JACKSON SQUARE PARTNERS
SAN FRANCISCO

Large-Cap Growth

FACT SHEET I 3/31/23

STRATEGY HIGHLIGHTS

Benchmark	Russell 1000 Growth Index
Style	Growth
Market Cap	>$3B
Positions	25-35
Investment horizon	3-5 years
Inception Date	4/30/2005

INVESTMENT PHILOSOPHY AND PROCESS

We seek superior returns through holding a concentrated portfolio of companies that we believe have advantaged business models and opportunities to generate consistent, long-term growth of intrinsic business value.

IDEA GENERATION/DILIGENCE

Fundamental, bottom-up approach

Generalist analyst structure

Low turnover leads to high threshold for new ideas

ESG risk and opportunity assessment

Preferred company characteristics:
- Fundamental change
- Superior business model
- Significant free cash flow generation
- High returns on invested capital (absolute and incremental)

Collaborative group vetting informs PM decisions

PORTFOLIO CONSTRUCTION

All-weather objective

Maximize stock selection risk while neutralizing style

Conviction-based weights balancing risk/reward

Applies during normal market conditions.

TEAM	INDUSTRY	WITH FIRM
EFFECTIVE 6/30/23		
BILLY MONTANA – *LEAD PM*	**14 years**	**8 years**
BRIAN TOLLES	**9**	**7**
+8 ANALYSTS	***Average:* 18**	**10**

Current portfolio managers Jeff Van Harte and Chris Ericksen will be replaced by Brian Tolles effective 6/30/23 and take on new roles at Jackson Square.

ASSETS

Firm	$3.8 Billion
Large-Cap Growth	$359 Million

RETURNS

	Gross	Net	Russell 1000 Growth Index
1Q23	15.08	14.92	14.37
1 Year	-18.79	-19.24	-10.90
3 Year	8.05	7.52	18.58
5 Year	6.39	5.89	13.66
10 Year	9.74	9.22	14.59
SI	9.23	8.69	11.30

LARGE-CAP GROWTH STATISTICS

Risk and Return	***4/30/05 – 3/31/23***
Alpha*	-1.58
Beta	0.98
Return*	8.69
Benchmark return*	11.30
Standard deviation*	17.04
Tracking error	5.57
Information ratio	-0.37
Upside capture	92%
Downside capture	100%
Portfolio Characteristics	
Turnover LTM	29
Active Share	73
Positions	24

*Annualized
Sources: FactSet, Jackson Square
All statistics are calculated since inception, except as noted
Returns are net of advisory fees. See disclosures at end of document.
Past performance is no guarantee of future results. Investing involves risk, including possible loss of principal.

TOP 10 HOLDINGS[1]

Company	Position Initiated	Portfolio (%)
Microsoft Corporation	Jul-2013	11.80
Mastercard Inc. Class A	Dec-2007	7.39
Visa Inc. Class A	Mar-2008	6.98
Amazon.com, Inc.	Jan-2020	6.72
CME Group Inc. Class A	Dec-2022	5.09
Boeing Company	Aug-2022	4.84
Canadian Pacific Railway Ltd	Dec-2021	4.73
Waste Management, Inc.	Mar-2020	4.12
Edwards Lifesciences Corp	Aug-2020	4.07
Nike, Inc. Class B	Mar-2020	3.83
Top 10 total		**59.59**

SECTOR ALLOCATION

	Large-Cap Growth[1]	Benchmark
Communication Services	0.00	6.89
Consumer Discretionary	10.55	14.51
Consumer Staples	0.00	5.99
Energy	0.00	1.36
Financials	25.25	6.70
Health Care	15.92	11.67
Industrials	18.87	8.14
Information Technology	22.74	41.93
Materials	5.32	1.31
Real Estate	0.00	1.46
Utilities	0.00	0.04
Cash	1.35	0.00

MARKET CAP ALLOCATION (% ex cash)

	Large-Cap Growth[1]	Benchmark
$0-20B	0.00	7.42
$20-100B	42.21	23.28
$100-200B	20.96	12.91
$200B+	36.83	56.39
Weighted Avg.	$469 B	$818 B
Median	$92 B	$16 B

1. The portfolio information shown above is based on a representative Large-Cap Growth portfolio. Holdings, weightings, and characteristics are current as of the day indicated, are subject to change, and may not reflect the current portfolio. A full list of holdings is available upon request. It should not be assumed that the Top Ten Holdings presented for the portfolio will, in the future, be profitable. Sector weights are based on the Index.

Last quarter, we discussed turning the page on the next chapter of LCG with a simple objective of improving performance while better managing risk in 2023 and beyond. While it's still early, we are pleased that our actions have thus far yielded encouraging results with one quarter under our belt in 2023. LCG returned 14.92% net in 1Q'23, outperforming the benchmark's impressive 14.37% return. We achieved this result despite substantially diversifying and de-risking last year and with ~70% stock selection risk and effectively zero style benefit (less than 4%), ex ante. Even as macro uncertainty persists, the portfolio has thus far proven more durable through multiple economic cross-currents. In addition to better-managing risk, our portfolio benefitted from a solid earnings season with a higher proportion of our names meeting or exceeding consensus estimates (for both the reported quarter and forward guidance) than in the index this quarter.

Each month of 1Q'23 struck us as unique, with both risk-on and risk-off flavors. The year began with a reflexive bear market rally (Russell 1000 Growth Index +8% in January) where speculative risk led the way as the market incorrectly anticipated a Fed pause or early pivot. In February, the Fed instead maintained its resolve around taming inflation with another hike – surprising investors, reducing risk appetite, and increasing volatility. Higher vol in February was acutely apparent in CME Group, a derivatives marketplace, which thrives on uncertainty and posted its second highest ever month for interest rate futures activity.

March potentially marked the beginning of a shift in the market's focus away from inflation risk and towards credit risk with the failure of SVB and SBNY and concern for other regional banks with meaningful mark-to-market bond losses amidst consumer "cash sweeping" (i.e., deposit outflows) and a deteriorating commercial real estate environment. In response, the market rotated out of cyclicals and financials – weighing modestly on cheap ballasts like KKR, CTVA, SPGI, and CP – while large/mega-cap tech became the place to hide. Given our smaller size vs. the index's top-heavy concentration (via underweights in Apple, Google, and Tesla), we lagged slightly in March (+5.93% net vs. 6.84% for the bench) but avoided a wider shortfall given healthy exposure to MSFT, AMZN, semis (NVDA and AMD), and several holdings across healthcare-driven technology (vertical software and devices).

For the quarter overall, we delivered an up/down capture ratio greater than 1 and had no single detractor larger than ~65bps. If we consider the entire index, the two largest relative performance detractors were heavy bench weights we do not own - Apple and Tesla. Our estimated annualized tracking error is currently just above 500bps, back in-line with our long-term average after rising to nearly 1,000bps in 2Q'22 when we were caught off-guard by spiking correlations.

Fundamentally, LCG continues to trade at a modest premium to the benchmark but for, in our view, significantly faster cash flow growth and a much higher-quality mix of businesses, as evidenced by expected ROIC. We think this a winning trade-off long-term. As the market gets more clarity on the macro path forward, we expect time horizons to normalize and bottom-up stock theses, cash flow growth, and value creation to matter more, all of which we believe will prove a tailwind for our investing approach. Additionally, given rising rates and what we anticipate will be an increasingly tight lending environment, we have scrubbed the balance sheets of our businesses with leverage and feel comfortable with overall liquidity, debt levels, covenants / coverage, costs (vast majority of debt is fixed rate), and maturity schedules.

	3-Year CAGR ('22-'25)		Valuation FCF (x)*		ROIC
	Revenue	FCF / Share*	CY23E	CY24E	CY23E
JSP Large-Cap Growth	10.9%	24.0%	29.1x	24.5x	25.1%
Russell 1000 Growth	7.8%	15.0%	25.0x	21.8x	16.6%
Relative	**3.1%**	**9.0%**	**4.1x**	**2.7x**	**8.5%**

Source: Bloomberg, Jackson Square. As of 3/31/23
*Free Cash Flow (FCF) metrics exclude names expected to be FCF negative during the period. For LCG, this is 0% of the portfolio.
Return on Invested Capital (ROIC) calculation is net of cash (in the invested capital denominator)

Looking forward, the Fed remains hellbent on squashing inflation (despite banking stress), credit is tightening, and the probability of a recession appears to increase by the day. Even if we are nearing the end of this historic hike cycle, we are not convinced it is as simple as “buy the last cut” as inflation and rates could persist at higher-than-expected levels, and, in our view, the equity markets are still hoping for and discounting a “soft landing” that may not occur. As ever, we are not making an explicit or implicit macro call and have purposefully designed the portfolio to brace for a variety of market environments, both good and bad. The goal remains for stock-specific risk and our idiosyncratic investment theses to drive all-weather performance while neutralizing other factors as much as possible.

Strategy Review

For the first quarter of 2023, the Large-Cap Growth Portfolio outperformed its benchmark, the Russell 1000 Growth Index. On a sector level, health care and industrials were the largest contributors and information technology and financials were the largest detractors from performance.

TOP CONTRIBUTORS	
Align Technology, Inc.	Health Care
Uber Technologies, Inc.	Industrials
Advanced Micro Devices, Inc.	Information Technology
Airbnb, Inc. Class A	Consumer Discretionary
Amazon.Com, Inc.	Consumer Discretionary

TOP DETRACTORS	
Danaher Corporation	Health Care
Intuitive Surgical, Inc.	Health Care
Mastercard Incorporated Class A	Financials
Canadian Pacific Railway Limited	Industrials
S&P Global, Inc.	Financials

Market Review and Outlook

The new year opened with optimism and markets surged as investors looked past the ongoing threats of inflation and recession. High inflation and jobs numbers in February provided a reality check and as earnings season progressed, markets responded in a more muted manner to fundamental updates. This relative calm was broken by liquidity concerns at Silicon Valley Bank which set off a domino effect of failure or the threat of failure for smaller, regional banks which had badly mismatched their asset/liability durations. As credit contagion spread, the central bank swooped in to reassure depositors that their money was safe, shore up or engineer sales for teetering institutions, and effectively stop the crisis in its tracks. Though bank stocks suffered and mega-cap tech names rebounded with vigor, the markets otherwise seemed to largely shrug off the event by the end of the quarter.

OPEC members opened the 2nd quarter by announcing substantial cuts in production, adding a new ingredient to the pot of unknowns giving investors persistent indigestion. The resilience of the economy in the face of tight monetary policy has been notable, and yet we do not expect volatility to abate near term. Though Growth made up significant ground relative to Value in the first quarter, we believe pockets of opportunity remain as the markets increasingly return to a focus on fundamentals. We believe small caps continue to trade at a significant discount to large caps, presenting an opportunity to capture value creation potential in companies with the ability to defend margins in a challenging economy. Healthcare's broad underperformance is at odds with both its historical resilience during recessionary periods and secular tailwinds which we believe makes the sector an increasingly attractive hunting ground for long-term investors.

At Jackson Square, we remain focused on the three-to-five year growth potential for our portfolio companies and optimizing upside/downside capture over the long term. Regardless of policy outcomes and oscillating investor sentiment, we remain consistent in our long-term investment philosophy: owning what we view as strong secular-growth companies with great competitive positions that can grow market share and have the potential to deliver shareholder value in a variety of market environments.

Securities described are subject to change and may not reflect the current portfolio. A full list of holdings is available upon request.

Please see additional disclosures on page 2 and 6.

COMPOSITE STATISTICS AND PERFORMANCE

					3-Year Annualized Standard Deviation (%)		As of December 31st		
Period End	Composite return gross-of-fees (%)	Composite return net-of-fees (%)	Russell 1000 Growth Index (net) return (%)	Composite Internal dispersion (%)	Composite	Russell 1000 Growth Index (net)	Number of Portfolios	Composite Assets ($mm)	Total Firm Assets ($mm)
2022	-39.0	-39.3	-29.1	n/a	24.6	23.5	<6	454	3,826
2021	8.5	8.0	27.6	0.1	18.9	18.2	10	2,935	12,342
2020	45.0	44.4	38.5	0.2	19.5	19.6	19	13,848	25,497
2019	28.0	27.5	36.4	0.1	12.7	13.1	26	11,674	19,889
2018	-2.1	-2.5	-1.5	0.2	12.4	12.1	31	11,036	16,779
2017	29.2	28.6	30.2	0.1	11.5	10.5	45	13,920	20,154
2016	-4.4	-4.8	7.1	0.4	12.4	11.2	54	12,563	19,749
2015	6.0	5.5	5.7	0.2	11.7	10.7	65	17,337	26,197
2014	13.7	13.2	13.0	0.1	10.4	9.6	64	18,358	25,753
2013	35.6	35.0	33.5	0.1	12.1	12.2	46	15,270	n/a

PERFORMANCE DISCLOSURES: LARGE-CAP GROWTH COMPOSITE

Jackson Square Partners claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Jackson Square Partners has been independently verified for the periods May 1, 2014 through December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedure 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 verification report is available upon request. A list of the firm's limited distribution pooled fund descriptions and a list of broad distribution pooled funds is available upon request. 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.

Jackson Square Partners is a registered investment adviser established on May 1, 2014. Registration does not imply a certain level of skill or training. Jackson Square Partners manages domestic and global growth equity strategies for institutional and retail clients. Performance shown prior to May 1, 2014 represents results achieved by the Jackson Square Partners team at Delaware Investments prior to the establishment of Jackson Square Partners. Delaware Investments claims compliance with the GIPS standards and was previously verified.

The Composite invests primarily in mid- and large-cap common stocks of U.S. growth-oriented companies that the firm believes have long-term capital appreciation potential and may grow faster than the U.S. economy. Investing involves risk, including loss of principal. Investments in the equities markets are subject to risk. Because the strategy expects to hold a concentrated portfolio of a limited number of securities, the portfolio's risk is increased because each investment has a greater effect on the strategy's overall performance. This Composite was created in May 2004. In April 2005, responsibility for Large Cap Growth investment management was assumed by the Jackson Square Partners team therefore performance of the Composite is presented since April 30, 2005 only. The Composite inception date is April 30, 2005. The Composite includes all discretionary, fee paying accounts, including pooled funds, managed in this strategy. Performance results are shown as total returns, net of dividend withholding taxes, assume reinvestment of dividends and capital gains, are presented before and after the deduction of investment advisory fees, and are calculated in U.S. dollars. The returns of some accounts in the Composite may include income from securities lending. Net returns are calculated using a model investment advisory fee derived by applying the strategy's maximum fee schedule in effect for the respective period, monthly. The current fee schedule for the strategy is as follows: first $50 million, 0.70%; next $150 million, 0.50%; amounts over $200 million, 0.40%. Jackson Square Partners investment advisory fees are described in Part 2A of the firm's Form ADV. Some clients may utilize a performance-based fee. Actual advisory fees can vary among clients employing this strategy and may be higher or lower than model investment advisory fees. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. A list of composite descriptions is available upon request. Past performance is not an indicator of future results. Internal dispersion is calculated using the asset-weighted standard deviation of the annual returns of all the portfolios that were included in the Composite for the entire year. Internal dispersion is only shown if the Composite has at least six accounts that were managed for the full calendar year. All risk measures presented are calculated using gross-of-fees returns.

The three-year annualized standard deviation measures the variability of the Composite and the benchmark over the preceding 36-month period. This measure is not required to be presented when 36 monthly composite returns are not yet available.

The benchmark for the Composite is the Russell 1000® Growth Index. The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. For comparison purposes, the index is fully invested and includes the reinvestment of income. Index returns do not reflect management fees, transaction costs, or expenses. Indices are unmanaged, and one cannot invest directly in an index. Benchmark information contained herein has been obtained from third party sources believed to be reliable, but we cannot guarantee its accuracy or completeness. All third-party marks are the property of their respective owners. The benchmark returns are not covered by the report of independent verifiers.

Because the strategy expects to hold a concentrated portfolio of a limited number of securities, the strategy's risk is increased because each investment will have a greater effect on the strategy's overall performance.

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