champaign.

Biographies – U.S. Growth & Core Equity Research Team

Nancy Aversa, CFA

Nancy Aversa, CFA, is a research analyst at William Blair Investment Management. She focuses on U.S. large-cap consumer companies. Before joining William Blair in 2015, Nancy worked in the research department and on the portfolio teams of Federated Investors for 10 years. During her time at Federated, Nancy covered a broad range of U.S. consumer cyclical and consumer staples equities for both long-only and short-only portfolio strategies. Before that, she was a consumer research analyst with Victory Capital Management. Nancy started her career in investment banking with McDonald Investments. She is a member of the CFA Institute and the CFA Society Chicago. Nancy received a B.Com. from the University of Windsor and an M.B.A. from the University of Windsor.

Henry Baby, CFA, Partner

Henry Baby, CFA, partner, is a U.S. small-cap generalist research analyst at William Blair Investment Management. He joined William Blair in December 2014 after running his own firm, Six Corners Capital, for more than five years. Previously, Henry was an equity analyst at RMB Capital Management and Holland Capital Management in Chicago. He is a member of the CFA Institute and the CFA Society Chicago. Henry received a B.S. in finance from Boston College and an M.B.A. from the University of Chicago's Booth School of Business.

Travis Cope, Partner

Travis Cope, partner, is a research analyst with William Blair Investment Management. He focuses on U.S. mid-cap healthcare companies. He joined William Blair in 2008 as a U.S. research associate, before becoming an analyst in 2011. Travis was also a generalist analyst covering emerging market small-cap companies and non-U.S. small-cap resources companies. Before joining the firm, he was an analyst at Macquarie Bank in Chicago, where he engaged in corporate restructuring advisory activity. Travis received an M.A. in international relations and modern history from the University of St. Andrews in Scotland.

Catriona Duncan, CFA

Catriona Duncan, CFA, is a research analyst at William Blair Investment Management. In this role, she focuses on U.S. mid-cap consumer companies. Before joining William Blair, Catriona was an equity analyst at Columbia Threadneedle Investments where she covered the consumer and communication services sectors. Before that, she was a vice president on the U.S. growth team at Piper Jaffray and a senior analyst in public equity investments at Morgan Creek Capital Management. Catriona is a member of the CFA Institute and CFA Society Chicago. She received a B.A. in government from Harvard University and an M.B.A., with honors, from the University of Chicago's Booth School of Business.

Christopher Ehley, CFA

Christopher Ehley, CFA, is a U.S. small-cap generalist research analyst at William Blair Investment Management. Previously, he was an equity research associate on the U.S. equity team. Before joining the firm in 2011, Christopher was an equity analyst at Busey Wealth Management. He is a CFA charterholder. Christopher received a B.A. in finance and economics from the University of Illinois and an M.B.A. from the University of Chicago's Booth School of Business.

Nabil Elsheshai, CFA

Nabil Elsheshai, CFA, is a research analyst at William Blair Investment Management. He focuses on U.S. mid-cap technology companies. Nabil has extensive industry experience. Before joining William Blair in 2020, he held analyst positions on the buy side at Thrivent Financial, where he covered software, IT services, and internet companies, and the sell side at Pacific Crest Securities (now Keybank), where he covered infrastructure and analytics software. Nabil also held senior finance roles at Teradata and senior product management roles at Oracle, Informatica, and other technology companies. He is a member of the CFA Institute and CFA Society of San Diego. Nabil received a B.A. in engineering science from Vanderbilt University and an M.S. in industrial engineering from the Georgia Institute of Technology.

Brad Ernst, CFA

Brad Ernst, CFA, is a research analyst at William Blair Investment Management. He focuses on U.S. small-cap consumer companies. Before joining William Blair in 2021, Brad was a research analyst at Columbia Wanger Asset Management for six years, where he covered healthcare and consumer companies. He was also an equity analyst summer intern at Capital Group during business school. Before transitioning to investment management, Brad held various financial analyst roles at Accretive Health, a hospital revenue cycle consulting firm. He is a member of the CFA Institute and CFA Society of Chicago. Brad received a B.A. in economics (with high honors) and mathematics from Colgate University and an M.B.A. from the University of Chicago's Booth School of Business.

Biographies – U.S. Growth & Core Equity Research Team

Paul Galat

Paul Galat is a research analyst at William Blair Investment Management. In this role, he focuses on U.S. mid-cap industrials companies. Before joining the firm as a research analyst in 2019, he was the managing partner and founder of PDG Capital for three years. Before that, he was a managing director at Advisory Research, Inc. for four years. Paul received a B.S. in finance (with an emphasis on accounting) from Miami University and an M.B.A. (with an emphasis on finance) from Indiana University's Kelley School of Business.

James Golan, CFA, Partner

Jim Golan, CFA, partner, is a portfolio manager on William Blair's Large Cap Growth strategy and a research analyst covering U.S. large-cap technology stocks. From 2000 until 2005, when he assumed his current role, Jim was a research analyst focusing on financial, technology, industrial, and resource stocks. Before joining William Blair in 2000, he worked at Citigroup Global Asset Management, where he was a global research team leader for the telecommunications sector and a key member of the team that devised valuation metrics for standardizing the analysis of U.S. and international companies. Jim began his career at Kemper Financial as a research analyst covering telecommunications, technology, energy, industrial, food, and beverage companies. He is a member of the CFA Institute and the CFA Society Chicago. Jim received a B.A. in economics from DePauw University and an M.B.A. in finance from Northwestern University's Kellogg Graduate School of Management.

Yan Krasov, CFA, Partner

Yan Krasov, CFA, partner, is a research analyst at William Blair Investment Management. He focuses on U.S. large-cap industrials and healthcare companies. Before joining William Blair in September 2006, Yan spent four years at JPMorgan Securities in Chicago, where he began his career in the firm's institutional equity sales and private client services groups. He is a member of the CFA Institute and the CFA Society Chicago. In addition, he holds the SASB Fundamentals of Sustainability Accounting (FSA) credential. Yan received a B.S. in speech and economics from Northwestern University and an M.B.A. from the University of Chicago's Booth School of Business.

Mark Lane, Partner

Mark Lane, partner, is a research analyst with William Blair Investment Management. He focuses on U.S. financials across all market caps. From June 2013 to June 2017, Mark also served as the director of research for William Blair's U.S. growth equity strategies. Before that, he was a financials sector analyst with William Blair's sell-side research department, where he specialized in asset management, brokerage, exchanges, and investment banking. Before joining William Blair in 1998, Mark worked as a senior underwriter for The St. Paul Companies, where he analyzed specialty property-casualty insurance risks, and Goldman Sachs, where he worked as an analyst in the Chicago high-net-worth money-management group. Mark received a B.A. in economics from Northwestern University and an M.B.A. from the University of Chicago's Booth School of Business.

Stephen Livingston, CFA, Partner

Stephen Livingston, CFA, partner, is a research analyst at William Blair Investment Management. He focuses on small- and mid-cap real estate. Previously, he was an associate portfolio manager for William Blair's Small and Small-Mid Cap Value strategies. Before that, Stephen spent two years as a research associate on the U.S. growth & core equity research team, covering the financials and industrials sectors. Before that, he was a research associate in William Blair's sell-side research group, covering the technology sector. Before joining William Blair in 2006, Stephen worked at both FTN Midwest and UBS. Stephen is a member of the CFA Institute and the CFA Society Chicago. He received a B.S.B.A. in finance from The Ohio State University and an M.B.A. from the University of Chicago's Booth School of Business.

Simon McGrotty

Simon McGrotty is a research analyst at William Blair Investment Management. In this role, he focuses on U.S. small-cap industrials companies. Before joining William Blair in July 2016, Simon was an equity research analyst covering European consumer and leisure companies at Davy Stockbrokers for five years. Before that, he was an investment analyst at Mediolanum Asset Management. Simon received a B.A. in economics from University College Dublin, an M.Sc. in finance and capital markets from Dublin City University, and an M.B.A. from the University of Chicago's Booth School of Business.

Shivani Patel

Shivani Patel is a U.S. sustainability analyst on William Blair Investment Management's U.S. Growth and Core Equity team. In coordination with our other analysts, Shivani focuses on sustainability research and ESG engagement efforts across sectors and market capitalizations, as well as supports our U.S. Equity Sustainability strategy. Before joining William Blair, Shivani was an associate director of responsible investing at RBC Global Asset Management, where she worked on developing the U.S. ESG strategy and served as an ESG subject matter expert. Before that, she was an associate in RBC's leadership development program. Shivani started her career focused on corporate strategy in the European media industry. She received a B.S. in psychology from McGill University and an M.B.A. concentrated in finance from the University of Toronto's Rotman School of Management.

Biographies – U.S. Growth & Core Equity Research Team

Chris Sweeney, CFA

Chris Sweeney, CFA, is a research analyst at William Blair Investment Management. In this role, he focuses on U.S. large-cap resources companies and select industries within U.S. large-cap technology. Before joining William Blair as a research associate in June 2014, Chris was an economic content specialist at FactSet Research Systems. He is a member of the CFA Institute and CFA Society Chicago. Chris received a B.A. in economics from Yale University and an M.B.A. from the University of Chicago's Booth School of Business.

Corey Tobin, Partner

Corey Tobin, partner, is a research analyst and director of research for the U.S. Growth and Core Equity team at William Blair Investment Management. He focuses on U.S. small-cap technology companies. Before rejoining William Blair in 2012, Corey was the senior vice president of healthcare solutions and corporate planning for Trustwave Holdings, Inc., a provider of data security and compliance solutions. In this role, he led Trustwave's administrative and planning functions, such as its financial planning and analysis, human resources, sales operations, facilities, investor relations, and special projects areas. From 2001 through 2011, Corey served in William Blair's sell-side research group, focusing on specialty software and healthcare IT companies; in this role he was recognized by the Wall Street Journal, the Financial Times, and Forbes. Before joining William Blair, Corey was an associate at private-equity firm Willis Stein & Partners, an analyst in the M&A investment banking group of Merrill Lynch, and an associate in the financial advisory services practice at Coopers & Lybrand (now PricewaterhouseCoopers). He received a B.S. in business administration with high distinction from the University of Michigan, an M.B.A. from Northwestern University's Kellogg Graduate School of Management, and an M.S. in computer science with recognition from the University of Chicago.

Kurt Wiese, CFA, CPA, Partner

Kurt Wiese, CFA, CPA, partner, is a research analyst for William Blair Investment Management. He focuses on U.S. small-cap healthcare companies. Before joining the research team in 2001, he was a member of William Blair's corporate finance healthcare team, where he was engaged in all aspects of transaction execution. Before joining William Blair in 2000, Kurt worked in the Chicago audit practice of PricewaterhouseCoopers for two years. Kurt is actively involved in the Chicago community through his philanthropic work at the Chicago Jesuit Academy, a full-scholarship, college-prep middle school for underprivileged boys on Chicago's West Side. Kurt received a B.S. in accounting and finance from Indiana University and an M.B.A. from the University of Chicago's Booth School of Business. He was also a participant at the Center for Japanese Language and Culture at Nanzan University in Nagoya, Japan.

Katelyn Young, CPA

Katelyn Young, CPA, is a research analyst at William Blair Investment Management. She focuses on U.S. small-and mid-cap technology companies. Previously, Katelyn was a research associate focused on U.S. small cap technology companies. Before joining our team, she covered financial services and financial technology companies on William Blair's sell-side equity research group. Prior to joining the firm, Katelyn spent four years in PwC's transaction services and assurance practices. Katelyn received a B.S. in accounting and a B.S. in business administration, cum laude, from Villanova University and an M.B.A., with honors, from the University of Chicago's Booth School of Business.

Nick Zimmerman, CFA, Partner

Nick Zimmerman, CFA, partner, is a research analyst for William Blair Investment Management. In this role, he focuses on U.S. small- and mid-cap resources companies. Before joining William Blair in 2017, Nick was an equity analyst at Holland Capital Management, where he covered energy, materials, aerospace and defense, and transportation companies. He is a member of the CFA Institute and the CFA Society Chicago. Nick received a B.S. in finance, with high honors, from the University of Illinois Urbana-Champaign and an M.S. in finance from the University of Wisconsin-Madison.

Biographies - Relationship Management Team

Wally Fikri, CFA, CPA, Partner

Wally Fikri, CFA, CPA, is a partner at William Blair Investment Management. He works with plan sponsors and investment consultants in the United States and brings asset allocation and risk expertise to bear in understanding their needs and structure. He has served on William Blair's benefits committee and chaired the investment committee overseeing the defined-contribution and defined-benefit plans. Before joining William Blair in 2004, Wally was a partner with Brinson Partners (now UBS Global Asset Management) for nearly 12 years. He managed asset-allocation portfolios, which included actively managed bottom-up strategies across global equities, bonds, and alternative investments. He also worked closely with plan sponsors and consultants and served on the firm's charitable giving committee. Wally began his career in the financial services practice at KPMG Peat Marwick in 1991. Wally is a member of the CFA Institute and CFA Society Chicago, where he was past board member and is currently serving on the board nominating committee. He is a member of the Defined Contribution Institutional Investment Association (DCIIA), a nonprofit association dedicated to enhancing the retirement security of America's workers. He is a past member of the advisory group for Institutional Investor's public funds roundtable as well as a regular volunteer and participant of the National Council of Teacher Retirement Systems (NCTR). He is a past officer and current member of the affiliate committee of the State Association of Country Retirement Systems (SACRS), a nonprofit organization serving the twenty 1937 Act counties in California and their retirees. He is also a member of the governing board of the Civic Leadership Foundation, a 501(c)3 charitable organization working with middle-school children across a number of Chicago Public Schools. Wally earned the right to use the CFA charterholder designation in 1995 and successfully completed all levels of the CPA in 1991 (CPA is inactive). He currently holds his FINRA series 24, 7, and 63 securities licenses. Wally received a B.S. in accountancy from Northern Illinois University and an M.B.A. from Northwestern University's Kellogg Graduate School of Management.

James Dominguez, CAIA

James Dominguez, CAIA, is a client relationship manager with William Blair Investment Management. Before joining the firm in 2016, he was a vice president and relationship manager for Northern Trust Asset Management, working with public pension plans and Taft-Hartley plans. While at Northern Trust, James also served as an associate relationship manager in the institutional sales and client service group and a senior investment manager liaison with investment operations. Before joining Northern Trust, James was the managing director of a national employment and training organization, where he oversaw the service delivery of five workforce programs for the City of Chicago's Mayor's Office of Workforce Development. James is a member of the CAIA Association. He received a B.A. in psychology from Roosevelt University and an M.B.A. in financial analysis from DePaul University's Kellstadt Graduate School of Business.

Glossary – Terms

Active Share: A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

Alpha: A measure of a portfolio's return in excess of the market return, after both have been adjusted for risk. It is a mathematical estimate of the amount of return expected from a portfolio above and beyond the market return at any point in time. For example, an alpha of 1.25 indicates that a stock is projected to rise 1.25% in price in a year over the return of the market, or the return when the market return is zero. When an investment price is low relative to its alpha, it is undervalued, and considered a good selection.

Beta: A quantitative measure of the volatility of the portfolio relative to the overall market, represented by a comparable benchmark. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile, and could be expected to rise and fall more slowly than the market.

CFROIC (Cash Flow Return on Invested Capital): A measure of how effectively a company generates cash flow based on legacy capital investment.

Convexity: A measure of the sensitivity of a fixed income investment's duration to changes in yield.

Developed Markets: Using the Morgan Stanley Capital International (MSCI) geographic definition, this region includes: United Kingdom, Europe (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Spain, Sweden and Switzerland), Japan, Pacific Asia (Australia, Hong Kong, New Zealand, and Singapore) and the Western Hemisphere (Canada and other Americas).

Debt to Total Capital Ratio: This figure is the percentage of each company's invested capital that consists of debt. Companies with a high Debt to Total Capital level may be considered riskier. From a portfolio perspective, the portfolio Debt to Total Capital Ratio is a weighted average of the individual holdings' Debt to Total Capital Ratio.

Duration: A measure of the price sensitivity of a fixed income investment to a change in interest rates, stated in years.

Emerging Markets: Using MSCI's geographic definition, this region includes: Emerging Markets Asia (China, India, Indonesia, Malaysia, S Korea, Taiwan, and Thailand), Emerging Markets Europe, Mid-East and Africa (Czech Republic, Hungary, Poland, Russia, Turkey, Egypt, Morocco, and S Africa), and Latin America (Argentina, Brazil, Chile, Columbia, Mexico, Peru and Venezuela).

EPS Estimate Revision Breadth: A 1-month factor representing the trend in the direction of estimate changes. Range from -100% to +100%, it is calculated as the number of positive revisions minus the number of negative revisions divided by the total number of estimates.

EPS (Earnings Per Share) Growth Rate (Projected): This measure represents the weighted average of forecasted growth in earnings expected to be experienced by the stocks within the portfolio over the next year. From a portfolio perspective, the portfolio EPS Growth Rate is a weighted average of the individual holdings' EPS Growth Rate.

EPS Growth Rate (5-Year Historic): The weighted average earnings per share growth for stocks within the portfolio over the past 5 years.

EV/EBITDA (Enterprise Value/Earnings Before Interest, Taxes and Depreciation-Amortization): The EV/EBITDA ratio is useful for global comparisons because it ignores the distorting effects of individual countries' taxation policies. It's used to find attractive takeover candidates. Enterprise value is a better measure than market cap for takeovers because it takes into account the debt which the acquirer will have to assume. Therefore, a company with a low EV/EBITDA ratio can be viewed as a good takeover candidate.

EV/IC: (Enterprise Value/Invested Capital) Ratio: Enterprise Value (EV), which is market capitalization minus cash plus debt divided by Invested Capital (IC), which is the sum of common stock, preferred stock and long-term debt. This number will get you a simple multiple. If it is below 1.0, then it means that the company is selling below book value and theoretically below its liquidation value.

Frontier Markets: Less advanced capital markets in the developing world.

FX: In finance, an exchange rate is the rate at which one currency will be exchanged for another. It is also regarded as the value of one country's currency in relation to another currency.

Information Ratio: A measure of risk-adjusted return. The annualized excess return of the portfolio relative to a respective benchmark, divided by the annualized tracking error relative to that same benchmark. The higher the measure, the higher the risk-adjusted return.

Integrated: Constructs a portfolio of the top 20% of stocks based on William Blair's multi-factor composite model, which uses Earnings Trend, Momentum, Quality, and Valuation factors. The portfolio is rebalanced on a monthly basis and weights stocks based on relative market capitalization.

Net Debt to EBITDA: A measure of leverage calculated by taking interest bearing liabilities minus cash divided by earnings before interest, taxes, depreciation, and amortization.

Option-Adjusted Spread (OAS): A measure of the spread of a fixed income investment's yield relative to a benchmark, adjusted to take into account an embedded option.

PBVn (Price/Book Value) Ratio: The PBV Ratio measures the value of a company's common stock relative to its shareholder's equity. A price-to-book multiple above one means that the price of the company's common stock is higher than its common shareholder's equity. A price-to-book multiple below one means that the price of the company's common stock are less than its break-up value, and the shares may be undervalued.

PCF (Price/CashFlow): Some analysts favor the price/cash flow over the price-earnings (PE) ratio as a measure of a company's value. Cash flow is a measure of a company's financial health. It equals cash receipts minus cash payments over a given period of time.

P/E (Price/Earnings) Ratio: This is the most common measure of how expensive a stock is. Simply, it is the cost an investor in a given stock must pay per dollar of current annual earnings. A high P/E generally indicates that the market is paying more to obtain the stock because it has confidence in the company's ability to increase its earnings. Conversely, a low P/E often indicates that the market has less confidence that the company's earnings will increase rapidly or steadily, and therefore will not pay as much for its stock.

Price to Book: A stock's capitalization divided by its book value. This ratio compares the market's valuation of a company to the value of that company as indicated on its financial statements.

R-squared: A measurement of how closely the portfolio's performance correlates with the performance of its benchmark, such as the MSC AC World Free ex US Index. In other words, it is a measurement of what portion of a portfolio's performance can be explained by the performance of the overall market or index. Ranges from 0 to 1, where 0 indicates no correlation and 1 indicates perfect correlation.

Recovery Rate: The extent to which principal and interest on defaulted debt can be recovered, expressed as a percentage of face value.

Risk (Standard Deviation): A measure of the portfolio's risk. A higher standard deviation represents a greater dispersion of returns, and thus a greater amount of risk. The annualized standard deviation is calculated using monthly returns.

Silo: Constructs portfolios using the top 20% of stocks based on each of the four sub-models used to construct William Blair's composite model, then averages the returns coming from each of the four portfolios. The portfolios are rebalanced on a monthly basis and weights stocks based on relative market capitalization. (The Equal Weighted strategy equally weights the returns coming from each of the sub-portfolios; the Optimized approach weights Quality 5%, Valuation 60%, Earnings Treng 5%, and Momentum 30%. The optimization was based on a Monte-Carlo simulation that sought an optimal weighting of each sub-portfolios to achieve the highest return).

Sortino Ratio: A modification of the Sharpe ratio that differentiates harmful volatility from general volatility by taking into account the standard deviation of negative asset returns, called downside deviation. The Sortino ratio subtracts the risk-free rate of return from the portfolio's return, and then divides that by the downside deviation. A large Sortino ratio indicates there is a low probability of a large loss.

Sharpe-Ratio: A risk-adjusted measure calculated using standard deviation and excess return (Portfolio return – Risk Free Rate) to determine reward per unit of risk. The higher the Sharpe ratio, the better the portfolio's historic risk-adjusted performance.

Spread Duration: A measure of the price sensitivity of a fixed income investment to a change in credit spreads.

Tracking Error: Tracking Error measures the extent to which a portfolio tracks its benchmark. The tracking error of an index portfolio should be lower than that of an active portfolio. The tracking error will always be greater than zero if the portfolio is anything other than a replication of the benchmark.

Trailing 1-Year Turnover: This figure reflects the portfolio's trading activity by calculating the amount of the portfolio's holdings bought or sold over the prior year, expressed as a percentage of the portfolio's average market value. Turnover figures may be related to the amount of trading costs experienced by the portfolio.

Weighted Average Market Capitalization: Market capitalization refers to the total market value of each company's outstanding shares. The Weighted Average Market Capitalization for a portfolio is calculated as the average market capitalization of the stocks within the portfolio, weighted by the amount of each stock owned.

Weighted Median Market Capitalization: This calculation represents the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock owned.

Yield to Maturity: A representation of the rate of return anticipated on a bond if held until its maturity.

Yield to Worst: A representation of the lowest potential yield that an investor would receive on a bond if the issuer does not default.

Glossary – Indices

Bloomberg U.S. Aggregate Bond Index: A broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid ARM pass-throughs), asset-backed securities and commercial mortgage backed securities.

Bloomberg Intermediate Govt./Credit Index: A fixed-rate government and corporate bonds rated investment grade or higher.

Bloomberg Multiverse Index: Provides a broad-based measure of the global fixed-income bond market. The index represents the union of the Global Aggregate Index and the Global High-Yield Index and captures investment grade and high yield securities in all eligible currencies. Standalone indices such as the Euro Floating-Rate ABS Index and the Chinese Aggregate Index are excluded. The Multiverse Index family includes a wide range of standard and customized sub-indices by sector, quality, maturity, and country.

Bloomberg US Govt/Credit 1-3 Year Index: measures the return on the investment grade 1-3 year bond market. The benchmark was changed on November 10, 2021 from the Bloomberg Intermediate US Govt/Credit Index

ICE BofAML 1-Year U.S. Treasury Note Index: An unmanaged index comprised of a single U.S. Treasury Bill issued at the beginning of each month and held for a full month. Each month the index is rebalanced and the issue selected is the outstanding U.S. Treasury Note that matures closest to, but not beyond one year from the rebalancing date.

ICE BofAML 3-Month Treasury Bill Index: An unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

J.P. Morgan Cash Index: Measures the total return of a rolling investment in a notional fixed income instrument with a maturity of three months. The deposit rates used in the calculation of the JP Morgan Cash Index are LIBOR or similar local reference rates.

Merrill Lynch 1-Year U.S. Treasury Note Index: Comprised of a single U.S. Treasury Bill issued at the beginning of each month and held for a full month. Each month the index is rebalanced and the issue selected is the outstanding U.S. Treasury Note that matures closest to, but not beyond one year from the rebalancing date.

Merrill Lynch 3-Month Treasury Bill Index: An unmanaged index market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

MSCI (Morgan Stanley Capital International): MSCI indices are the most widely used benchmarks by global portfolio managers. MSCI offers international investors performance benchmarks for 51 national stock markets as well as regional, sector, industry group, and industry aggregations.

MSCI China All Shares Index: A free-float weighted equity index designed to capture large and mid-cap representation across China A-shares, B-shares, H-shares, Red-chips, P-chips and foreign listings (e.g. ADRs). The index aims to reflect the opportunity set of China share classes listed in Hong Kong, Shanghai, Shenzhen and outside of China.

MSCI China A Onshore Index: A free-float weighted equity index, designed to measure performance of China A share securities listed on either the Shanghai or Shenzhen Stock Exchanges.

MSCI All Country World ex-US EAFE Index: An unmanaged index that includes developed and emerging markets outside the United States.

MSCI All Country World ex-US Small Cap Index: A free float-adjusted market capitalization index designed to measure global developed and emerging market small capitalization equity performance, excluding the U.S.

MSCI EAFE Index: A free float-adjusted market capitalization index which captures large and mid cap representation across Developed Markets countries around the world, excluding the U.S. and Canada.

MSCI EAFE IMI Index: A free float-adjusted market capitalization index which captures large, mid and small cap representation across Developed Markets countries around the world, excluding the U.S. and Canada.

MSCI EAFE Growth Index: A free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada.

MSCI All Country World ex-US Index: An unmanaged index that includes developed and emerging markets, excluding the U.S.

MSCI All Country World ex-US Growth Index: A free float-adjusted market capitalization index that is designed to provide a broad measure of equity-market performance throughout the world, excluding the U.S. It includes those MSCI All Country World ex-US securities with higher price-to-book ratios and higher forecasted growth rates.

MSCI All Country World ex-US IMI Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S.

MSCI All Country World IMI Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets.

MSCI All Country World ex-US IMI Growth Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S. It includes those MSCI All Country World ex-US IMI Index securities with higher price-to-book ratios and higher forecasted growth rates.

MSCI World ex-US Growth Index: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S., with higher price-to-book ratios and higher forecasted growth rates.

MSCI World ex-US Index: A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S.

MSCI Emerging Markets Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

MSCI Emerging Markets IMI Index: A free float-adjusted market capitalization index which captures large, mid and small cap equity market performance in the global emerging markets.

MSCI Emerging Markets ex-China IMI Index: A free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets excluding China.

MSCI Emerging Markets Small Cap Index: A free float-adjusted market capitalization index that is designed to measure equity market performance of small cap companies in emerging markets.

MSCI Emerging Markets Large Cap Index: A free float-adjusted market capitalization index that is designed to measure equity market performance of large cap companies in emerging markets.

MSCI World ex-US Small Cap Index: An unmanaged index that includes non-US developed markets.

Russell 1000 Index: Measures the performance of the 1000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the U.S. market.

Russell 1000 Growth Index: Measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index: Measures the performance of the large cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Index: Measures the performance of the 2000 smallest companies in the Russell 3000 index, which represents approximately 8% of the total market capitalization of the Russell 3000 index.

Russell 2000 Growth Index: Measures the performance of those Russell 2000 companies with higher price-to book ratios and higher forecasted growth values.

Russell 2000 Value Index: Measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2500 Index: Measures the performance of the 2500 smallest companies in the Russell 3000 Index.

Russell 2500 Growth Index: Measures the performance of those Russell 2500 companies with higher price-to book ratios and higher forecasted growth values.

Russell 2500 Value Index: Measures the performance of those Russell 2500 companies with lower price-to book ratios and lower forecasted growth values.

Russell 3000 Index: Measures the performance of the 3000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

Russell 3000 Growth Index: Measures the performance of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Index: Measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 27% of the total market capitalization of the Russell 1000 companies.

Russell Midcap Growth Index: Measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values.

Russell Midcap Value Index: Measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values.

S&P 500 Index: The Standard & Poor's 500 Index (S&P 500) is an index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. Companies included in the index are selected by the S&P Index Committee, a team of analysts and economists at Standard & Poor's. The S&P 500 is a market value weighted index—each stock's weight is proportionate to its market value.

Short Duration Bond Linked index: This custom benchmark is 100% Bloomberg Intermediate US Govt/Credit Index through September 30, 2021 and 100% Bloomberg US Govt/Credit 1-3 Year Index thereafter. Total returns are calculated daily and then geometrically linked together to arrive at the month's rate of return. It is rebalanced daily. The Bloomberg US Govt/Credit 1-3 Year Index measures the return on the investment grade 1-3 year bond market. The Bloomberg Intermediate US Govt/Credit Index measures the return on the investment grade 1-10 year bond market.

A direct investment in an unmanaged index is not possible.

Large Cap Growth Strategy

Performance for periods ending December 31, 2021

Composite Performance (%)	Qtr	1 Yr	3 Yr	5 Yr	Annualized		
					Since Jan 1 12 ¹	10 Yr	Strategy Inception (7/1/98)
Large Cap Growth (Gross of fees)	11.26	29.09	34.54	27.87	21.66	21.66	9.93
Large Cap Growth Composite (Net of fees)	11.12	28.45	33.87	27.16	20.92	20.92	9.27
Russell 1000 Growth Index	11.64	27.60	34.08	25.32	19.79	19.79	8.92
Relative Performance (Gross of fees)	-0.38	1.49	0.47	2.56	1.87	1.87	1.01

Annual Composite Performance (%)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Large Cap Growth (Gross of fees)	29.09	37.20	37.51	6.08	32.34	2.88	8.23	15.62	34.85	19.62	-2.33	17.14
Large Cap Growth Composite (Net of fees)	28.45	36.52	36.81	5.40	31.48	2.21	7.53	14.87	33.98	18.84	-2.96	16.38
Russell 1000 Growth Index	27.60	38.49	36.39	-1.51	30.21	7.08	5.67	13.05	33.48	15.26	2.64	16.71
Relative Performance (Gross of fees)	1.49	-1.29	1.12	7.60	2.12	-4.19	2.56	2.57	1.36	4.36	-4.97	0.43

Annual Composite Performance (%)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Large Cap Growth (Gross of fees)	33.21	-37.18	10.30	7.84	5.20	6.42	26.19	-25.80	-17.03	-12.53	35.12
Large Cap Growth Composite (Net of fees)	32.35	-37.60	9.59	7.14	4.53	5.78	25.52	-26.22	-17.49	-13.01	34.40
Russell 1000 Growth Index	37.21	-38.44	11.81	9.07	5.26	6.30	29.75	-27.88	-20.42	-22.42	33.16
Relative Performance (Gross of fees)	-4.00	1.26	-1.52	-1.24	-0.06	0.12	-3.56	2.09	3.40	9.90	1.96

December 2021 performance is preliminary.

¹Reflects the inception of the strategy's current management style. At this time, changes were made to the portfolio management team and the way the philosophy was implemented. Actual composite inception precedes this date. This information is supplemental to the composite disclosure slide located in the appendix.

Past performance is not indicative of future returns. Performance is shown in U.S. dollar unless otherwise noted. Net investment performance represents the deduction of the highest possible fee. Actual client net returns may be higher or lower depending on fees charged to your account and the amount invested.

Returns for periods greater than one year are annualized. Gross performance results shown do not reflect the deduction of investment management fees, assume the reinvestment of dividends and capital gains, and are net of transaction costs. Performance results will be reduced by the fees incurred in the management of the account. For example, assuming an annual gross return of 8% and an annual management/advisory fee of .40%, the net annualized total return of the portfolio would be 7.58% over a 5-year period. Net investment performance represents the deduction of the highest possible fee. Investment management fees are described in William Blair's Form ADV Part 2A. The Russell 1000 Growth Index is an unmanaged index registered to Russell/Mellon. It measures those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. It is a capitalization-weighted index as calculated by Russell on a total return basis with dividends reinvested. Please see GIPS Composite Report in appendix for a complete description of the composite.

Composite Presentation Report

Large Cap Growth

Calendar Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 1000 Growth Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Portfolios	Dispersion (%)	Composite Assets End of Period \$(mm)	Total Firm Assets \$(mm)
2011	-2.33	-2.96	2.64	18.41	17.76	9	0.06	859.38	41,191.28
2012	19.62	18.84	15.26	17.18	15.66	7	0.05	719.96	49,610.61
2013	34.85	33.98	33.48	14.22	12.18	6	0.07	875.36	62,018.81
2014	15.62	14.87	13.05	11.55	9.59	7	0.03	965.02	63,060.05
2015	8.23	7.53	5.67	11.08	10.70	8	0.03	1,110.18	64,777.78
2016	2.88	2.21	7.08	11.77	11.15	15	0.06	2,364.41	64,872.51
2017	32.33	31.48	30.21	10.88	10.54	18	0.04	2,873.05	73,549.85
2018	6.08	5.40	-1.51	12.10	12.13	13	0.08	956.81	48,880.26
2019	37.51	36.81	36.39	11.67	13.07	10	0.13	1,436.71	58,446.29
2020	37.20	36.52	38.49	18.09	19.64	12	0.20	1,840.22	69,739.61

Disclosures:

William Blair Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. William Blair Investment Management has been independently verified for the periods January 1, 1993 through December 31, 2020. 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 Large Cap Growth Composite has had a performance examination for the periods from composite inception through December 31, 2020. The verification and performance examination reports are available upon request.

For purposes of compliance with GIPS, the Firm is defined as all portfolios managed by William Blair Investment Management, a distinct operating unit within William Blair. William Blair Investment Management currently operates as William Blair Investment Management, LLC, an investment adviser registered with the United States Securities and Exchange Commission ("SEC") which is a separate legal entity that is distinct from William Blair & Company, L.L.C. Registration with the SEC does not imply a certain level of skill or training.

The Large Cap Growth strategy invests primarily in large-capitalization companies of high quality that demonstrate sustainable growth characteristics. A portfolio manager change occurred effective 10/1/2010 and 10/1/2011. The investment strategy was not materially altered by the personnel change.

The benchmark that best reflects the composite's investment style is the Russell 1000® Growth Index, which measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth rates.

Portfolios must have an initial market value greater than or equal to \$1 million to be included in the composite. New portfolios are added to the composite at the beginning of the month following the first full calendar month under management. Portfolios will be excluded from the composite the first month immediately following the last complete month of authorized management by the Firm. Portfolios are removed from this composite, in the event of a significant cash flow, for the month during which the flow occurs. Portfolios are typically added back into the composite the following month. A portfolio is determined to have a significant cash flow if the accumulated net external flows of cash and/or securities during a month total more than 25% of the beginning of month portfolio market value. Additional information regarding the treatment of significant cash flows is available upon request.

Performance includes the reinvestment of dividends and other earnings. Portfolio and composite returns are calculated daily. Prior to January 2009, portfolio returns were calculated monthly using a time-weighted monthly linked return formula with adjustments for cash flows and composites were calculated monthly by weighting portfolio returns based on beginning of month market value. Valuations and returns are denominated in U.S. Dollars. Accrual accounting is used for dividends. The dividend accruals included in portfolio valuations are net of applicable withholding taxes. Pending withholding tax reclaims are not accrued for in the portfolio valuations. Composite dispersion measures represent the consistency of a firm's composite performance with respect to the individual portfolio returns within a composite. The dispersion of annual returns is measured by the asset-weighted standard deviation of the gross returns in the composite. Dispersion includes only those portfolios that have been included in the composite for the entire year. The three-year annualized standard deviation measures the variability of the gross composite returns and the benchmark returns over the preceding 36-month period. This statistic is not presented until there are 36 months of performance available.

Performance results are stated gross of management fees and net of a model investment management fee for the strategy. The model fee is the maximum separate account management fee as of the time the composite return was calculated, applied by dividing that annual fee by the count of the annual calculation periods for the composite and then subtracting that quotient from the periodic gross composite returns. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The current separate account management fee schedule is as follows:

For Mandates under \$400MM:

First \$50,000,000: 0.50%

Next \$50,000,000: 0.35%

Next \$150,000,000: 0.30%

Over \$250,000,000: 0.25%

For Mandates over \$400MM:

First \$400,000,000: 0.28%

Over \$400,000,000: 0.25%

The strategy is available via one or more pooled funds, which may have alternate fee schedules. The highest pooled fund management fee is 0.6%. The highest pooled fund expense ratio is 0.9%. The Large Cap Growth Composite was created in October 2001. The composite performance inception date is July 1, 1998.

A complete list and description of firm composites and pooled funds is available upon request. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is also available upon request. Past performance is not indicative of future results.

**Tulare County
Employees' Retirement Association**

Private Markets Investment Policy Statement

January 26, 2022 Draft

1. Scope

This Private Markets Investment Policy (“PM Policy”) governs all investments in private equity, private credit, and real assets made by TCERA. The PM Policy is subject to all provisions of applicable law and the applicable limitations and requirements of TCERA’s Investment Policy Statement (“IPS”) and related directives and procedures. If there is any conflict between this PM Policy and TCERA’s IPS pertaining to investments in the Private Markets asset class, the PM Policy prevails.

The TCERA Board (“Board”) reserves the right to amend, supplement, or rescind this PM Policy at any time. This PM Policy is a living document and changes will be made from time-to-time to reflect experience, evolving investment products, and opportunities and changes in the economic and capital market environment.

2. Purpose

The purpose of this Policy is to 1) set forth the private markets policies and guidelines which are deemed to be appropriate and prudent; 2) establish criteria against which private markets opportunities are to be measured; and 3) serve as a review document to guide the ongoing oversight of TCERA’s Private Markets Portfolio (“PM Portfolio”) on a consistent basis. The Policy also defines roles and responsibilities of the Board, TCERA Administrative Staff (“Administrative Staff”), the TCERA PM Consultant (“Consultant”), and the Investment Managers (“Investment Managers”) hired to manage plan assets.

3. Governance

The delineation of roles and responsibilities is important for effective administration of TCERA’s PM Portfolio. The duties and responsibilities of the Board, Administrative Staff, Consultant, and Investment Managers are as follows:

A. Board

The Board retains responsibility for approving this PM Policy and approving the annual commitment amounts for TCERA’s PM Portfolio. The Board, with input from Administrative Staff and Consultant, shall review this PM Policy to determine whether amendments are necessary. The Board, with input from Administrative Staff and Consultant, is responsible for monitoring the effectiveness of the PM Portfolio relative to its stated objectives.

B. Administrative Staff

The Retirement Administrator shall be responsible for assisting Consultant in implementation of TCERA’s PM Portfolio. Specific responsibilities shall include supporting the Consultant in funding periodic capital calls made by Investment Managers and assisting the Consultant in collaborating with outside counsel as it pertains to contract negotiations with Investment Managers.

C. Consultant

The Consultant is hired by the Board as a fiduciary to TCERA. Consultant shall assist the Board in monitoring the performance of Investment Managers and make related recommendations to assist the PM Portfolio in achieving its stated objectives.

Consultant, acting in a non-discretionary capacity, shall be responsible for:

- 1) Assist the Board in developing this PM Policy and recommending all necessary changes to it, including the establishment of sub-asset allocation targets and ranges, permissible strategy types, and the determination of appropriate strategy benchmarks.
- 2) Consultant shall prepare a capital commitment pacing analysis as needed, in order to assist the Board in determining annual targeted capital commitment amounts.
- 3) Assisting Administrative Staff in funding periodic capital calls. This includes monitoring anticipated liquidity needs relative to known and anticipated capital calls.
- 4) Ongoing monitoring of Investment Managers' compliance with a) their respective investment guidelines as set forth in their contract; b) this PM Policy; and c) applicable requirements of TCERA's IPS.
- 5) Prepare comprehensive performance reporting to the Board, summarizing all aspects of the Private Markets Portfolio, relative to stated objectives as described in this PM Policy.
- 6) For certain private markets strategies, Consultant shall act in a non-discretionary capacity, providing recommendations for consideration by the Board. These recommendations shall be based on a thorough due diligence process. Consultant responsibilities with respect to such investment strategies includes ongoing monitoring, and recommendations for retention or termination, as is appropriate. These private markets strategies may include:
 - a. Core Real Estate
 - b. Real Estate Debt
 - c. Private Infrastructure
 - d. Legacy Private Credit

Consultant shall also be responsible for the following, acting in a discretionary capacity:

- 7) On behalf of TCERA, invest certain components of the PM Portfolio by sub-asset class, implementation vehicle, geography, industry, and vintage year, in accordance with this PM Policy. These private market strategies may include:
 - a. Private Equity
 - b. Value-Add & Opportunistic Real Estate
 - c. New Private Credit
-

- 8) Subject to this PM Policy, enter into subscription agreements on TCERA's behalf, making capital commitments to Private Markets fund investments managed by third-party Investment Managers that, in Consultant's judgement, are suitable for the PM Portfolio. These commitments are to be based on comprehensive due diligence and in consideration of TCERA's existing PM Portfolio. When entering into subscription agreements on TCERA's behalf, Consultant will necessarily need to make certain subjective judgements within its fiduciary capacity.

D. Investment Managers

In the context of closed-end fund commitments, Investment Managers is meant to reference the General Partner ("GP"). Investment Managers shall be responsible for compliance with a) applicable law, b) the specific investment guidelines as set forth in their respective contracts including applicable side letters, if any; Investment Managers shall be responsible for all aspects of portfolio management as set forth in their respective contracts with TCERA. They shall also:

1. Communicate with Administrative Staff and/or Consultant promptly regarding investment strategy, investment results, or any material non-conforming compliance issues in a manner as provided in their respective contracts that may have significant and/or negative impact on the portfolio;
2. Cooperate with Administrative Staff, Consultant, TCERA's custodian, and other TCERA vendors concerning requests for information;
3. Submit reports to Administrative Staff and Consultant in accordance with their contract terms.

4. Objectives of investing in Private Markets

The Board believes the Fund's overall returns can be enhanced, on a risk-adjusted basis, by investing a portion of its assets in private equity, private credit, and private real estate. The strategic objective of such investments is to generate returns superior to those available in the public markets to compensate for the illiquidity associated with private investing.

The Board recognizes that performance of investments in private markets may be difficult to measure during the first several years and possibly longer. However, this PM Policy establishes ongoing monitoring and reporting duties for each investment and for the PM Portfolio as a whole. These duties are designed to address these challenges and are described in detail later in this PM Policy.

Portfolio construction will be designed to produce a diversified mix of returns, subject to the guidelines and constraints outlined under each sub-category. Diversifiable risks associated with this PM Portfolio include sub-asset class, vintage year, manager and the size of the individual investments, geography, and position in the capital structure. The risks associated with Private Markets will be viewed within the context of the entire Fund.

5. Strategic Allocation to Private Markets

The long-term target allocation to the Private Markets asset classes is measured by market value of the investments (not by dollars committed to the investment strategies). As portfolio construction shall be driven by careful manager selection over time, and due to the illiquid nature of investments and the volatility of total plan assets, the allocation to Private Markets can range as follows:

Allocations as a percent of total plan				
	Min	<u>assets</u> Target	Max	Investment Method
Private Equity	0%	12%	16%	
Buyouts	0%	9%	12%	Consultant Discretion
Venture Capital	0%	3%	5%	Consultant Discretion
Real Assets	0%	18%	22%	
Core Real Estate	0%	3%	10%	Non-discretionary
Real Estate Debt	0%	3%	6%	Non-discretionary
Private Infrastructure	0%	4%	8%	Non-discretionary
Value-Add Real Estate	0%	4%	7%	Consultant Discretion
Opportunistic Real Estate	0%	4%	7%	Consultant Discretion
Private Credit*	0%	5%	8%	
Legacy Private Credit	0%	4%	7%	Non-discretionary
New Private Credit	0%	1%	3%	Consultant Discretion

*Legacy Private Credit refers to the direct partnership investment program managed by Sixth Street Partners. New Private Credit investments are intended to be made opportunistically, to complement and diversify the exposures held in the Legacy Private Credit bucket.

While the target allocations outlined above will be used to ensure consistency with the investment program's strategic asset allocation, the range between the minimums and maximums may be used to improve the risk and return positioning based on an assessment of the relative attractiveness of all available opportunities.

As commitments and investments are expected to be made over time, the Private Markets Portfolio is expected to reach and maintain its long-term target allocation within 4-6 years (subject to availability of quality managers and general market conditions) from the most recent date of change in allocation targets.

Over commitment: Because timing of both contributions and distributions is at the discretion of each private fund manager, commitments do not equal money at work. To reach target allocations, it is, therefore, necessary to commit more than the stated targets to reach the Plan's target exposure within the four- to six-year timeframe. Pacing studies are effective tools to manage the level of over commitment. At times, particularly during corrections in public equity markets, it is possible that the Plan's level of over commitment may result in the allocation to private markets exceeding the maximum amounts. If such a situation were to

arise, the pacing study would, if possible, reflect lower future allocations until the Plan's exposure returns to appropriate levels.

6. Guidelines

TCERA will gain exposure to private markets investments by hiring external investment managers. In the case of open-ended investment vehicles whereby the Consultant advises the Board, the guidelines governing the investment vehicles under consideration will be reviewed with the Board.

The following shall serve as the Investment Guidelines for the Consultant managing the discretionary components of the Private Markets Portfolio. The Private Markets Portfolio is to be diversified over 4 to 6 years from the most recent date of change in allocation targets, as follows:

A. Sub-asset class

The Private Markets Portfolio is intended to be diversified by sub-asset class. Within private equity, this may include buyout, growth equity, and venture capital. Within private credit this may include direct lending, mezzanine debt, distressed debt, special situations, and generalist / non-corporate debt investments. Within real estate this may include core, value-add, and opportunistic real estate. Target allocations and ranges are outlined in the Strategic Allocation to Private Markets section.

B. Vintage year

Subject to periodic pacing studies, it is expected that roughly equal amounts of new funding will be committed in each calendar year, with deviations permitted to accommodate market opportunities and to facilitate initial entry into the asset class. In any case, the Board will maintain authority for approving annual commitment amounts.

C. Commitment Amounts

The Board will be responsible for approving annual commitment amounts in aggregate to the PM Portfolio and to each asset class, with advice from Consultant. When sizing how the total commitment amounts are allocated to limited partnerships, the Consultant shall seek to balance the desire of obtaining diversification with the goal of focusing on building meaningful relationships with third-party Investment Managers and ensuring that the number of individual fund commitments does not become unmanageable over time. Commitment sizing will also be dependent on the level of anticipated diversification of the underlying investments held within a fund.

The following shall serve as the range of permissible commitment amounts, expressed as a percentage of the total annual commitment amount to a given asset class:

Asset Class	Anticipated # of fund commitments per year	Minimum Commitment Percentage	Maximum Commitment Percentage
Private Equity	3-5	15%	40%
Real Estate	2-4	20%	50%
New Private Credit*	0-2	0%	100%

*Because New Private Credit will complement legacy private credit, and commitments are anticipated to be more opportunistic in nature, the number of individual commitments on a given year may vary.

Board and Consultant recognize that in certain instances, where a limited partnership is over-subscribed and capacity is limited, the actual commitment percentage may be less than intended, potentially causing the commitment percentage to fall below the ranges established above.

D. Geography

While the investments made by each investment strategy will be governed by the investment guidelines corresponding to each strategy and the overall private markets exposure is expected to have the majority of its investments domiciled in North America, the PM portfolio may have exposure to investments domiciled outside North America, including investments denominated in non-US dollar currency.

E. Vehicle Structure

The vast majority of the PM Portfolio is expected to be committed to limited partnerships whose GPs make direct investments. While fund-of-funds shall not be targeted as primary investment vehicles, the Consultant may commit up to 20% of each asset class' target exposure in secondary or co-invest funds whose GPs invest in funds and investments managed by other GPs. Such secondary or co-invest commitments may be considered only to the degree warranted by the attractiveness of each opportunity and its fit in the portfolio.

7. Performance Objectives

With the understanding that evaluating performance of private markets investments needs to be long-term in nature (i.e. performance comparisons are generally not meaningful for the first several years of a private markets program), the following benchmarks shall be used for purposes of performance evaluation:

Asset Class	Time-weighted	Money Weighted (IRR)
Private Equity	Russell 3000 + 300 BPS	CJA Global All Private Equity
Private Credit	S&P/LSTA U.S. Leveraged Loan 100	Dependent on strategy

	Index Leveraged Loan 100 Index+ 200 BPS	
Core Real Estate	NCREIF ODCE	n/a
Real Estate Debt	Bloomberg Barclays Non-Agency CMBS Index	n/a
Infrastructure	S&P Global Infrastructure	n/a
Value-Add & Opportunistic Real Estate	NCREIF ODCE + 200 BPS	C/A U.S. Real Estate

Since the industry's most widely accepted method of measuring performance in private markets investments is IRR, TCERA will weight each portfolio's IRR performance (relative to the corresponding private markets universe, as available) in evaluating the Consultant's performance. Consultant will monitor and provide portfolio level IRRs with other generally accepted measures of private markets performance, including Total-Value to Paid-In-Capital multiple ("TVPI") and Distribution to Paid-In-Capital ("DPI) multiples. These measures are meant to evaluate each private portfolio's performance relative to a comparable private universe of funds.

To measure performance relative to public assets, TCERA will also monitor and review long-term time-weighted returns relative to appropriate public benchmarks. Short-term time-weighted returns are not reviewed as lagged reporting by private markets funds can generate significant distortions in short-term numbers.

8. Due diligence process for Private Markets Investment Selection

TCERA recognizes that a proper due diligence process is essential to control the risks associated with Private Markets investments and, therefore, establishes the following due diligence processes for Consultant:

A. Consultant

Consultant shall conduct extensive, documented due diligence before making any Private Markets investment recommendations (in the case of non-discretionary asset classes) or capital commitments. Duties of the Consultant include:

- Assess the reputation of the individuals who manage the investments, consider background checks, internet searches, and in-person meetings or conference calls with these individuals, etc.;
- Conduct on-site visits to the offices of the Investment Managers to the extent possible;
- Check references from other investors that have invested in these investments, and, when advisable, from competitors;
- Determine that the investment funds are audited, at least annually, by a reputable and recognized external independent auditing firm;

- Review Investment Managers, investment strategies, policies, operating procedures, and historical performance;
- Review and understand the valuation procedures employed by the Investment Managers;
- Review business terms of all legal agreements and other related documents for the investments under consideration, such as offering memorandum, legal agreements, and Forms ADV, as available;
- and
- Assess what exit strategies exist to liquidate existing investments owing to poor performance and, if necessary, to avoid future investments in similar funds

9. History of Policy Revisions

POLICY APPROVAL DATE: _____

Policy Review

This Board shall review this policy at least every three years.

**BOARD OF RETIREMENT
CONTINUING EDUCATION**
January 1, 2021 – December 31, 2021

Member Name	Education Hours Obtained
Cass Cook	27.75
Laura Hernandez	28.30
David Kehler	36.80
Wayne Ross	26.25
Gary Reed	27.05
Jim Young	31.55
Nathan Polk	21.80
Pete Vander Poel	40.30
Ty Inman	11.50
David Vasquez	19.85
Paul Sampietro	40.80
George Finney	37.05
Leanne Malison	99.05
Mary Warner	46.30
<i>Roland Hill</i>	<i>Retired 03/27/21</i>

Totals for Dec 31

August 12, 2020 – The Board approved a temporary implementation of education hours to 12 hours per year, (California Law is 24 hours every two years) for the duration of the declared COVID emergency. This will remain until the declaration is lifted.

**BOARD OF RETIREMENT
HOURS OF CONTINUING EDUCATION**

January 1, 2021 – December 31, 2021

Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Cass Cook</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Verus – 3 rd Qrt Landscape	07/27/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 27.75
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Laura Hernandez</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00

Laura H (con't)	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 28.30
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
David Kehler	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	PIMCO – Why Bonds Remain Essential	03/04/21	1.00
	CalAPRS – General Assembly	03/08-09/21	6.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy – Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 36.80

Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Wayne Ross	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 26.25
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Gary Reed	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00

Gary R. (con't)	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 27.05
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Jim Young	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	PIMCO – Economic Outlook	04/07/21	1.00
	BlackRock – Future Forum	04/20/21	1.50
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Invesco – Market Pulse w/K Hooper	05/20/21	0.50
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 31.55
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Nathan Polk	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25

<i>Nathan P. (con't)</i>	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 21.80
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Pete Vander Poel</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Investment Consultant RFP Due Diligence	07/6-9/21	11.00
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 40.30

Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Ty Inman</i> <i>1st Mtg July 28</i>	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 11.50
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>David Vasquez</i>	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
			Total: 19.85

Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Paul Sampietro</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50

<i>Paul S. (con't)</i>	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Investment Consultant RFP Due Diligence	07/6-9/21	10.50
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – 3 rd Qrt Landscape	07/27/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
			Total: 40.80
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>George Finney</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00

George F. (con't)	SACRS – Fall Conference Nov 9-12th	11/09-12/21	12.00
			Total: 37.05
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Leanne Malison	BlackRock Market Pulse, Key Themes to watch	01/19/21	1.00
	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	PIMCO – Why Bonds Remain Essential	03/04/21	1.00
	CalAPRS – General Assembly	03/8-9/21	5.00
	Verus – Investment Refresher Presentation	03/24/21	1.25
	PIMCO – Dealing w/Inflation Head Fake	04/07/21	1.25
	BlackRock – Future Forum, Path to Net Zero	04/20/21	1.50
	Ivy - Presentation Large Cap Growth Equity	04/14/21	0.75
	Verus – 2 nd Qtr Conf Call	04/27/21	1.00
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	SACRS – Virtual Spring Conf	05/12-14/21	13.00
	Hanson Bridgett (Board Counsel)-Public Sector Plan Fiduc Update	05/25/21	1.00
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	BlackRock Future Forum – China: Evolving Landscape	06/02/21	1.00
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	CALAPRS Admin Round Table	06/24/21	4.00
	Investment Consultant RFP Due Diligence	07/6-9/21	10.50
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	CALAPRS-Admin Institute Virtual Event	09/22-23/21	6.00
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50
	BlackRock Future Forum: World in Transition	10/21/21	1.50

Leanne M. (con't)	Verus – 4 th Qrt Conference Call	10/28/21	1.00
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
	SACRS – Fall Conference Nov 9-12th	11/09-12/21	14.00
	Verus – 2022 Capital Market Webinar	12/02/21	1.00
	Nossaman – Risk Mgmt & Litigation	12/6-7/21	6.00
			Total: 99.05
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
Mary Warner	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	CALAPRS General Assembly	03/8-9/21	7.75
	Verus – Investment Refresher Presentation	03/24/21	1.25
	Ivy – Presentation Large Cap Growth Equity	04/14/21	0.75
	BlackRock – Future Forum	04/20/21	1.50
	Verus – 2 nd Qtr Investment Landscape	04/27/21	1.00
	Meketa and AndCo Presentations, Investment Consulting	04/28/21	2.25
	NEPA and Verus Presentations, Investment Consulting	04/29/21	2.25
	Verus – IP Report, Asset/Liability Study, Asset Allocation Review, and State Street Global Advisors Trust Co Amendment	05/26/21	3.50
	BlackRock Future Forum, China	06/02/21	0.75
	Boston Partners – Presentation, Large Cap	06/09/21	0.80
	SGA – Presentation, International Growth	06/09/21	0.75
	Verus – Emerging & Diverse Mgr Diligence Days Webinar	06/15/21	1.00
	BlackRock – Illuminate with iShares	06/15/21	1.00
	Verus – Asset/Liability Study Presentation	06/23/21	2.00
	Verus – Educational Securities Lending	06/23/21	0.25
	Blackrock – Real Assets	06/24/21	0.50
	CALAPRS – Admin Roundtable	06/25/21	4.00
	Pathway Presentation – Private Equity	07/14/21	1.00
	Pantheon Presentation – Private Equity	07/14/21	1.00
	Verus – 3 rd Qrt Invest Landscape	07/27/21	1.00
	Verus – Education Risk by Standard Deviation and Pvt Mrkt Investments	07/28/21	2.50
	DoubleLine Presentation – Core+ Fixed Income Franklin Templeton – Presentation Global Credit	08/11/21	1.50
	Verus – June 2021 – Investment Performance Report Presentation	08/25/21	1.00
	Invesco Presentation – Real Estate Debt	09/08/21	1.00
	SSGA Presentation – Equity Index Funds	09/08/21	1.00
	SACRS – Summer Series Key Trends	09/16/21	0.75
	Northern Trust – Next 5 yrs	09/23/21	0.75
	Cheiron – Data, stats, assumptions and projections. Valuation dated June 30, 2021	10/13/21	1.50

<i>Mary W. (con't)</i>	Verus – 4 th Qrt Investment Landscape	10/28/21	1.00
	Cheiron – Actuarial Valuation and GASB 67/68 Presentations	11/03/21	3.00
	BlackRock – Assessing Global Equities		0.50
			Total: 46.30
Member Name	Name of Event	Date(s) of Event	Education Hours Obtained
<i>Roland Hill</i>	Verus – Active/Passive Investment Panel	02/24/21	1.50
	Verus – Performance Report, Dec 31, 2020	02/24/21	0.50
	Verus – Investment Refresher Presentation	03/24/21	1.25
	<i>Retired March 27, 2021</i>		Total: 3.25

Board agendas – July and January annually



January 1, 2022

To: SACRS Trustees & SACRS Administrators/CEO's
From: Dan McAllister, SACRS Immediate Past President, Nominating Committee Chair
SACRS Nominating Committee
Re: SACRS Board of Director Elections 2022-2023 - Elections Notice

SACRS BOD 2022-2023 election process will begin January 2022. Please provide this election notice to your Board of Trustees and Voting Delegates.

DEADLINE	DESCRIPTION
March 1, 2022	Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.
March 25, 2022	The Nominating Committee will report a final ballot to each regular member County Retirement System prior to March 25
May 13, 2022	Nomination Committee to conduct elections during the SACRS Business Meeting at the Spring Conference
May 13, 2022	Board of Directors take office for 1 year

Per SACRS Bylaws, Article VIII, Section 1. Board of Director and Section 2. Elections of Directors:

Section 1. Board of Directors. *The Board shall consist of the officers of SACRS as described in Article VI, Section 1, the immediate Past President, and two (2) regular members*

A. Immediate Past President. *The immediate Past President, while he or she is a regular member of SACRS, shall also be a member of the Board. In the event the immediate Past President is unable to serve on the Board, the most recent Past President who qualifies shall serve as a member of the Board.*

B. Two (2) Regular Members. *Two (2) regular members shall also be members of the Board with full voting rights.*

Section 2. Elections of Directors. *Any regular member may submit nominations for the election of a Director to the Nominating Committee, provided the Nominating Committee receives those nominations no later than noon on March 1 of each calendar year regardless of whether March 1 is a Business Day. Each candidate may run for only one office. Write-in candidates for the final ballot, and nominations from the floor on the day of the election, shall not be accepted.*

The Nominating Committee will report its suggested slate, along with a list of the names of all members who had been nominated, to each regular member County Retirement System prior to March 25.



The Administrator of each regular member County Retirement System shall be responsible for communicating the Nominating Committee's suggested slate to each trustee and placing the election of SACRS Directors on his or her board agenda. The Administrator shall acknowledge the completion of these responsibilities with the Nominating Committee.

Director elections shall take place during the first regular meeting of each calendar year. The election shall be conducted by an open roll call vote, and shall conform to Article V, Sections 6 and 7 of these Bylaws.

Newly elected Directors shall assume their duties at the conclusion of the meeting at which they are elected, with the exception of the office of Treasurer. The incumbent Treasurer shall co-serve with the newly elected Treasurer through the completion of the current fiscal year.

The elections will be held at the SACRS Spring Conference May 10 – 13, 2022 at the Rancho Las Palmas, Rancho Mirage, CA. Elections will be held during the Annual Business meeting on Friday, May 13, 2022.

If you have any questions, please contact Dan McAllister, Dan.McAllister@sdcounty.ca.gov

Thank you for your prompt attention to this timely matter.

Sincerely,

Dan McAllister

Dan McAllister, San Diego CERA Trustee & San Diego County Treasurer Tax Collector
SACRS Nominating Committee Chair

CC: SACRS Board of Directors
SACRS Nominating Committee Members
Sulema H. Peterson, SACRS Executive Director



**SACRS Nomination Submission Form
SACRS Board of Directors Elections 2022-2023**

All interested candidates must complete this form and submit along with a letter of intent. **Both the form and the letter of intent must be submitted no later than March 1, 2022.** Please submit to the Nominating Committee Chair at Dan.McAllister@sdcounty.ca.gov AND to SACRS at sulema@sacrs.org. If you have any questions, please feel free to contact Sulema Peterson at SACRS at (916) 701-5158.

Name of Candidate	Name:
Candidate Contact Information (Please include – Phone Number, Email Address and Mailing Address)	Mailing Address: Email Address: Phone:
Name of Retirement System Candidate Currently Serves On	System Name:
List Your Current Position on Retirement Board (Chair, Alternate, Retiree, General Elected, Etc)	<input type="radio"/> Chair <input type="radio"/> Alternate <input type="radio"/> General Elected <input type="radio"/> Retiree <input type="radio"/> Other _____
Applying for SACRS Board of Directors Position (select only one)	<input type="radio"/> President <input type="radio"/> Vice President <input type="radio"/> Treasurer <input type="radio"/> Secretary <input type="radio"/> Regular Member
Brief Bio	

EDUCATIONAL EVENTS - Board of Retirement

2022

1. **DWS**, Americas Real Estate Client Conference, April 26-28, Balboa Bay Resort, Newport Beach, CA. Topics: Key trends impacting real estate investing through a series of panels from their research, transactions and portfolio mgmt. teams.
2. **CALAPRS**, General Assembly, March 5 - 8, 2022, Mission Bay Resort, San Diego, CA. "Focusing on the Future", Agenda includes – AB1234 Ethics for Trustees, and Inflation. Keynote Session, Kristina Hooper, Chief Global Market Strategist, Invesco. Agenda is in binder.
3. **CALAPRS**, Advanced Principles of Pension Governance for Trustees, March 30 to April 1, 2022, Los Angeles, 5:30 p.m.- 1:30 p.m.
4. **SACRS**, Spring Conference, May 10-13, Omni Rancho Las Palmas Resort & Spa, Rancho Mirage, CA.
5. **SACRS**, Fall Conference, November 8-11, Hyatt Regency Long Beach, Long Beach, CA.



EDELSTEIN GILBERT ROBSON & SMITH^{LLC}

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd^{Associate} Bridget E. McGowan^{Associate}

January 6, 2022

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – January 2022**

General Update

The Legislature reconvened for the second year of the 2021-22 Legislative session on Monday January 3. Legislators are beginning to introduce new bills, and two-year bills that are in the first house are getting set for hearing.

Legislators have until February 18 to introduce new legislation. All two-year bills that are still in the house of origin must pass out of that house by the end of January. Two-year bills that are already in the second house have a more relaxed timeline.

The “Swing Space” where legislative offices are housed during the construction of the annex is up and running. However, due to the spike in COVID-19 cases, many legislative staff are still working from home. It remains to be seen how the Capitol working dynamic will evolve as case rates change in the Winter and into Spring.

2022-23 California State Budget

Governor Newsom is expected to introduce the January 2022-23 State Budget next week. Like last year, California is anticipating a record surplus. Latest projections put this figure at \$31 billion, and this means it will be another busy budget year as legislators and organizations vie for a portion of this funding.

We will keep SACRS apprised of any budget items of interest that are introduced in the coming weeks and months.

Redistricting

The 2020 California Citizens Redistricting Commission approved the new district lines on December 27. Incumbent legislators are making decisions about where to run next cycle or to even run at all. To that end, a handful of legislators have already announced that they will not be seeking reelection for their next term. We expect more shuffling to come.

SACRS Sponsored Bill

The SACRS membership approved the SACRS proposed legislation at the Fall Conference in November. Now that it is approved, the Legislative Committee and lobbyists are having the relevant discussions in the Legislature to get the proposals introduced into bills.

Half of the proposals in the approved SACRS Sponsored Bill will be placed into an annual omnibus committee cleanup bill. This year that bill will be authored by the Assembly Public Employment and Retirement Committee. The other half of the proposals, while not controversial, will need to be placed in a policy bill because they are more than "technical cleanup" suitable for an omnibus bill. The SACRS lobbying team is in the process of securing a legislator to author this bill.